ALLIED

2022

Environmental, Social and Governance Report

Contents

110 Yonge Street, Toronto

Our Foundation

700 Saint-Antoine, Montréal

Message from our CEO

Over three decades ago, Allied began adaptively re-using space in response to the need for knowledge-based organizations to attract and retain top talent. We grew the portfolio across Canadian cities, consolidating underutilized land while focusing on century-old structures for their inherent appeal and unique character. By re-purposing rather than building new, we demonstrated an intrinsic commitment to the environment. By preserving historical buildings, creating distinctive workspaces and curating unique retail experiences, we contributed to vibrant, amenity-rich neighbourhoods.

At the time, the concept of ESG had yet to take shape, so we were unknowingly practicing the "E" and "S", and later the "G" when Allied went public in 2003. As ESG issues gained importance in the global conscience, we recognized the value of submitting ourselves to external scrutiny and investing in programs to further our impact. Allied formally applied for its first GRESB assessment in 2019 to benchmark our progress. This marked an important evolution that enabled us to integrate ESG into our operations platform and corporate culture, guiding our decision-making and long-term strategies.

We are committed to our ESG goals, grateful for the support of team members, users, partners and investors that have supported us along the journey. In 2022, we exceeded environmental targets, advanced our Net Zero Carbon Plan, implemented actions in our Equity, Diversity and Inclusion Roadmap and maintained a robust governance framework. Recognizing that the greenest building is often one that already exists, we commit to certifying 70% of our standing portfolio to BOMA and/or LEED in the next five years to continue enhancing the operational performance of our assets. We know that by acting today for a better tomorrow, we can leverage our business activities to generate a positive global impact.

You can read more about our commitments and performance in the following report.

CECILIA C. WILLIAMS
President & CEO

Our Report

This report communicates Allied's ESG Strategy, 2022 ESG performance and some notable achievements in 2023. It also provides data comparisons against our 2019 baseline and discloses progress against our 2024 reduction targets for key environmental metrics.

Every year, we intend to increase our data coverage and enhance the disclosure of our ESG performance metrics. In 2022, we maintained environmental performance at levels similar to 2021, while physical occupancy increased throughout the portfolio.

REPORTING FRAMEWORKS

We have prepared our 2022 ESG Report in accordance with the Global Reporting Initiative (GRI) 2021 Universal Standards, the Sustainability Accounting Standards Board (SASB) Real Estate Standard and the United Nations Sustainable Development Goals (UN SDGs). We have also disclosed our climate-related risk management activities based on the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

EXTERNAL ASSURANCE

As part of our commitment to providing consistent and accurate data, we submitted all 2022 energy, greenhouse gas (GHG) emissions, water and waste data included in this report for third-party assurance.

APPENDIX

Please see appendices for further details related to our reporting boundaries and methodology, detailed disclosures and alignment with reporting frameworks and our third-party assurance statement.

Customs House, 134 11th Avenue SE, Calgary

About Allied

Allied is a leading owner-operator of distinctive urban workspace in Canada's major cities.

VISION

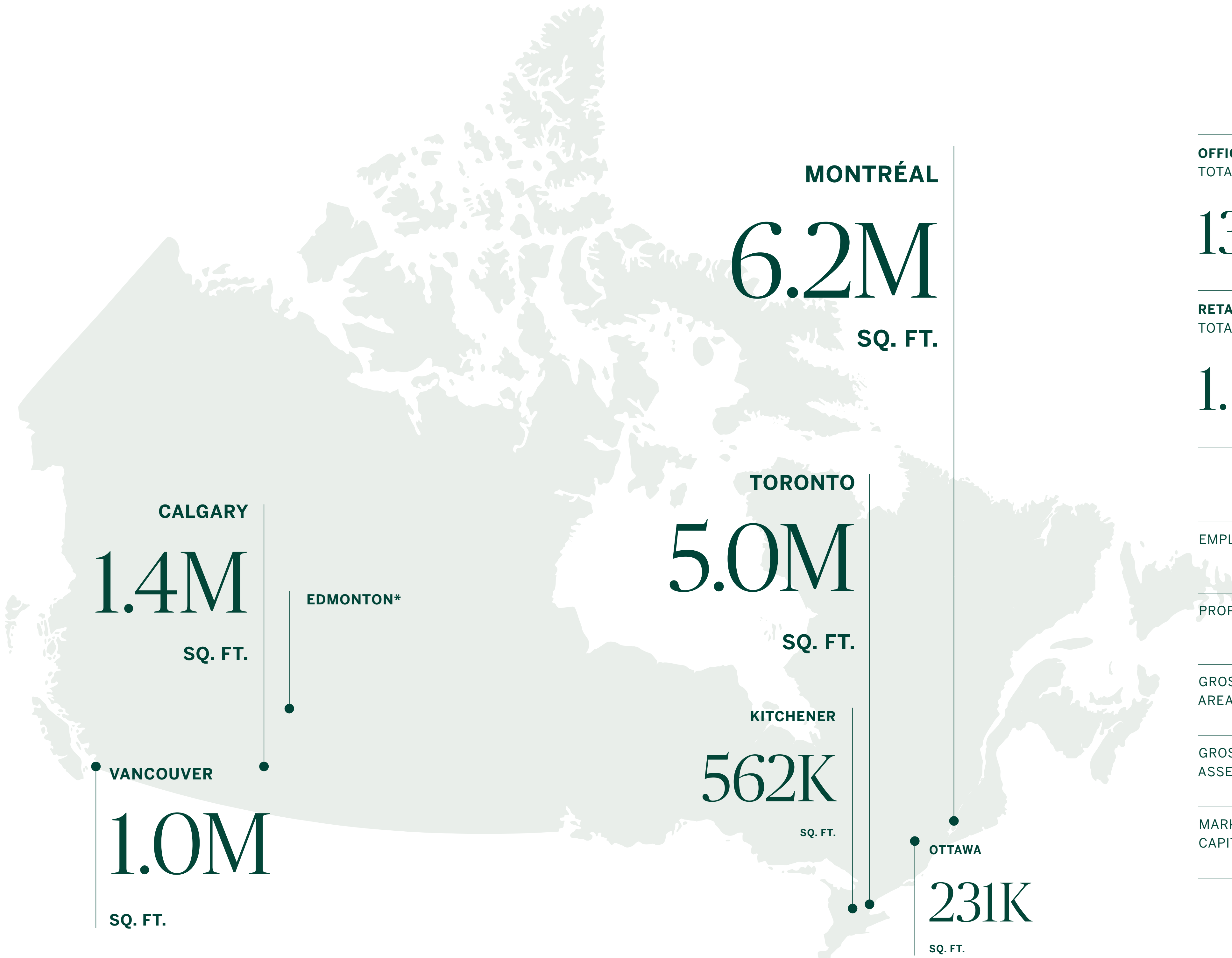
To make a continuous contribution to cities and culture that elevates and inspires the humanity in all people.

MISSION

To provide knowledge-based organizations with distinctive urban workspace in a manner that is sustainable and conducive to human wellness, creativity, connectivity and diversity.

CORE VALUES

Respect
Teamwork
Creativity
Focus
Enthusiasm
Community



OFFICE
TOTAL SQ. FT.

13.1M

RETAIL
TOTAL SQ. FT.

1.3M

	INITIAL PUBLIC OFFERING (February 20, 2003)	CURRENT STATUS (March 31, 2023)
EMPLOYEES	55	379
PROPERTIES	14 (in Toronto)	199** (in seven cities)
GROSS LEASABLE AREA (GLA)	820K (sq. ft.)	14.4M** (sq. ft.)
GROSS ASSET VALUE	$120M	$8.3B**
MARKET CAPITALIZATION	$62M	$3.1B

*Our Edmonton portfolio is currently under development and, therefore, excluded from the above reporting. The numbers on this page are reported in Gross Leasable Area (GLA). Gross Floor Area (GFA) is used throughout the rest of the report.
**Not including Assets Held for Sale valued at $1.4B and Properties Under Development valued at $1.5B.

2022 Highlights

Outperformed 2024 Reduction Targets

We continued to exceed our 2024 reduction targets for Energy Use Intensity (EUI), Greenhouse Gas Intensity (GHGI) and Water Use Intensity (WUI). In 2022, we maintained environmental performance at levels similar to 2021, while physical occupancy increased throughout the portfolio.

ENERGY USE INTENSITY (EUI)

13% ↓

reduction from 2019 baseline

WATER USE INTENSITY (WUI)

31% ↓

reduction from 2019 baseline

GREENHOUSE GAS INTENSITY (GHGI)

11% ↓

reduction from 2019 baseline

WASTE DIVERSION

2% ↑

increase from 2019 baseline

CERTIFICATION TARGET

70%

We will certify an additional 8.1 million sq. ft. to LEED and/or BOMA by 2028, increasing our certification percentage from 27% to 70% across the portfolio.

Developed an Internal Price of Carbon

We established Allied's shadow price of carbon to support financial analysis and decision-making for all new investments, developments and retrofit opportunities. The shadow price allows us to quantify the impact of carbon to our business by assigning a notional price to every tonne of carbon emitted.

Co-Hosted Indigenous Relations Workshop Series

In June 2022 and March 2023, Allied partnered with ULI Toronto, Shared Path and Westbank to deliver a workshop series for leaders in the industry to advance their understanding of colonization and its impact on Indigenous Peoples, and to start exploring opportunities to collaborate in real estate development.

89%

of employees feel people are treated equally regardless of race / ethnicity and gender.

75%

of workforce participated in professional development.

Improved GRESB Score by Six Points

for our standing investments and seven points for developments compared to 2021, achieving scores of 86 and 82 respectively.

Outperformed Peers in User Experience

assessment ratings. Results demonstrated year-over-year progress, with improved ratings in key areas and an overall increase in user satisfaction.

2023

Recognized as a Canadian "Best Employer"

in 2020, 2021 and 2023. Allied's 2023 engagement score was 75%.

ESG at Allied

RESOURCES AND TOOLS

ESG POLICY | CORPORATE ESG METRICS | 2024 REDUCTION TARGETS | ESG STRATEGY | NET ZERO CARBON PLAN | EDI ROADMAP | SUSTAINABLE DEVELOPMENT FRAMEWORK | PHYSICAL CLIMATE RESILIENCE STRATEGY | NATIONAL BUILDING CERTIFICATION STRATEGY

GOVERNANCE

BOARD OF TRUSTEES

Reviews our governance practices regularly and is responsible for overseeing and monitoring our ESG Strategy, including the integration of ESG into our overall business strategy. Receives regular updates from Management on ESG and an annual presentation from the VP, Corporate Planning & Sustainability.

BOARD GOVERNANCE, COMPENSATION & NOMINATION COMMITTEE

Develops and monitors Allied's overall approach to matters of governance. Oversees and monitors ESG performance. Reviews Allied's ESG Report, ESG Policy and other governance policies and practices and makes comprehensive recommendations to the Board annually.

EXECUTIVE ESG COMMITTEE

Assists Management and the Board in defining, designing, implementing, expanding and evaluating Allied's ESG Strategy. Meets semi-annually to review all matters related to ESG initiatives, performance and reporting.

CORPORATE PLANNING & SUSTAINABILITY TEAM

Responsible for establishing and reporting Allied's ESG Strategy and supporting all teams to achieve our ESG objectives.

ASSET & ENVIRONMENTAL SUSTAINABILITY TEAM

Responsible for establishing and executing the environmental performance strategies of Allied's portfolio, including energy, GHG emissions, water and waste.

DEPARTMENTS & COMMITTEES

Support the execution of Allied's ESG Strategy and related initiatives.

KEY STAKEHOLDERS

EMPLOYEES | USERS | INVESTORS | PARTNERS
COMMUNITIES | SUPPLIERS | CONTRACTORS

ESG Strategy

In 2021, we completed Allied's inaugural ESG Strategy to reflect the interests of our key stakeholders, define goals and targets for our ESG priorities and provide a strong framework to support our evolving aspirations. Developing the Strategy encompassed three key actions:

1. Establishing an executive ESG Committee
2. Conducting a materiality assessment to identify the ESG-related topics that are most significant to our business
3. Setting impactful and practical goals and targets

In 2022, we reviewed our Materiality Assessment* to ensure that our ESG priorities remained in alignment with our stakeholders and leading market forces. As part of this process, we conducted a desktop review of relevant legislation, sustainability frameworks and peers. We hosted four employee engagement sessions to review current priorities and evaluated investor communications and questionnaires to identify emerging trends and interests. The results of this review demonstrated that our ESG priorities remain in alignment with stakeholder expectations and market demands.

While employees and users are not included on our prioritized list of ESG topics, we view these stakeholders as fundamental to our business and ESG performance. Further details on employee engagement and user experience can be found on pages 15 and 19 respectively.

We continuously evaluate emerging ESG topics and trends. This report describes our work in several areas, including biodiversity, human rights, sustainable procurement and cybersecurity. Over the next year, we will undertake another review of our ESG Strategy to ensure we are consistent with prevailing stakeholder expectations and evolving reporting frameworks.

ALLIED'S ESG PRIORITIES

ENVIRONMENTAL

Energy management & GHG emissions reduction
Climate change adaptation
Sustainable design standards
Water management
Waste management

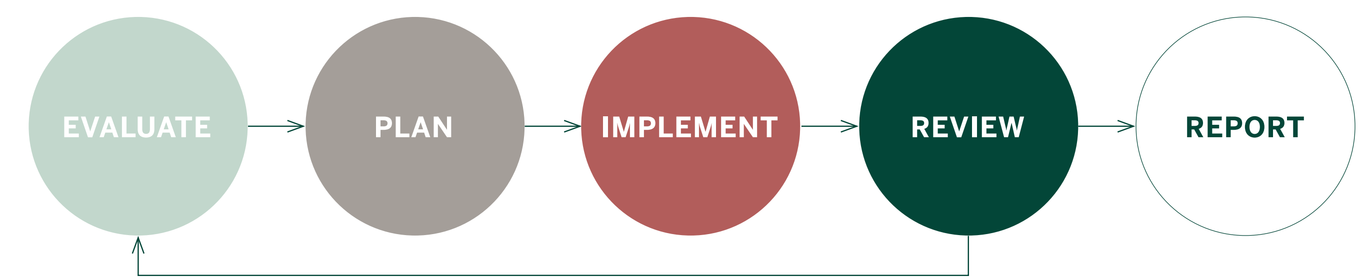
SOCIAL

Equity, diversity & inclusion
Health, wellbeing & safety

GOVERNANCE

Climate-related risk management
ESG disclosure & transparency

OUR PROCESS



EVALUATE

- **Scan** market trends, best practices and current events
- **Assess** and benchmark baseline performance
- **Understand** the needs and desires of our stakeholders
- **Identify** ESG priorities where we can have the greatest impact on the issues that affect our business, stakeholders and communities

PLAN

- **Establish** goals, targets and metrics for our ESG priorities
- **Develop** plans, toolkits and resources needed for execution

IMPLEMENT

- **Educate** and train employees to ensure successful implementation
- **Monitor** implementation and performance
- **Record** successes and areas of improvement

REVIEW

- **Analyze** performance and compare against benchmarks
- **Revise** processes and programs to improve ESG outcomes

REPORT

- **Communicate** on an annual basis to maintain transparency and accountability

*Read more about our 2021 Materiality Assessment on page 27.

Environmental

We aim to protect the natural environment while reducing the environmental impact of our business activities.

The Well, 8 Spadina Avenue, Toronto

Net Zero Carbon Plan

In 2022, we continued to advance our Net Zero Carbon (NZC) Plan, in alignment with the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard V1.0. The Plan is guided by the ESG Committee, with support from industry experts and stewarded by a multi-disciplinary NZC project team. Our Plan is centered on four pillars: development and re-development projects, acquisition due diligence, operational assets and renewables and offsets. Each pillar has associated impact areas and project outcomes to drive GHG emissions reduction and overall performance.

2022 PROGRESS

INTERNAL SHADOW PRICE OF CARBON

We established an internal shadow price of carbon to support the financial analysis and decision-making for all new investments, developments and retrofit opportunities. The shadow price acts as a notional market price per tonne of operational carbon emitted. It enables us to quantify the impact of carbon emissions to our business and to make decisions that account for expected transition risk. To determine the shadow price of carbon, we compared a conventional office building to an NZC building by evaluating the following factors:

- Operational expenses incurred by existing and planned carbon tax policies
- Lost or gained rental income and occupancy
- Increased or diminished asset value
- Changes to the cost of debt
- Costs associated with the social impacts of carbon

The shadow price will be reviewed annually to ensure we are responding to prevailing market drivers, economic conditions and government policies.

UPDATING OWNER'S PROJECT REQUIREMENTS

All future ground-up developments will require:

- Life-cycle cost analyses to evaluate the feasibility of achieving net zero and LEED v4 BD+C Platinum. The analysis applies the internal shadow price of carbon to evaluate different development options.
- Whole-building life-cycle assessments to quantify our Scope 3 emissions and evaluate embodied carbon per LEED v4 BD+C Building Life-Cycle Impact Reduction Option 2 requirements.

EXISTING BUILDING NZC TRANSITION STUDY

We developed a deep carbon retrofit concept-design for four buildings, totaling 1.5 million sq. ft., to demonstrate how to decarbonize while modernizing the existing HVAC system, improving user comfort, enhancing system reliability and reducing operational costs. The studies will inform our NZC Plan by providing representative estimates of the capital investment and operational impacts to achieve deep carbon reductions. With this analysis, we will proceed to the detailed design stage to refine project cost estimates, projected energy and carbon savings and optimize project design parameters before moving into construction.

EDUCATIONAL WORKSHOPS

We conducted multiple workshops to equip our NZC project team members with the fundamental knowledge of GHG emissions and accounting, life-cycle cost analysis, regulatory and market trends, building technologies and renewable energy and offsets. We also hosted educational seminars for all employees to learn about the fundamentals of energy management and GHG accounting.

NEXT STEPS

1. Quantify the impacts of operational carbon from all future development projects. Establish absolute carbon performance targets and carbon budgets for all ground-up development and re-developments.
2. Develop an NZC acquisition checklist to evaluate the implications of transitioning new acquisitions to net zero as part of our due diligence process. Checklist activities to include, measuring the acquisition's total carbon emissions, calculating the cost of transitioning the building to net zero and reviewing potential operating costs due to existing and future carbon regulations.
3. Continue to develop our NZC transition roadmap for our standing portfolio by identifying representative buildings and estimating costs to transition the buildings to NZC. Establish a timeline and budget for transitioning our portfolio in line with chosen emissions reduction targets.
4. Finalize clear boundaries for Scope 1, 2 and 3 emissions for GHG accounting and net-zero target setting in alignment with SBTi.
5. Determine residual Scope 1 and 2 emissions, identify renewable energy certificates, power purchase agreements and carbon offset options. Establish procurement requirements.
6. Finalize targets and Allied's approach for the NZC transition plan. Submit our commitment and targets to SBTi.

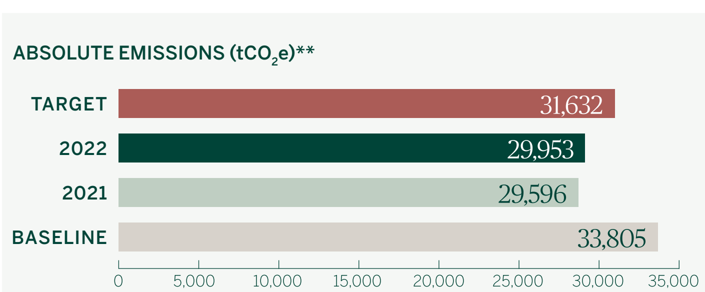
Energy Management & GHG Emissions Reduction

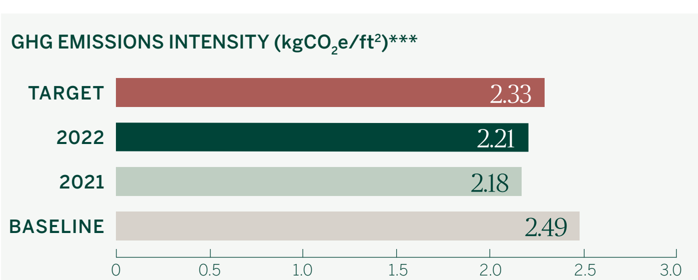
GOALS

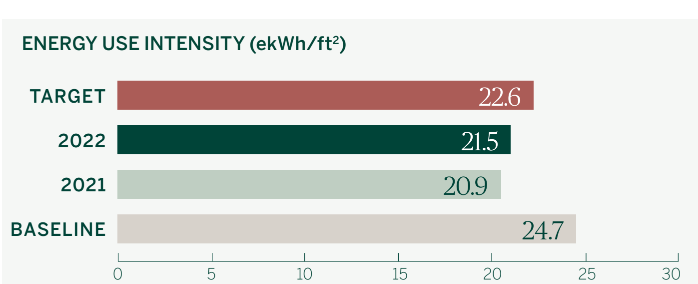
Energy Management
Reduce the energy consumption at our properties by optimizing systems design and conservation practices.

GHG Emissions Reduction
Limit the direct and indirect greenhouse gas (GHG) emissions that we generate through our operations, developments and major re-developments to minimize the adverse environmental and human health impacts of global warming.

TARGET PORTFOLIO* PERFORMANCE







To support the continuous improvement of our environmental performance, in 2020 we established five-year energy and GHG emissions reduction targets against a 2019 baseline.

Our 2022 energy and GHG performance continued to exceed our 2024 targets by 5.2% and 4.9%, respectively. Comparing 2021 results with 2022, our performance remained consistent, despite the increase in energy usage from higher physical occupancy.

DATA COVERAGE

Over the past several years, we focused on increasing our data coverage for performance benchmarking and energy auditing to identify conservation opportunities and implement projects with a strong economic payback. In 2022, we maintained 95% energy data coverage across our standing portfolio, while continuing to increase our portfolio size.

*Allied's target portfolio reflects a portion of our assets with consistent data coverage and representative building types, as outlined in our Reporting Methodology in the Appendix. We are reporting our 2022 performance against our 2019 baseline and 2024 targets. Year-over-year performance for our standing portfolio is included in the Appendix and supplementary GRI and SASB tables.
**Baseline, Target and 2021 absolute emissions have been adjusted from previous reports due to the removal of RCA 1001 Lenoir from our target boundary as the building is undergoing major renovation and is no longer suitable for like-for-like comparison.
***Greenhouse Gas Intensity refers to Allied's operational carbon emissions (Scope 1 and 2) from our properties.

2022 INITIATIVES

Our energy management program focuses on four pillars: data collection, tools and systems, audits and retrofits, education and engagement. As of 2022, we are prioritizing supporting our team with the training, tools and processes for ongoing performance optimization, fault detection and diagnostics (FDD) and continuous commissioning. In 2022, we:

- Created a quarterly environmental sustainability dashboard to regularly review, identify and correct performance deviation and deficiencies.
- Launched an internal training module through the Allied Academy on energy management best practices.
- Leveraged submetering systems and interval data for FDD.
- Established a Building Automation Systems (BAS) standard for ground-up developments and retrofit projects to prepare us for portfolio-scale continuous commissioning.
- Invested over $7 million of non-recoverable funds in energy and water conservation capital projects over the past three years.
- Completed lighting retrofits covering over 2.2 million sq. ft. Since 2019, we have performed 78 lighting retrofit projects covering over 7.9 million sq. ft., reducing our lighting energy costs by more than 40%.
- Established a national LED lighting fixture standard for tenant improvement work that provides greater energy efficiency and material quality at a lower cost relative to the conventional approach. We will deploy over 1,000 new fixtures in 2023, covering approximately 800,000 sq. ft.
- Installed smart LED lighting fixtures in parking garages at five buildings in Montréal. The new fixtures are achieving greater than 50% energy reduction compared to the pre-retrofit lighting systems. The smart fixtures include remote control, integrated occupancy and daylight sensors, continuous dimming and tunable colour levels, allowing us to optimize energy performance to building activity.
- Commenced retro-commissioning (RCx) at two large buildings to identify low-to-no-cost energy conservation measures and move towards continuous commissioning.
- Started our strategic replacement of end-of-life fossil fuel-based equipment to transition buildings to low carbon, eliminating the use of natural gas from space heating and achieving up to 95% reduction in operational carbon.

CAPITAL RENEWAL PROJECT
4396-4410 SAINT-LAURENT

Replacing end-of-life steam boiler-radiator system with electric baseboards and digital controls

95%	80 tCO_2e	6 years
BUILDING CARBON REDUCTION	REDUCTION IN ANNUAL EMISSIONS	EXPECTED PAYBACK

Next Steps

- → Implement RCx at additional assets in 2023.
- → Continue to deploy energy conservation measures with less than five years of payback, including 20 LED lighting retrofit projects in 2023, covering over one million sq. ft.
- → Continue to identify decarbonization opportunities with end-of-life capital renewal projects.
- → Continue to elevate our operations platform by deploying tools, technologies and training for performance optimization and FDD.
- → Upgrade energy and water submetering systems at 10 buildings in 2023.
- → Complete energy management plans, establish building-specific targets and performance monitoring protocols for all operational assets.

MAXIMIZING HEAT RECOVERY OPPORTUNITIES FOR

Deep Carbon Reduction at De Gaspé

5455 De Gaspé is a 519,559 sq. ft., 12-storey office building with a large server room of approximately 4,500 sq. ft., which requires year-round cooling. As part of a building system upgrade, we identified an opportunity to recover the heat generated by the servers as a low-carbon energy source for space heating, reducing the need for natural gas boilers. Using Quebec's clean electricity to drive the heat recovery chiller for the majority of the building's heating load, we are expecting to achieve up to 70% reduction in GHG emissions. The natural gas boilers are maintained at the site for system redundancy and operational flexibility. The operations team can switch between natural gas or electricity as the building's heating source, in response to external conditions such as electric grid stress signals or unexpected changes in energy commodity prices.

ESTIMATED PERFORMANCE METRICS

70%
REDUCTION IN ANNUAL GHG EMISSIONS

6 years
ESTIMATED PAYBACK WITHOUT INTERNAL SHADOW PRICE OF CARBON

67%
OF PROJECT COST SECURED AND FUNDED BY LOW-CARBON SUBSIDIES

1.7 years
ESTIMATED PAYBACK WITH INTERNAL SHADOW PRICE OF CARBON

$55,000
OF SAVINGS PER YEAR

450 tCO_2e
REDUCTION IN ANNUAL GHG EMISSIONS

10.3 kg/ft^2
POST-RETROFIT BUILDING GHGI PER YEAR

Climate Change Adaptation

GOAL

Prioritize climate change adaptation in our approach to acquisitions, development and operations.

We are taking a proactive approach to evaluate, adapt and mitigate against the physical risks that climate change poses to our business, assets and operational activities.

In 2021, we reviewed the physical climate risks of our standing portfolio using Moody's Four Twenty Seven© (427) data. This platform allowed us to assess our buildings' vulnerabilities to extreme weather events across seven natural hazards: heat stress, wildfires, water stress, floods, tornadoes, earthquakes and sea level rise. Building on this, in 2022 we partnered with experts to examine potential site-specific risks and impacts caused by future extreme weather events to identify and prioritize building-specific mitigation strategies.

Leveraging these insights, we developed a building assessment framework guided by ISO 14091, ISO 31000 and the Public Infrastructure Engineering Vulnerability Committee (PIEVC) Protocol. We applied the framework to a pilot study covering five representative buildings in different geographical locations and climatic conditions.

Our pilot projects, building assessment framework and Physical Climate Resilience Strategy are the cornerstones of our adaptation program and help us navigate climate-related risk. Our framework underpins our Physical Climate Resilience Strategy which we started to implement across the portfolio to support building-specific resilience measures. Over the next several years, we will roll out the assessment framework to other buildings resulting in a more advanced, robust and site-specific awareness of potential physical climate risks and mitigation measures.

We recognize that climate risk evaluation is an emerging area of study and that we must continuously learn, iterate and refine to improve our process and understanding. In addition to physical risks, we identify and address transition risks and opportunities to our business based on the recommendations established by the Task Force on Climate-related Financial Disclosures (TCFD). For more information and to review our TCFD recommendations table, see page 47.

Next Steps

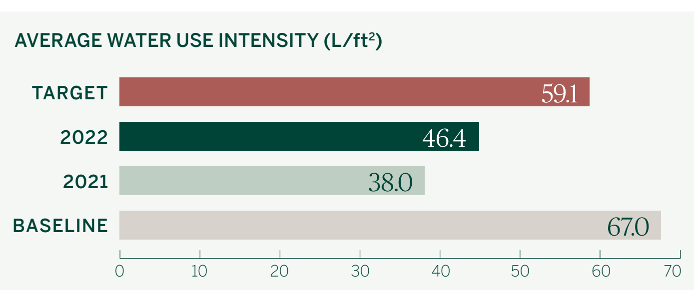
- Complete physical climate risk assessments in accordance with the new framework to identify climate-related risks and impacts, as well as adaptation measures and emergency response plans.
- Develop a climate risk rating for all properties across our portfolio.

Water Management

GOAL

Improve water use efficiency and reduce consumption across our portfolio.

TARGET PORTFOLIO PERFORMANCE



In 2022, we outperformed our 2024 reduction target by 21.5%. Year-over-year, we saw an increase in water consumption driven by rising occupancy in our office and retail spaces. We will continue to implement water conservation initiatives at our properties and report on our progress.

DATA COVERAGE

Our standing portfolio data coverage continued to improve from 75% in 2020, 83% in 2021 and 89% in 2022. This is largely due to repairing and installing water meters at our Montréal properties where water meters are not required for billing purposes. We are committed to increasing data coverage to benchmark our performance and prioritize audits and retrofits that maximize our impact and return on investment.

2022 INITIATIVES

- Increased the number of water audits, covering 17 buildings and 3.5 million sq. ft.
- Integrated water submetering at 1001 Boulevard Robert-Bourassa, increasing data coverage by over one million sq. ft.
- Leveraging municipal interval water meter data to identify leaks. The success of this initiative has led to the deployment of smart interval submeters for ongoing leak detection and alerts to promote water conservation across our portfolio.

Next Steps

→ Continue to install water meters and increase data coverage across our standing portfolio.

→ Roll out smart water submetering for all buildings with restaurant and retail tenants to improve leak detection and enable direct tenant chargeback.

→ Survey our existing open-looped cooling towers to identify conservation measures to reduce water consumption associated with evaporation and blow down.

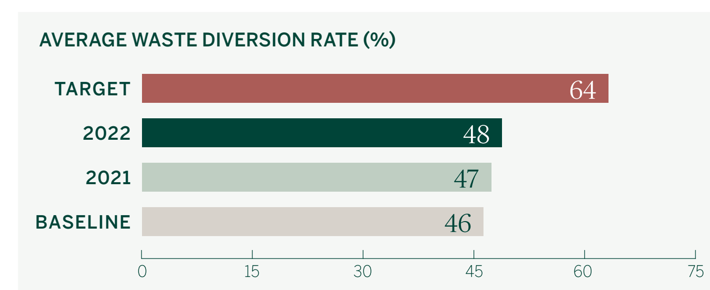
→ Develop an internal water audit checklist and continue to perform building-level water audits across our standing portfolio.

Waste Management

GOAL

Reduce the waste generated by our development and operating activities through responsible treatment, sorting, handling, storage and disposal.

TARGET PORTFOLIO PERFORMANCE



In 2022, our waste diversion rate increased by 1% to 48%. Our waste management strategy was implemented in late 2022, as such we don't expect to see a material impact to our diversion rate until early 2024. We are optimistic that we will achieve our average waste diversion target of 64% by the end of 2024.

DATA COVERAGE

Our standing portfolio data coverage continued to improve for the third year in a row from 80% in 2020 to 85% in 2022.

Conducted waste audits covering

50%

of our portfolio

2022 INITIATIVES

- Finalized our waste management strategy.
- Conducted building waste audits across 9.2 million sq. ft., representing 50% of our national portfolio, up from 5.8 million sq. ft. in 2021.
- Established a user engagement plan to encourage behavioural change to reduce landfill waste, including an annual waste reduction week in November and Earth Day events, including an e-waste drive, waste survey and educational webinars. We also engage users by summarizing waste audit findings and supporting them to implement the suggested improvements.
- Identified 10 priority buildings with the greatest waste production and lowest diversion rate. Established dedicated working groups for each priority building to review, identify and address performance issues until waste targets are achieved.
- Updated signage and building waste collection procedures to increase the capture rate of recyclable and organic materials.
- Expanded hazardous and e-waste collection programs. In early 2023, we held a national e-waste drive and collected over 7,500 lbs of e-waste.

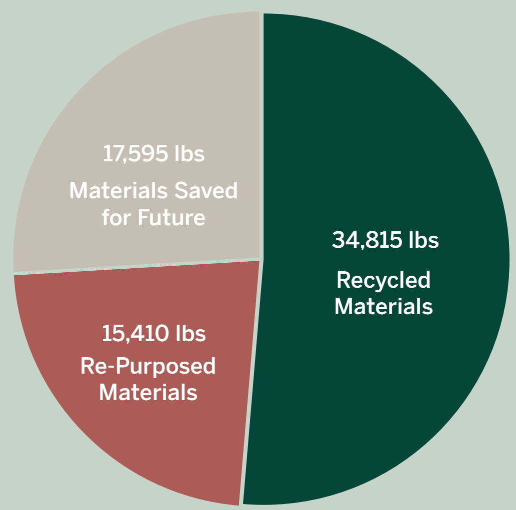
Allied's Zero-Waste Renovation

Over the course of 2022, Allied designed and re-built our 7,000-square-foot office at Vintage Towers in downtown Calgary. The primary project goal was to achieve zero waste during demolition and construction. To reach our goal, we considered how our new office could be designed utilizing re-purposed materials from the existing suite and the old Allied office while also meeting modern workspace design standards. A necessary first step was to catalogue all existing materials and determine what could be strategically de-commissioned, disassembled and re-used on the current project or stored for future projects. We implemented numerous creative solutions to re-purpose office furniture, including re-configuring out-of-date cubicles into a modern bench solution rather than purchasing new. In addition, we re-purposed bricks, timber beams, laminated veneer lumber, lighting fixtures and rough-cut Douglas Fir from other Allied projects across the region as part of the build-out. The project exceeded the LEED v4.1 ID+C diversion target of 50% for commercial interiors by 23% and diverted a total of 67,821 lbs from landfill. It also provided useful insight on how we can adapt standard construction practices to meet our waste goals on future projects.

73% OF CONSTRUCTION MATERIALS DIVERTED FROM LANDFILL

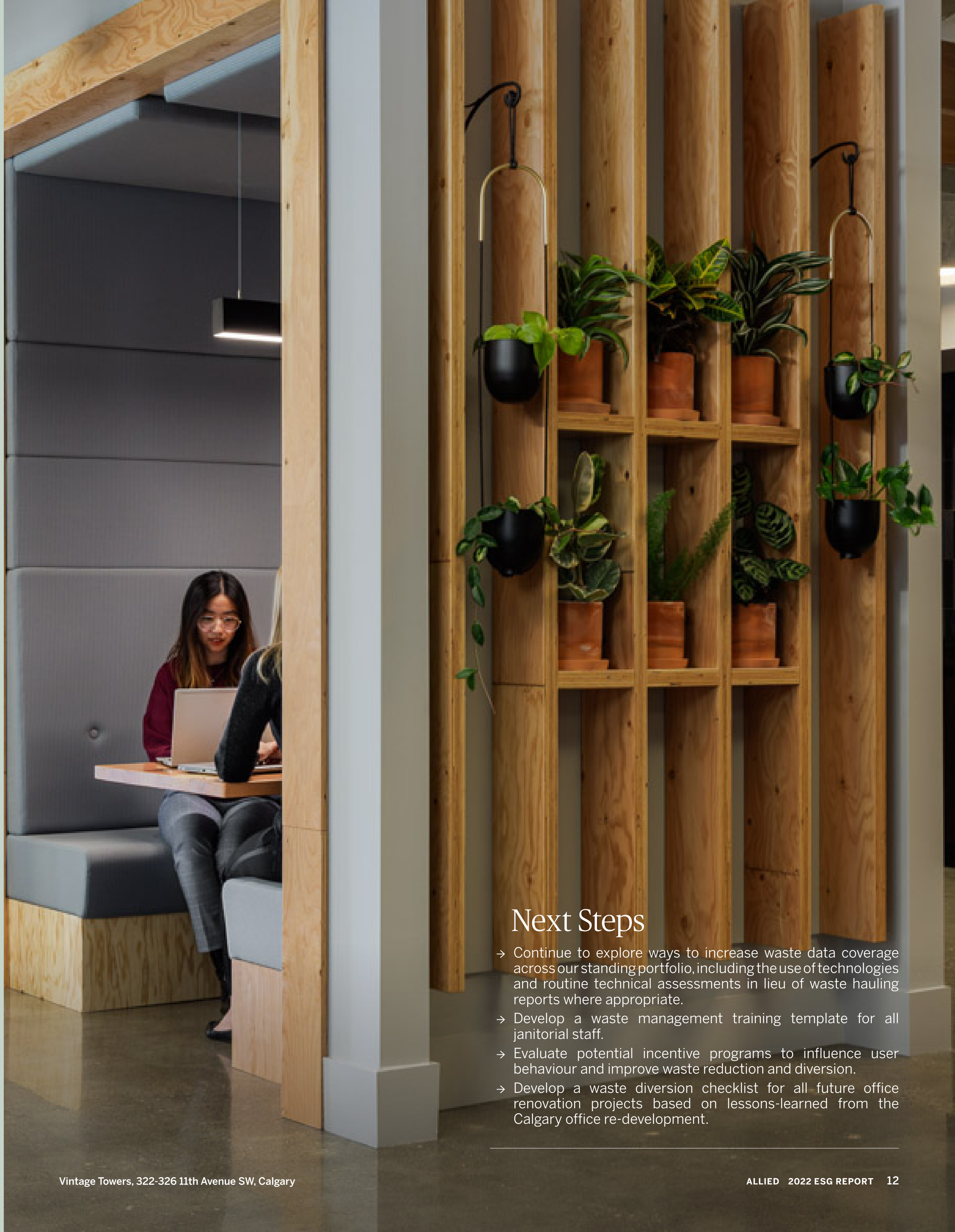
We are fortunate to have worked with internal and external partners who were committed to delivering the project in a manner that aligned with our values and vision. The project referenced the Living Future Institute's Petals, which outlines seven performance areas related to wellness, responsible and recycled materials, equitable space, biophilia and beauty. The team also followed LEED v4.1 ID+C recycling mandates, but did not pursue certification.

DIVERSION BREAKDOWN



DEVELOPMENT WASTE STANDARDS

Allied meets or exceeds LEED construction waste diversion requirements for all ground-up developments. Construction waste is concentrated upstream in our supply chain at the general contractor level. Allied's development team works closely with our general contractors and project teams to ensure the applicable LEED standard is adhered to across all projects.



Next Steps

- Continue to explore ways to increase waste data coverage across our standing portfolio, including the use of technologies and routine technical assessments in lieu of waste hauling reports where appropriate.
- Develop a waste management training template for all janitorial staff.
- Evaluate potential incentive programs to influence user behaviour and improve waste reduction and diversion.
- Develop a waste diversion checklist for all future office renovation projects based on lessons-learned from the Calgary office re-development.

Vintage Towers, 322-326 11th Avenue SW, Calgary

Sustainable Design Standards

GOAL

Align all ground-up development and re-development projects with our Net Zero Carbon Plan.

Allied has always focused on the adaptive re-use of century-old structures originally built for light-industrial purposes. By recycling and modernizing rather than building new, we minimize our impact on the environment. In 2022, we completed our Sustainable Development Framework for ground-up developments. The Framework holds us accountable to our environmental commitments by integrating systems and tools that help us achieve our goals. These include Standard Operating Procedures, progressive building performance targets and a governance approach that supports NZC design and long-term value creation. While still in the early stages of its deployment, the Framework is already helping us improve our sustainability performance.

540 KING STREET WEST

540 King Street West in Toronto is a proposed two-tower, 12-storey mixed-use building consisting of residential, office and retail space. In line with our Sustainable Development Framework, in 2022 we undertook a life-cycle assessment (LCA) to evaluate the amount of embodied carbon in the proposed design. To reduce our carbon impact, we've pivoted from a concrete structure to a hybrid steel and wood structure. Per the LCA, the structural re-design to a steel and timber scheme is estimated to achieve 63% lower emissions compared to the original concrete structure.

BUILDING CERTIFICATION STRATEGY

In 2021, we established an internal multi-disciplinary committee to evaluate leading building certifications and determine a consistent approach across our portfolio. The Committee finalized a National Building Certification Strategy in 2023.

Key commitments include:

- For all ground-up developments, at a minimum, we pursue LEED v4 BD+C Gold certification and complete a life-cycle assessment. We also assess the feasibility of achieving LEED v4 BD+C Platinum and CaGBC Zero Carbon Building-Design certification using life-cycle cost analysis and our internal shadow price of carbon.
- We are targeting 70% certification of our standing portfolio to LEED and/or BOMA by 2028.* We will certify an additional 8.1 million sq. ft., increasing our certification percentage from 27% to 70% across the portfolio.

70%
Certification Target

Next Steps

- → Expand the Sustainable Development Framework to include all renovations and capital projects.
- → Complete an NZC pilot project in alignment with the revised timeline given recent delays in building applications.
- → Leverage the learnings from the pilot projects and Sustainable Development Framework to support NZC transition plans for our standing portfolio.
- → Evaluate suppliers to identify those that are aligned with the ambitions of our NZC Plan and Sustainable Development Framework.
- → Certify 70% of our standing portfolio, 8.1 million sq. ft., to LEED and/or BOMA by 2028.

*Our Certification Target Portfolio is calculated based on our 2022 standing portfolio, including properties that we acquired in 2022 and excluding properties sold in 2022. The total sq. ft. of the Certification Target Portfolio is 19.3M sq. ft.

365 Railway

The Fleck Brothers Warehouse, located at 365 Railway, was constructed in 1949 as a late Moderne-style concrete structure. The warehouse is a rare surviving example of industrial design by prominent local architect William F. Gardiner. The building is in Railtown, a neighbourhood preserved for the creative economy by maintaining industrial and light industrial spaces to encourage creative product manufacturing within the city.

365 Railway is a mixed-use infill development that aims to preserve the existing heritage while increasing density by adding a four-storey mass timber structure. In its original design, 365 Railway was intended to accommodate three additional storeys on the existing two-storey structure. The light weight of mass timber has allowed us to increase the addition from three to four storeys while also providing a rooftop amenity space, increasing utility and creating value for building users. This approach retains heritage construction and extends the useful life of Vancouver's existing building stock. As our first mass timber and NZC building, we believe 365 Railway is an important precedent for the Railtown neighbourhood and future Allied projects.

AWARDS AND RECOGNITION

- Recipient of Carbon Leadership Forum (CLF) Embodied Carbon Award.
- Awarded funding from BCHydro CleanBC Commercial New Construction Program.
- Awarded funding from the Mass Timber Demonstration Program led by Forestry Innovation Investment.

KEY FEATURES:

- Targeting LEED Gold certification and Zero Carbon Building certification with the Canadian Green Building Council.
- Targeting TEDI-30 by using triple-pane glazing to reduce operational heating and cooling loads.
- Four-storey mass timber addition enables us to reduce our embodied carbon* and increase density while preserving the original heritage building.
- Participating in a research initiative led by FPInnovations to determine the structural, acoustic and waterproofing requirements for mass timber buildings in the Vancouver Building Code.
- In collaboration with our construction partner, EllisDon, we set a social hiring target for the development. Five percent of all the labour on the build phase of the project must represent equity deserving groups.**
- Installing a perforated metal art piece displaying a photographic image of the industrial history of Railtown. The photo is from the City of Vancouver archive and was taken by James Crookall.

*Embodied carbon is represented as the global warming potential (GWP), measured in kilograms of CO_2 equivalent, of a material or product. GWP quantifies the heat absorbed in the atmosphere due to GHG.
**Equity deserving groups: Groups who have historically been denied equal access to employment, education and other opportunities and includes, without limitation, the following: members of an Indigenous community; members of a visible minority group; immigrants and refugees; people with recognized disabilities; racialized communities; women; members of the LGBTQ2S+ community; low-income residents; people with mental or physical health barriers; people facing employment barriers, unemployment or underemployment; and others experiencing barriers to economic opportunity and participation.

Social

We aim to improve employee and user experience and support the communities where we operate.

Rendering of the retail space at The Well, 8 Spadina Avenue, Toronto

Employee Engagement

We strive to provide our employees with a distinctive work environment that fosters creativity and connectivity in a manner that is sustainable and conducive to wellness and diversity. This is reflected in how we design not only our physical spaces, but also our organizational structure and talent programming.

In 2022, we implemented a new operating framework to enhance our ability to innovate and collaborate across disciplines. We created multi-disciplinary property teams, organized around specific properties or portfolios, responsible for delivering key performance metrics and exceptional user experience. This structure promotes shared learning, faster decision-making and improved execution. Its multi-disciplinary nature also encourages innovation and enables diverse perspectives to contribute more equitably.

ENGAGEMENT METRICS

We partner with Kincentric to evaluate our employee engagement and compare key dimensions year-over-year. Allied's engagement score was not immune to external factors such as the pandemic and macroeconomic uncertainty. According to Kincentric, global engagement scores dropped on average by nine percent in 2022. Areas for our improvement included maintaining sufficient staffing levels, retaining the people we need to succeed and overall employee experience. Based on the results, we developed corporate and departmental actions plans to address areas for improvement. Since 2021, we have seen a greater than five percent increase in our biggest areas for improvement, namely employees' sense of empowerment and collaboration, affirming the changes to our structure and processes.

72% OVERALL ENGAGEMENT SCORE, 5% BELOW CANADA'S TOP QUARTILE

76% FEEL THAT ALLIED INSPIRES THEM TO DO THEIR BEST WORK EVERY DAY

78% INDICATE THAT THEY WOULD NOT HESITATE TO RECOMMEND ALLIED TO A FRIEND

PROFESSIONAL DEVELOPMENT

Investing in our employees' continuous development is an important component of our talent strategy. In 2022, we launched Allied Academy, our employee learning and development platform. The curriculum focuses on four pillars: knowledge and skill development; leadership; mentorship and career development; regulatory and compliance.

As part of Allied Academy we delivered three modules of the Allied designed course, Real Estate Fundamentals. Members of the Allied team, along with industry experts, are designing and delivering modular content covering topics in finance and accounting, leasing, real estate management, acquisitions and development.

124 MANAGERS GRADUATED FROM LEADERSHIP AT ALLIED, A CUSTOM DESIGNED CURRICULUM BASED ON ALLIED'S CORE COMPETENCIES AND APPROACH TO LEADERSHIP

100% EMPLOYEES PARTICIPATED IN MANDATORY CYBERSECURITY AND ESG TRAINING

INTERNAL MOBILITY

Internal mobility improves engagement and loyalty, fosters productivity and creativity and ensures the transfer of important knowledge. In 2022, 75% of internal applicants were successful in securing an internal opportunity. Allied also executed a senior leadership succession from within for the President and Chief Executive Officer and the Senior Vice President and Chief Financial Officer positions.

HEALTH & WELLNESS

The health and wellbeing of our employees is a top priority. Allied maintains a comprehensive employee benefits package, which includes:

- Comprehensive extended health, dental and drug benefits with 100% of premiums paid for by the company
- Basic life and accidental death and dismemberment insurance
- Dependent life insurance
- Optional employee and spousal life insurance
- Short and long-term disability insurance
- Emergency out-of-country medical insurance
- Annual supplemental Healthcare (HCSA) or Wellness Spending Account (WSA)
- Employee and family assistance program
- Company contributions to Registered Retirement Savings Plan

We held 12 educational sessions nationally on a range of wellness-related topics, including physical health, mental wellbeing and financial literacy. We also invested $122,533 in a supplementary HCSA or WSA for all full-time employees.

KEY METRICS

	2021	2022
Employee engagement survey participation	93%	94%
Employee engagement score	77%	72%
Percent of workforce completing professional development	72%	75%
Investment in employee learning and development initiatives	$360,800	$389,805

Next Steps

- → Launch Allied Academy's Learning Playlists, a curated monthly e-learning curriculum of courses on a wide variety of technical and soft skills, including financial literacy, sustainability, mental health and wellbeing, customer service, leadership, career development and digital dexterity.
- → Pilot a mentorship program that provides participants an opportunity to learn from individuals with different experiences outside their day-to-day management.
- → Provide employees with one paid volunteer day with a registered charity of their choice.
- → Partner with educational institutions to expand our pipeline of future talent.

Equity, Diversity & Inclusion (EDI)

GOAL

Cultivate an environment that advances equity, reflects diversity and demonstrates inclusivity for all stakeholders of our business.

We aim to be stewards of change and promote equity, diversity and inclusion (EDI) throughout our business. We strive to provide spaces where people of all lived experiences, incomes, races, abilities and other diverse backgrounds feel welcome and safe.

We have made great strides since the inception of our EDI Committee and the creation of our inaugural EDI Roadmap which focused on the following objectives:

- Provide training and mentorship for employees to build awareness of EDI issues and other soft skills that support an equitable and inclusive team, while also building a pipeline of diverse talent to senior levels of the organization.
- Increase the use of diverse hiring practices to broaden our pool of prospective candidates and provide hiring managers with the tools to ensure fairness and objectivity during recruitment.
- Measure our EDI performance on an annual basis to track progress.
- Ensure all communications (e.g. website, flyers, reports) are aligned to prevailing accessibility requirements and visually representative of the diverse communities we serve.
- Develop guidelines for inclusive building design that considers accessibility from a range of diverse perspectives, including gender, ability, race and life stage.
- Evaluate existing and prospective vendors and suppliers to ensure adoption of EDI practices and alignment to Allied's commitments.
- Bolster our engagement of communities by participating in local events and contributing consistently across regions.
- Celebrate, remember and learn about the history, culture and traditions of historically marginalized communities through events, campaigns and workshops.

89%

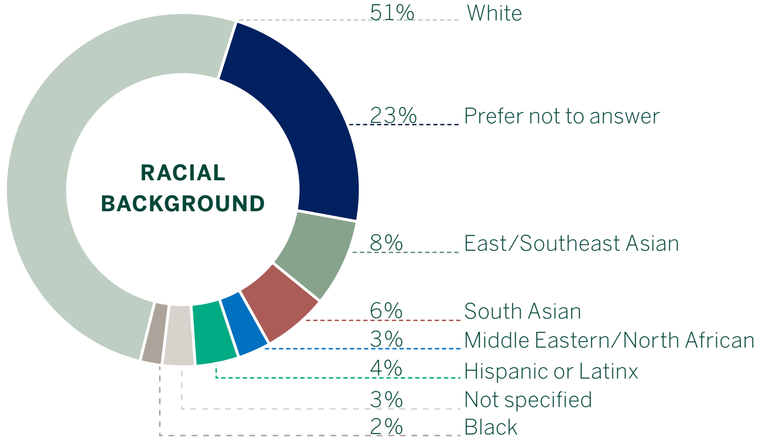
of employees feel people are treated equally regardless of race / ethnicity and gender.

2022 ACTIONS	2022 IMPACT
Partnered with the Rick Hansen Foundation to conduct an accessibility audit at three representative buildings in our portfolio.	Identified specific actions that can be taken to increase building accessibility and inform portfolio-wide accessibility guidelines
Inserted non-discrimination and equal opportunity clause into all vendor contracts to promote discussion and increase EDI awareness.	Terms accepted by all contracted vendors, laid the foundation for future engagements and expectations of vendors
In 2022, the Board continued its multi-year process of recruitment and nomination to continue Board diversification by expanding beyond existing networks and increasing the candidate pool.	2022 Board composition: • 50% female, 50% male • 10% self-identify as Black, 90% self-identify as White
Hosted two virtual Pride Month workshops in English and French with Chris Veldhoven, Consultant, Educator and Advocator, and Marie LaRochelle, Coach and Consultant. The outcome of the sessions was to deepen understanding of the obstacles faced by 2SLGBTQ+ communities and how to create a more inclusive workplace and society.	87% of post-session survey respondents reported that the workshop increased their awareness and sensitivity to the experiences and perspectives of members from 2SLGBTQ+ communities
Hosted a mandatory virtual 90-minute session for all people leaders on unconscious bias and inclusive leadership led by Professor Dean Delpeache, Global Diversity & Inclusion Consultant. Professor Delpeache also delivered a 60-minute virtual workshop for all employees on the importance of allyship to strengthen organizational equity and foster a more inclusive office environment.	72% of post-session survey respondents reported that they felt the unconscious bias training increased their self-awareness as a leader

2023 ACTION	2023 IMPACT
In March 2023, we hosted a live webcast panel discussion in honour of International Women's Day. The panel included women leaders from the Allied community. Panelists discussed their leadership journeys, provided different perspectives on how to overcome obstacles and shared advice for aspiring female leaders.	96% of post-session survey respondents reported that the panel increased their awareness and sensitivity to the perspectives of women in the workplace

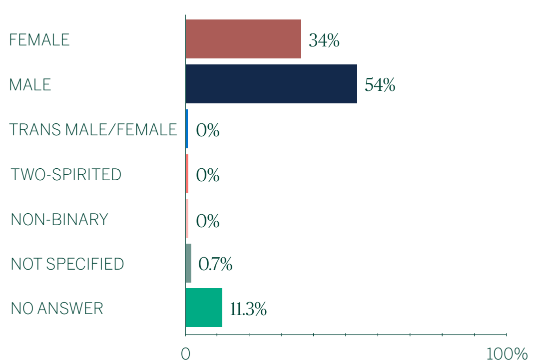
2022 EDI SURVEY RESULTS

ALL EMPLOYEES*

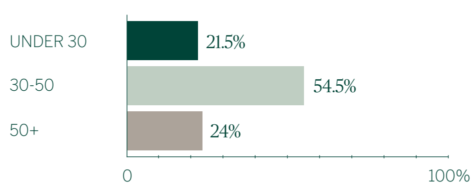


ALL EMPLOYEES

GENDER

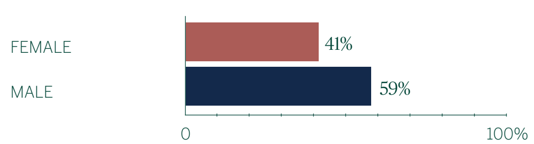


AGE

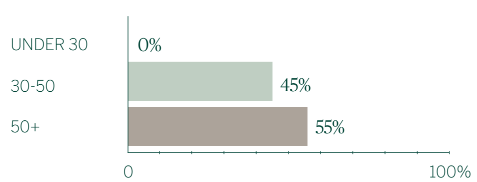


EXECUTIVES AND VICE PRESIDENTS

GENDER

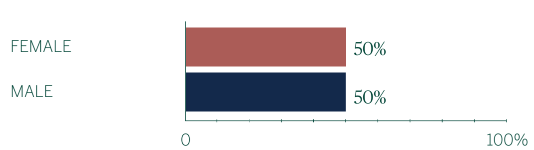


AGE

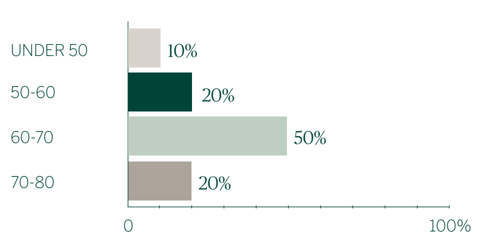


BOARD

GENDER



AGE



*Data collected from optional self-reported demographic survey. 76% of Allied employees responded to the demographic questions.

Next Steps

- Integrate greater education on Allied's EDI approach and philosophy into employee onboarding.
- Continue to provide ongoing education for the Allied team to deepen collective awareness, knowledge and empathy of EDI issues.
- Complete our inaugural EDI Roadmap.
- Develop our second roadmap to support the ongoing evolution of Allied's EDI program.
- Continue to obtain user feedback regarding EDI initiatives through user surveys to align our programming with the communities where we operate.
- Apply the learnings from Rick Hansen's accessibility audit and recommendations to formalize inclusive building design guidelines for new and existing assets.

642 King Street W., Toronto

Health, Wellbeing & Safety

GOAL

- Provide a leading health and safety program to ensure the wellbeing of Allied employees, suppliers, users and visitors.

Allied's health and safety program includes emergency response plans for each asset, regional Health and Safety Committees and regular inspections at each building, administered by the Safety and Security Teams. Following a detailed safety and security audit in 2021, we placed additional focus on the security of our buildings. Part of this effort included developing a standardized national program for reporting building-specific incidents and investing in our third-party security personnel to increase skills, engagement and retention.

2022 INITIATIVES

- Delivered extensive internal health and safety training for members of the operations team.
- Conducted safety audits of each building and initiated security enhancement programs at each asset.
- Developed quarterly dashboard to track the number of incidents per 100,000 sq. ft. to understand security trends across cities and neighbourhoods.
- Worked closely with third-party partners to enhance the knowledge, skills and capabilities of our security teams. Initial user feedback has been positive, and we've seen a measured increase in overall security at the buildings.

MOBILITY & ACTIVE TRANSPORTATION

We provide knowledge-based organizations with workplaces in well-connected urban environments. In 2019, we started to monitor our properties' Bike Scores, Transit Scores and Walk Scores across the cities where we operate and, in all cases, we exceed the city average in the three areas.*

Operating in these areas has allowed us to offer our employees, users and visitors accessible destinations that are well-served by public transit and pedestrian and cyclist-friendly infrastructure. All ground-up developments are required to have bike storage and we make a concerted effort, where possible, to enhance the pre-existing cycling infrastructure near our operational assets by implementing additional bike storage and/or parking facilities. We offer users and employees access to free bike tune-ups on an annual basis and provide employees with public transit and bike share discounts when possible.

* Bike Score measures whether an area is good for biking. For a given location, a Bike Score is calculated by measuring bike infrastructure (lanes, trails, etc.), hills, destinations, road connectivity and the number of bike commuters. Transit Score measures how well a location is served by public transit. Transit Score is based on data released in a standard format by public transit agencies. Walk Score measures the walkability of any address. For each address, Walk Score analyzes hundreds of walking routes to nearby amenities. Points are awarded based on the distance to amenities in each category.

Next Steps

- → Utilize the portfolio data that is being collected for predictive modeling to prevent building and security incidents.
- → Partner with Business Improvement Areas (BIAs), municipalities and other landlords to help support unhoused members of our communities.
- → Continue to incorporate asset-specific climate-related risk ratings into Allied's integrated risk management program.
- → Continue to deliver health and wellness promotion through ongoing lunch and learns and educational communications.
- → Provide facilities that encourage active transportation, such as bike storage and lockers in all ground-up developments.

5455 De Gaspe, Montréal

User Experience

Allied strives for continuous improvement that is informed by the direct feedback of our users. In 2022, we completed our third annual User Experience Assessment Survey with Kingsley. Results demonstrated progress over the prior year with improved ratings in the majority of areas surveyed and an increase in overall user satisfaction.

We are committed to evaluating and enhancing our User Experience Program (UEP) to foster stronger connections with our users and enhance their experience within the office environment and surrounding community.

2022 USER EXPERIENCE ASSESSMENT HIGHLIGHTS

- 93% OF RATING AREAS IMPROVED FROM 2021
- 0.4% INCREASE IN OVERALL SATISFACTION FROM 2021
- 46 PROPERTIES WON THE 2022 KINGSLEY EXCELLENCE AWARD
- CONTINUED TO EXCEED THE KINGSLEY INDEX NET PROMOTER SCORE

In 2022, our UEP focused on designing and delivering programs that explored environmental and social topics, including health and wellness, arts and culture, EDI and sustainability. By organizing these types of events, we aim to foster a sense of connection among users and enhance their understanding of ESG-related topics while promoting sustainable behaviours.

7,400+ users participated in 70 events across the country

2022 INITIATIVES

EDI WORKSHOPS
Hosted four EDI workshops for users to honour Black History and Pride Months to celebrate and educate about Canada's Black and 2SLGBTQ+ communities.

URBAN BEEHIVE AND FARMING WORKSHOPS
In partnership with Alveole and MicroHabitat, we hosted over 15 urban beehive and farming workshops nationally, engaging over 750 users.

FOOD DRIVE
Coordinated a food drive at Queen Richmond Centre West and donated 1,200 lbs of non-perishable food items to St. Felix Centre.

LUNCHTIME CONCERT
Co-sponsored a lunchtime concert with Concerts Midi Montréal in Square Victoria to promote relaxation and wellbeing for users in 747 Square Victoria and the surrounding area.

TOY DRIVE
Hosted a toy drive in support of the Yonge Street Mission, a local development agency that provides support and services to community members experiencing poverty in Toronto.

WASTE REDUCTION WEEK
To celebrate Waste Reduction Week, we invited users to participate in a quiz for a chance to win a zero waste gift basket, which included several re-usable kitchen items. We also shared educational communications on waste reduction via email and digital posters.

BIKE TUNE-UPS
Offered three complimentary bike tune-ups in Toronto and Montréal, servicing over 70 bikes.

Next Steps

- Continue to develop unique partnerships that enhance user experience programming.
- Identify areas in which Allied can best support users with their employees' return to the office.

Community Building

Real estate is a profoundly human business that needs to keep pace with demographic and technological change, as well as the ongoing evolution in human attitudes and experiences. It needs to be run with future generations in mind to foster human wellness, creativity, connectivity and diversity. The guiding principles of our community building initiatives are preserving architectural history, creating distinctive spaces, operating with sensitivity and investing in arts and culture.

01

To acknowledge the significant history of the Nordelec building to the city of Montréal, we collaborated with Bell Archives to install a permanent exhibition about the Northern Electric Company Limited and the building's evolution since the early 20th century.

02

Built in 1920 in the heart of Montréal's textile neighbourhood, 400 Atlantic originally operated as a cigar factory and later a clothing factory. To enhance the building's materials and technology, while also preserving its character and history, we made multiple improvements to the infrastructure, envelope and suites. In 2022, our re-development was awarded the Opération Patrimoine Grand Prize in the Restoration category, which recognizes designers and developers whose projects have transformed places of heritage into valued contemporary spaces.

03

We believe that our neighbourhoods, buildings and users are best served if artists remain viable members of the community. We established the Make Room for the Arts program in 2012 to support the economic viability of local artists and increase the cultural and artistic vibrancy of the neighbourhoods where we operate. As part of this initiative, we offer discounted temporary and permanent spaces for artists, hire artists to integrate arts and culture into our buildings and partner with institutions that support artists and artist communities. In 2022, Allied commissioned Shepard Fairey's mural, *Paix et Justice*, on 3575 Saint-Laurent as part of the 2022 MURAL Fest. The mural depicts an activist who implores viewers to confront the critical social justice issues that require our attention, bringing them to the forefront of public awareness. Read more about the mural in Issue 25 of BLOCK, Allied's semi-annual magazine that celebrates the intersection of beautiful spaces and creative ideas.

03

01

02

04

Allied believes that we have the responsibility to support a more equitable and just Canada. In 2022, Allied started on its path to advance Truth and Reconciliation. We undertook several actions to demonstrate our commitment to work with Indigenous partners and allies to understand the ways in which we can learn the true histories of Indigenous Peoples in Canada. We can't erase the past, but we can move forward and build communities that reflect the visions and values of the original stewards of Turtle Island.

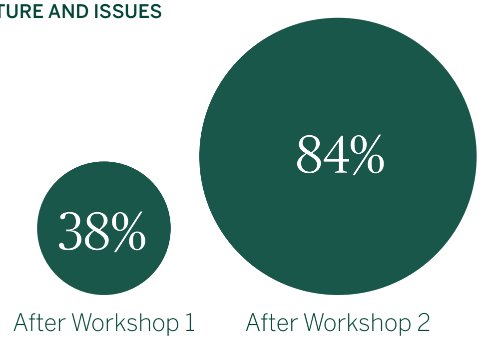
REAL ESTATE WORKSHOP SERIES

Over the course of 2022 and 2023, we partnered with Shared Path, Urban Land Institute Toronto and Westbank to deliver a workshop series for leaders in the industry to advance their understanding of colonization and its impact on Indigenous Peoples, and to start exploring opportunities to collaborate in real estate development.

In June 2022, we hosted the first workshop with 50 senior real estate leaders. The day's activities included an opening smudging ceremony and KAIROS Blanket Exercise (KBE). KBE is an experiential teaching tool whereby participants take part in a retelling of history, including pre-contact, treaty-making, colonization and resistance. Participants step onto blankets representing the land and into the role of First Nations, Inuit and later Métis Peoples. Facilitators read the script and assume the role of Narrator and European explorers and settlers. Participants take part by reading scrolls and carrying cards which ultimately determine their outcomes. By engaging on an emotional and intellectual level, the KBE educates while also increases empathy.

In March 2023, we hosted the second workshop that focused on specific projects that demonstrated successful engagement and collaboration with Indigenous communities. Representatives from Westbank and the Squamish Nation presented on the Senákw project in Vancouver. Tim Coldwell of Chandos Construction shared his strategies for engaging with Indigenous communities, including setting targets for social procurement and social hiring. The presentations were followed by sharing circles for participants to reflect and identify actions they can take back to their organizations.

RESPONDENTS WHO HAVE STARTED DOING SOMETHING NEW OR DIFFERENTLY TO ENGAGE WITH OR LEARN ABOUT THE INDIGENOUS CULTURE AND ISSUES



INDIGENOUS HISTORY EDUCATION

In 2022 and early 2023, we offered the KBE to all Allied employees to increase our collective understanding and awareness of the impacts of colonization on Indigenous Peoples. All employees were invited to participate in half-day sessions across the country, approximately 40% took part in the training.

88% OF SURVEY RESPONDENTS INDICATED THAT KBE INCREASED THEIR AWARENESS AND UNDERSTANDING OF THE HISTORY OF INDIGENOUS PEOPLES AND COLONIZATION

NATIONAL DAY OF TRUTH AND RECONCILIATION

The Allied team came together to honour the National Day of Truth and Reconciliation, which was established to commemorate the harmful legacy of residential schools and honour the survivors, their families and the children who never returned home. This day also coincides with Orange Shirt Day to recognize the experience of the children in residential schools and emphasize that Every Child Matters.

- Orange shirts were provided to all members of the Allied team. Fifty percent of net proceeds from the purchase were donated to the Orange Shirt Society.
- Team members took part in a presentation about the legacy of residential schools and observed a moment of silence.
- We displayed decals designed by Ponoka student and the Orange Shirt Day design winner, Geraldine Catalbas, throughout our Toronto office.

CODE OF CONDUCT

In 2022, we added a clause to our Code of Conduct that recognizes the rights of Indigenous Peoples in Canada by aligning with the United Nation's Declaration on the Rights of Indigenous Peoples and demonstrating our commitment to Truth and Reconciliation.

Next Steps

→ Continue to measure the economic, community and cultural impact of Allied's arts and culture contributions.
→ Leverage employee volunteer days to contribute to local communities.
→ Organize the third real estate workshop series for participants to come together one last time and share the actions they have taken action to advance Truth and Reconciliation.

Governance

We aim to ensure our environmental and social governance infrastructure supports equitable, transparent and responsible business conduct.

110 Yonge Street, Toronto

Climate-Related Risk Management

GOAL

Integrate ESG-related risks, starting with transitional and physical climate risk, into our current risk management process and business functions.

Since 2017, the Board has recognized climate change as an environmental risk to Allied's business for two reasons: i) the increased likelihood of natural disasters and severe weather and ii) the shift to a low carbon economy's impact on real estate investment and management through associated policy, market and technological changes.

The Board and its committees actively engage with Management regarding the identification and management of the principal and emerging risks facing Allied. Allied understands the importance of achieving net zero by 2050 or earlier to mitigate the adverse impacts of climate change and reduce the business' physical and transition risk exposure. We are in the process of developing an NZC Plan that will identify a pathway to achieve NZC by 2050 or sooner (see page 8). As part of developing our NZC Plan, we established an internal shadow price of carbon as a notional market price per tonne of operational carbon emitted. The shadow price of carbon enables us to quantify the impact of carbon emissions to our business and to make decisions that account for expected transition risk. Later this year, we plan to roll out Allied's Physical Climate Resilience Strategy. The aim of this asset-level strategy is to better understand the physical climate-related risks to our portfolio and implement measures that enhance the resilience of our buildings to mitigate the potential impacts of climate change. See page 10 for more information.

To advance our climate-related risk management processes, capital planning and asset-level preparedness, in 2022, we began implementing the recommendations established by the Task Force on Climate-related Financial Disclosures (TCFD). Allied also hosted a series of workshops with cross-functional team members and third-party climate experts to identify the potential risks and opportunities associated with the impacts of climate change on the Canadian real estate sector using two scenarios across the short (before 2030) and long-term (beyond 2030). This exercise helped us evaluate our preparedness for climate-related impacts, prioritize actions based on our perceived level of preparedness and focus on those that will directly contribute to business resilience.

Next Steps

- Continue to address the risks and opportunities identified in scenario analysis into day-to-day activities and future forecasting processes.
- Calculate physical risk scores for all assets in the portfolio over the next several years.
- Continue to align reporting with TCFD recommendations and other relevant climate reporting standards.
- Integrate internal shadow price of carbon into applicable decision-making.

ESG Disclosure & Transparency

GOAL

Disclose and communicate our ESG performance in a manner that is accurate, accessible, comparable, consistent and reflects our achievements and opportunities for growth.

Disclosing ESG performance has become a more conscious and explicit part of business life, especially for public entities like Allied. We are continuously evaluating the prevailing frameworks and assessments in order to enhance disclosure of our ESG performance.

We maintain a clear governance and metric-based approach to hold ourselves accountable to our stakeholders. Corporate ESG Metrics were introduced in 2021, and as of 2022, they are directly linked to all employees' annual incentive compensation.

ALLIED'S 2022 CORPORATE SCORECARD ESG METRICS

TARGET	RESULT	
GRESB score of 75	86	GRESB SCORE
Employee engagement score at or above the Canadian top quartile	72%	EMPLOYEE ENGAGEMENT SCORE
User satisfaction score of 4.36	4.43	SCORE IMPROVEMENT COMPARED TO 2021
Address 100% of 2022 commitments in Allied's EDI Roadmap	COMPLETED 100% OF 2022 COMMITMENTS PLUS THREE ADDITIONAL IMPACTFUL PROJECTS	

DISCLOSURE FRAMEWORKS & THIRD-PARTY ASSESSMENTS

As at December 31, 2022

3 ISS GOVERNANCE QUALITYSCORE	3 ISS ENVIRONMENT QUALITYSCORE	6 ISS SOCIAL QUALITYSCORE
82/100 2022 GRESB Development Portfolio	86/100 2022 GRESB Standing Investments	88/100 2022 Board Games

Next Steps

- Continue to report in alignment with GRI, SASB, UN SDGs and TCFD recommendations.
- Align quarterly reporting and annual ESG Report with updated IFRS requirements.

Other ESG Focus Areas

BIODIVERSITY

While biodiversity was not identified as one of our material ESG topics in 2021, we understand its critical importance on the environment and all of humanity. Allied has made a concerted effort to advance biodiversity to benefit our users and the neighbourhoods where we operate. We have several initiatives underway that contribute to local biodiversity.

Honeybee Habitats

Since 2017, we have been transforming unused rooftop space into honeybee habitats. In 2022, we had 41 hives across Canada that produced 4,000 jars of honey and housed approximately two million bees. As part of our partnership with Alveole, we provide our users with complimentary seminars and education sessions to learn more about urban beehives. In 2022, we donated two of our sessions to two primary schools in the GTA as part of our community outreach. Over 250 staff and students from junior kindergarten to grade three participated in class presentations where they learned the A-Bee-C's of honeybees and their role in biodiversity.

Urban Farms

We have six rooftop urban farms on our buildings in Toronto and Montréal, cultivating a total of 3,000 edible plants, which also offer shelter for pollinators and other beneficial insects. This past year, the gardens generated 1,800 pounds of fresh vegetables, edible flowers and herbs that were donated to several local food banks. As part of the program, we donated 350 meals to the Breakfast Club of Canada, supporting children's access to healthy food.

Conservation

Allied understands the importance of leveraging partnerships to foster biodiversity. As part of our TELUS Sky development in downtown Calgary, Allied and our development partners, Westbank and TELUS, contributed to the conservation of approximately 27,000 sq. ft. of protected land in Alberta in cooperation with the Southern Alberta Land Trust Society.

SUSTAINABLE PROCUREMENT

Allied has begun the process of reviewing and re-imagining our procurement process with the objective of adopting best practices and integrating a more balanced approach to vendor selection. While still in our initial phases, we've been pleased to discover that many of our vendor partners have shared ESG values. We will be developing a vendor selection matrix which will include operational, financial and ESG-related metrics as a way to assess vendors and ensure that Allied is obtaining the best value while advancing our ESG priorities.

CYBERSECURITY

Allied deploys a comprehensive and layered cybersecurity defence to protect our most valuable systems and digital assets. This approach includes following ISO 27001 guidance for our framework as well as annually completing multiple third-party audits and testing. Our performance on the most recent penetration tests were considered "Above Average" as was our external security rating score of 84%. Our strategy includes the continual improvement of our defence, including a cloud-first ecosystem along with redundant back ups and best in-class security applications.

HUMAN RIGHTS

Respect for human rights is one of Allied's fundamental values. We strive to respect and promote human rights in our relationships with employees, suppliers, users and communities in which we operate. Allied supports and promotes the principles of the United Nations Universal Declaration of Human Rights and follows applicable laws regarding human rights. This responsibility is demonstrated throughout our operations and formal policies that can be found on our website.


Rooftop Urban Farm, 555 Richmond W., Toronto

Appendix

700 Saint-Antoine, Montréal

Reporting Methodology & Environmental Performance Data

PORTFOLIO DEFINED

Allied uses three portfolio definitions

- **Standing portfolio:** This includes data for operational buildings owned by Allied in the reporting year, including joint-venture properties where we own more than 25%. In 2022, this represents 187 buildings with a total Gross Floor Area (GFA) of 19,794,553 sq. ft. Properties excluded from our standing portfolio definition include the following buildings where Allied is the occupier, not the owner: 250 Front Street W; and buildings operated but not owned by Allied: 99 Yorkville Ave. New buildings acquired by Allied in 2022 are included in our 2022 standing portfolio definition, prorated based on the date of acquisition. This includes 1010 Sherbrooke Street W., 110 Yonge Street, 175 Bloor Street East, 525 University Ave., 1185 W. Georgia Street, 1508 W. Broadway, 540 King Street W. and 121 John Street. All properties under major renovation with partial occupancy and/or utility consumption are included within the standing portfolio. This includes: 400 Atlantic, Boardwalk & Revillon Building - 10310 102nd Avenue NW, Revillon Parkade - 10230 104 Street NW, 422-424 Wellington Street W., Lougheed Building - 604 1st Street SW, RCA 1001 Lenoir, 3575 Saint-Laurent, 185 Spadina Avenue, 342 Water Street and 1001 Boulevard Robert-Bourassa. For GRI and SASB, these properties are excluded or prorated based on the date of the major renovation, resulting in different total consumption and data coverage numbers. For JV properties the environmental performance data reported are not prorated by Allied's percentage of ownership: the whole-building environmental performance data is being reported.
- **Like-for-like change:** Like-for-like values reflect total consumption for operational buildings owned by Allied in both 2021 and 2022. Any buildings bought or sold within the reporting period are excluded from like-for-like values. Like-for-like values only consider properties with the following GRESB Assessment criteria:
  — Data availability range covers at least 355 days for both 2021 and 2022
  — Data coverage is positive
  — Data coverage for both 2021 and 2022 are within 1% of each other
  — Asset is fully operational for both 2021 and 2022
- **Target portfolio:** Allied set inaugural targets for energy, GHG emissions, water and waste reduction in 2021. The target end-year is 2024 (with results to be reported in 2025) and 2019 is the baseline year. For energy and carbon, the target portfolio boundary was set in 2021 and is kept consistent year-over-year, with the exception of RCA 1001 Lenoir that is undergoing major renovation and has been excluded from the target portfolio. The energy and carbon target portfolio covers 111 properties totaling 13.66 million sq. ft or 69% of our standing portfolio GFA. Water and waste data coverages are lower due to lack of access to baseline data in 2019 (see Water and Waste sections below). Included in our target portfolio are all operational buildings owned by Allied as at December 31, 2021, with some exclusions outlined (see Target Portfolio exclusions).

DATA MANAGEMENT

Energy

- Energy performance is tracked using ENERGY STAR® Portfolio Manager
- Energy data coverage was 94% across our standing portfolio in 2020 and 95% across our standing portfolio in 2021 and 2022
- Energy Use Intensity is calculated by dividing the consumption from all operational buildings owned by Allied as at December 31, 2022 by the total square footage (GFA) of the same list of buildings

GHG emissions

- GHG emissions data coverage was 94% across our standing portfolio in 2020 and 95% across our standing portfolio in 2021 and 2022
- GHG data is calculated in metric tonnes of CO_2 equivalent (tCO_2e) by our data partner, Measurabl, based on energy consumption
  — Scope 1 emissions are calculated based on natural gas consumption of our directly managed floorspace
  — Scope 2 emissions are calculated based on the electricity and district energy consumption of our directly managed floorspace
  — Measurabl uses emission factors based on published values from the 2022 Canadian National Inventory Report (NIR). For properties using district energy systems, Allied uses emission factors published by the local district energy utilities where available
- The energy consumption of our indirectly managed floorspace is part of our Scope 3 emissions and are not included in this report
- We include Scope 1 and Scope 2 emissions in our reduction targets as these represent emissions that we have the greatest control over
- GHG Intensity is calculated by dividing the emissions from all operational buildings owned by Allied as at December 31, 2022 by the total square footage (GFA) of the same list of buildings

Water

- Water consumption is tracked using ENERGY STAR® Portfolio Manager
- Water data coverage was 75% across our standing portfolio in 2020, 83.3% in 2021 and 89% in 2022
- Water Use Intensity is calculated by dividing the consumption from all operational buildings owned by Allied as at December 31, 2022 by the total square footage (GFA) of the same list of buildings
- Some assets located within the City of Montréal do not have building level water meters installed on site, limiting our water data coverage. Where sites have water meters installed, manual meter readings are recorded monthly by our operations team

Waste

- Total waste collected is the weight in metric tonnes of hazardous and non-hazardous waste either sent to landfill or recycled, composted or donated. Hazardous waste includes printer/toner cartridges, batteries, electronic waste and fluorescent lamps
- Waste diversion rate is calculated by dividing the weight of our diverted waste (i.e. recycled/composted/donated) by the total weight of all waste from all operational buildings owned by Allied as at December 31, 2022
- Waste data coverage was 80% across our standing portfolio in 2020, 82% in 2021 and 85% in 2022
- Several of Allied's assets do not have any associated waste data because the waste is managed by a single tenant, for example 1) residential dwellings 2) restaurants and bars and 3) some office spaces. In these instances, the tenant is responsible for waste management and Allied does not track waste quantities. In other instances without data, the property does not generate waste, such as parking lots and parking structures. Some assets located within the City of Montréal have their waste collected by a local municipality that does not provide waste hauling and diversion data, limiting our waste data coverage

STANDING PORTFOLIO PERFORMANCE						
METRIC	2019	2020	2021	2022	LIKE-FOR-LIKE	
Energy Consumption (MWh)	473,265 MWh	477,661 MWh	496,689 MWh	531,997 MWh	+5.6%	energy consumption from 2021, covering 91.9% of our portfolio
GHG Emissions Scope 1 & Scope 2 ($MtCO_2e$)	43,882 $MtCO_2e$	44,270 $MtCO_2e$	45,323 $MtCO_2e$	49,585 $MtCO_2e$	+7.59%	carbon emission from 2021, covering 92.1% of our standing portfolio
Water Consumption (m^3)	647,943 m^3	635,403 m^3	663,401 m^3	830,652 m^3	+18.7%	water consumption from 2021, covering 84.6% of our standing portfolio
Waste Production (MT)	9,911 MT	4,334 MT	3,939 MT	5,035 MT	+14.6%	in waste generation

TARGET PORTFOLIO COVERAGE & PERFORMANCE					
METRIC	2019 BASELINE COVERAGE (GFA)	2019 BASELINE[1]	2021	2022	2024 TARGET
Average Energy Use Intensity (EUI)	13.66 ft^2	24.7 kWh/ft^2	20.9 kWh/ft^2	21.5 kWh/ft^2	22.6 kWh/ft^2
Average Greenhouse Gas Intensity (GHGI)	13.66 ft^2	2.49 $kgCO_2e/ft^2$	2.18 $kgCO_2e/ft^2$	2.21 $kgCO_2e/ft^2$	2.33 $kgCO_2e/ft^2$
Cumulative Greenhouse Gas Emissions	13.66 ft^2	34,799 $MtCO_2e$	30,467 $MtCO_2e$	29,953 $MtCO_2e$	31,768 $MtCO_2e$
Average Water Use Intensity (WUI)	8.25M ft^2	67.0 L/ft^2	38.0 L/ft^2	46.2 L/ft^2	59.1 L/ft^2
Waste Diversion Rate	12.16M ft^2	46%	47%	48%	64%

[1] Target Boundary was set at 14.0 M ft^2.

TARGET PORTFOLIO EXCLUSIONS

Properties fully excluded from our 2024 target portfolio boundary

Buildings where there are (1) atypical use spaces or consumption patterns, (2) users who control performance or (3) users who pay utilities directly, have been excluded from this exercise totaling 1.4M ft^2 (GFA) and comprise the following:

- Urban Data Centres (0.6M ft^2): 151 Front Street, 905 King Street
- Residential homes (0.02M ft^2): 501 Adelaide W., 499 Adelaide W., 589-591 Richmond W., 133 George, 135 George, 137 George, 139 George, 141 George, 143 George, 145 George, 159-161 Bathurst, 145, 149-157 Bathurst
- Retail stores, food service/restaurants/bars, colleges/universities, nightclubs (0.4M ft^2): 485 King, 230 Richmond, Five Roses Building - 731-739 10th, Union Centre - 20 York, 36-40 Wellington, 50 Wellington, 668 King, 117-119 John, 478 King - Retail JV, 54 The Esplanade, 552-560 King, 613 11th Ave, 617 11th Ave, Alberta Block - 805 1st Street, Alberta Hotel - 808 1st Street, Glenbow - 802 11th Ave
- Parking lots (0.2M ft^2): 105 George, 301 Markham, 388 Richmond, 478 King/15 Brant, 560 King, 650 King, Revillon Parkade - 10230 104 Street
- Recent property acquisition (in 2022): 540 King Street W., 121 John Street, Dominion Building – 207 W. Hasting Street, 1010 Sherbrooke, 175 Bloor Street East, 110 Yonge, 525 University Ave, 1508 W. Broadway, 1185 West Georgia
- Properties that started undergoing major renovation: RCA 1001 Lenoir

Properties excluded from Energy/GHG Emissions Intensity target portfolio boundary due to 2019 Baseline Energy Use at or below 10 kWh/ft^2

1050 Homer, 1220 Homer, 948-950 Homer, 342 Water, 375 Water, 365 Railway, 151-155 West Hastings, 2233 Columbia, Customs House - 134 11th Ave, Demcor Condo - 221 10th Ave, Glenbow Ellison - 812 11th Ave, TELUS Sky - 685 Centre, 241 Spadina, 125 John, 387 Adelaide, 388 King, 420 Wellington, College & Palmerston - 491 College JV, 3530-3540 Saint-Laurent, 4396-4410 Saint-Laurent, Nordelec - 1301-1303, Montmorency, Nordelec - 1655 Richardson, 425 Viger

Properties excluded from Water Intensity target portfolio boundary due to 2019 Baseline Water Use at or below 5 L/ft^2

365 Railway, 375 Water, Customs House - 134 11th, Demcor Condo - 221 10th, Glenbow Ellison - 812 11th, Lougheed - 604 1st Street, TELUS Sky - 685 Centre, 125 John, 3510 Saint-Laurent, 3530-3540 Saint-Laurent, 400 Atlantic, 425 Viger, 4396-4410 Saint-Laurent, 451-481 Saint-Catherine, 480 Saint-Laurent, 5445 de Gaspé, 5455 de Gaspé, 5505 Saint-Laurent, 6300 Parc, 700 De La Gauchetière, 740 Saint Maurice, 747 Square Victoria, 8 Place du Commerce, 85 Saint-Paul, Nordelec - 1301-1303 Montmorency, Nordelec - 1655 Richardson, Nordelec - 1751 & 1700 Saint Patrick, RCA 1001 Lenoir

Properties excluded from Waste Intensity target portfolio boundary due to 2019 Baseline at or below 0 t (due to data gaps)

1220 Homer, 2233 Columbia, 365 Railway, Customs House - 14 11th, Demcor Condo - 221 10th, Glenbow Ellison - 812 11th, Lougheed - 604 1st Street, TELUS Sky - 685 Centre, 375 Water, 387 Adelaide, 125 John, 185 Spadina, 208 Adelaide, College & Palmerston - 491 College Street, 25 Breithaupt, 51 Breithaupt, 64 Jefferson, 740 Saint Maurice, 747 Square Victoria, 8 Place du Commerce, CDM - 75 Queen & 700 Wellington, 3530-3540 Saint-Laurent, Nordelec - 1301-1303 Montmorency, 425 Viger, 4396-4410 Saint-Laurent, 451-481 Saint-Catherine

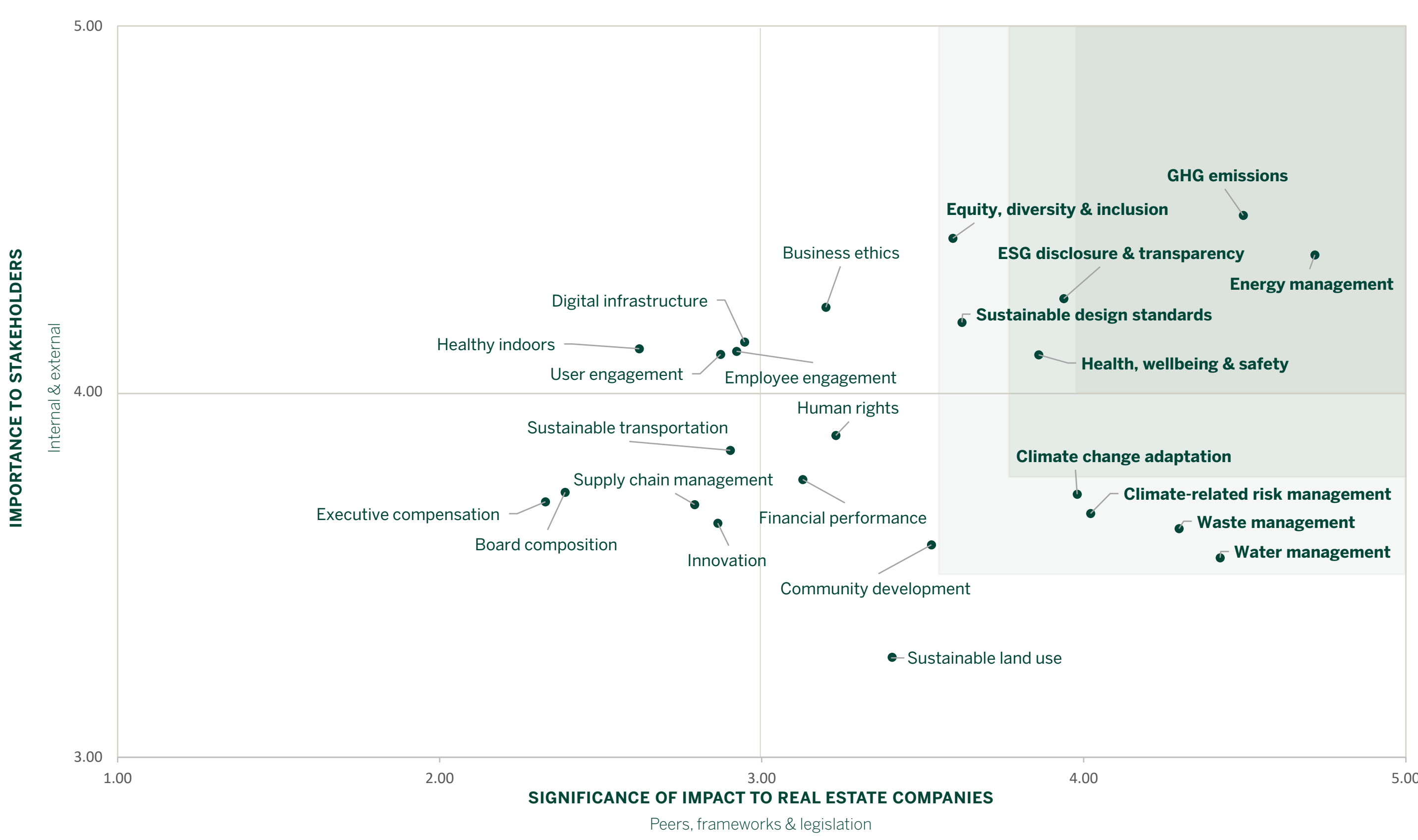
2021 Materiality Assessment

Allied's first materiality assessment acted as an evidence-based approach to identify the ESG topics that are most significant to our stakeholders and our business. For our assessment, we defined impact as both actual and potential impacts from the development and operation of our buildings. This includes impacts directly related to our buildings, such as environmental resource consumption, emissions, occupant health and wellbeing and connectivity to the community. It also includes our impacts as an organization, such as how we treat our employees, contribute to communities, disclose our performance and manage risks to our business, employees and users. To ensure alignment with GRI, the assessment included the following activities:

- A thorough desktop review of:
  - Relevant legislation and policy where Allied owns and operates buildings
  - Eight global ESG reporting and disclosure frameworks
  - 10 leading peers to understand the prevailing focus and prioritization of ESG topics within the commercial real estate sector
- One-on-one interviews with seven members of the Allied leadership team, including our CEO, CFO, COO, EVP Development, EVP Special Operations, SVP General Counsel and a Board Member.
- An employee-wide survey to understand our team's ESG priorities. The survey achieved a 64% response rate.
- In-depth interviews with 12 external stakeholders representing different aspects of our business, including users, community partners, municipal government, investors, suppliers and joint-venture partners across the cities where we operate.

Applying the data and insights collected, we scored 26 relevant ESG topics on a scale of one-to-five based on their importance to our stakeholders and our potential to have an impact. The results, as shown in Allied's Materiality Matrix below, outline the 10 highest scoring topics, which were approved by Allied's ESG Committee as the foundation of our ESG Strategy.

ALLIED'S MATERIALITY MATRIX



Dominion Square, 468 Queen E., Toronto

SASB Table

ENERGY MANAGEMENT			RESPONSE										
SASB CODE	**ACCOUNTING METRICS**	**UNIT OF MEASUREMENT**	**TOTAL**	**OFFICE**	**MIXED USE (OFFICE/ RETAIL)**	**RETAIL (BARS/ RESTAURANTS)**	**RETAIL (HIGH STREET)**	**MIXED USE (OTHER)**	**EDUCATION**	**TECHNOLOGY (DATA CENTRE)**	**LODGING, LEISURE, RECREATION**	**RESIDENTIAL**	**PARKING**
IF-RE-130A.1	Energy consumption data coverage as a percentage of total floor area, by property sub-sector	% by floor area (ft²)	94.78%	96.65%	76.00%	78.04%	16.16%	100%	100%	100%	100%	100%	-
IF-RE-130A.2	(1) Total energy consumed in 2022 by portfolio area with data coverage	Gigajoule (GJ)	1,884,614.40 GJ	1,198,281.60 GJ	85,636.80 GJ	7,120.80 GJ	417.60 GJ	139,532.40 GJ	5,493.60 GJ	440,413.20 GJ	2,570.40 GJ	5,144.40 GJ	-
IF-RE-130A.2	(2) Percentage of total energy that is grid electricity, by property sub-sector	%	62.48%	64.09%	39.55%	41.41%	28.45%	78.71%	72.54%	57.90%	50.70%	45.63%	-
IF-RE-130A.2	(3) Percentage of total energy that is renewable, by property sub-sector	%	-	-	-	-	-	-	-	-	-	-	-
IF-RE-130A.3	Like-for-like change in energy consumption of portfolio area with data coverage, by property sub-sector	%	5.66%	6.93%	9.26%	25.23%	-7.40%	8.11%	10.42%	0.93%	0.78%	4.87%	-
IF-RE-130A.4	Percentage of eligible portfolio that has obtained an energy rating, by property sub-sector	% by floor area (ft²)	69.36%	77.90%	34.91%	-	-	72.15%	-	-	-	-	-
IF-RE-130A.4	Percentage of eligible portfolio that is certified to ENERGY STAR, by property sub-sector	% by floor area (ft²)	12.05%	10.31%	-	-	-	72.15%	-	-	-	-	-
IF-RE-130A.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy		Allied's overarching aim for energy management is to reduce the energy consumption and carbon emissions at our properties by optimizing systems design and conservation practices. Our energy management program focuses on four pillars: data collection, tools and systems, audits and retrofits, education and engagement. Over the past several years, a priority of our energy management program has been to increase our data coverage for performance benchmarking and energy auditing to identify conservation opportunities and implement projects with a strong economic payback. Moving forward, we will also advance our operating platform and how to support our operations team with training, tools and processes for ongoing performance optimization, fault detection and diagnostics (FDD) and continuous commissioning. To accelerate our environmental action, Allied is developing an NZC Plan that will identify pathways to achieve NZC by 2050 or sooner, in alignment with the Science Based Targets initiative (SBTi). The plan and effective implementation will require significant changes in our approach to sustainable asset management and decision-making across our portfolio. Allied is taking a multi-disciplinary approach to explore possible pathways to NZC. Currently, we are reviewing our capital program for end-of-life equipment replacement and deploying low-carbon technologies in lieu of gas-based equipment, where applicable. We evaluate the low-carbon replacement option using life-cycle cost analysis and our newly developed internal shadow price of carbon. **Property Investment Analysis:** We consider a building's energy performance from acquisition. In addition to in-person tours and environmental audits, our team reviews capital budgets to determine opportunities for upgrades that will reduce energy consumption and demand. If the acquired building has an energy or sustainability certification or rating, all supporting documentation and/or standard operating procedures are maintained to ensure we uphold, and where possible enhance, the building's performance requirements. We have an established, multi-disciplinary approach for onboarding acquired buildings. Energy management is an integral part of this process to ensure the building's utility performance is benchmarked in ENERGY STAR Portfolio Manager and where applicable, performance audits (energy, water, waste) are executed by the Asset & Environmental Sustainability Team and relevant third-parties. This information helps us identify energy conservation opportunities and create execution plans. Once an acquisition is complete, Allied holds multi-disciplinary asset management workshops to develop a long-term vision as well as targets and strategies for the building(s). The Asset & Environmental Sustainability Team is actively involved in the workshops and setting building-specific environmental performance targets in alignment with our ESG Strategy. As part of our NZC plan, we will also be updating our due diligence checklist to review the energy and carbon performance of new acquisitions, impact of our portfolio carbon emissions and rough estimates of NZC transition cost to help inform the property investment analysis. **New Development & Re-development:** To ensure our development process aligns with our ESG Strategy, in 2021 our team re-evaluated the environmental design standards of our Owner's Project Requirements (OPR) for all new developments and re-developments. Allied's OPR defines project objectives and criteria to inform design, sets guidelines for consultants and joint-venture partners and outlines how we will evaluate ESG performance. We started a multi-disciplinary effort to update our OPR in 2022 and has continued into 2023. The updated OPR will include new building sustainability performance requirements that will encompass progressive building performance targets, specific energy and carbon design requirements and a governance approach that supports NZC design, as part of Allied's NZC Plan. In addition to the OPR, we follow ASHRAE Standards and Toronto Green Standard, and aim to achieve building certifications where possible or at a minimum, follow the requirements the certifications outline. All Allied's ground-up developments or re-development projects pursue LEED Gold certification or better, and evaluate NZC design alternative using life-cycle cost analysis. **Operational Strategy:** Allied's Asset & Environmental Sustainability team (AES) are our internal subject matter experts who oversee the environmental (energy, GHG emissions, water and waste) performance of our standing portfolio. The team is responsible for creating and executing strategic plans that elevate the environmental performance of our standing portfolio. Our Energy Management Framework follows the standard "Plan, Do, Check, Act" process and consists of six key functions: Utility (energy, GHG emissions, water and waste) Management, Performance Benchmarking, Regulatory Compliance, Utility Procurement Management, Building Climate Resiliency and Certifications and User Engagement. Using a 2019 baseline year, in 2021 we established our inaugural five-year operational targets of 22.6 kWh/ft² in Energy Use Intensity (EUI), 59.1 L/ft² in Water Use Intensity (WUI) and 2.33 kg/ft² in GHG Intensity (GHGI) by 2024. We have been reporting our performance and progress annually in our ESG report and have been exceeding our target performance in energy, water and carbon. We are expecting updated environmental performance targets as we complete our NZC plan, in alignment with SBTi.										

SASB Table

ENERGY MANAGEMENT			RESPONSE										
SASB CODE	ACCOUNTING METRICS	UNIT OF MEASUREMENT	TOTAL	OFFICE	MIXED USE (OFFICE/ RETAIL)	RETAIL (BARS/ RESTAURANTS)	RETAIL (HIGH STREET)	MIXED USE (OTHER)	EDUCATION	TECHNOLOGY (DATA CENTRE)	LODGING, LEISURE, RECREATION	RESIDENTIAL	PARKING
IF-RE-130A.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy		Data collection, measurement and benchmarking are fundamental to enhance the environmental performance of our buildings. We use ENERGY STAR Portfolio Manager and Measurabl as our automated utility data collection systems across the entire portfolio. We monitor each property's ENERGY STAR Score, which measures the energy performance of buildings against peers on a 1-100 scale. We strive to maintain excellence in utility data benchmarking by aligning ourselves with industry best practice and by submitting annually to GRESB. We ensure quality and accuracy through our internal data quality assurance process and by submitting for third-party data assurance prior to publishing our environmental performance information. We collaborate with third-party consulting firms to complete technical energy assessments of our portfolio, in line with ASHRAE Level II requirements and our technical specifications developed in 2021. Our AES team manages energy, water and waste audits nationally in collaboration with the operations team to ensure consistent and quality outputs that outline building-specific energy and water conservation measures. In 2022, we also started executing retro-commissioning projects for our newer assets in lieu of ASHRAE level II audits, to place a greater focus on building control optimization instead of capital upgrades and to establish a process for continuous commissioning. From 2019 to 2022, we completed a total of 129 technical energy and water assessments at our buildings, representing over 66% of our portfolio. These technical assessments form the basis for identifying low cost and deep energy retrofit projects, funded through Allied's five-year National Energy and Water Budget. The $15 million budget is dedicated to advancing energy and water conservation projects across our portfolio, such as LED lighting retrofits, controls, automation and HVAC upgrades. From 2019-2022, we completed LED lighting retrofits covering over 7.9 million sq. ft., with additional retrofits planned in 2023. Allied prioritizes low- to no-cost measures with a return on investment (ROI) of five years or less at buildings with above average utility costs. We pursue measures that aim to enhance building performance, user comfort and equipment performance. Where available, we apply for provincial incentives to help subsidize the cost of energy projects and drive down ROI. In 2021, we established an internal multi-disciplinary committee to evaluate leading building certifications and determine a consistent approach across our portfolio. The Committee finalized a National Building Certification Strategy in 2023. For more details, see page 13 of this report.										

WATER MANAGEMENT			RESPONSE										
SASB CODE	ACCOUNTING METRICS	UNIT OF MEASUREMENT	TOTAL	OFFICE	MIXED USE (OFFICE/ RETAIL)	RETAIL (BARS/ RESTAURANTS)	RETAIL (HIGH STREET)	MIXED USE (OTHER)	EDUCATION	TECHNOLOGY (DATA CENTRE)	LODGING, LEISURE, RECREATION	RESIDENTIAL	PARKING
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area by property sub-sector	% by floor area (ft^2)	89.29%	90.51%	93.54%	64.87%	36.97%	90.51%	100%	100%	100%	39.30%	-
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (2) floor area in regions with High or Extremely High baseline water stress, by property sub-sector	-	98.70%	98.50%	100.00%	84.30%	91.20%	100.00%	No properties in high or extremely high baseline water stress areas	No properties in high or extremely high baseline water stress areas	100.00%	No properties in high or extremely high baseline water stress areas	No properties in high or extremely high baseline water stress areas
IF-RE-140a.2	Water withdrawn by portfolio area with data coverage, by property sub-sector	Thousand cubic meters (m^3)	804,550 m^3	647,148 m^3	89,360 m^3	26,228 m^3	743.00 m^3	29,184 m^3	1,553 m^3	7,210 m^3	493 m^3	2,631 m^3	-
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sub-sector	%	17.46%	19.47%	11.15%	57.38%	-	-8.85%	-48.34%	8.03%	-	-18.19%	-
IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks		Allied's portfolio is concentrated in major urban centres in Canada. As such, Allied's primary water source is from municipal water supplies and public utilities. Primary water consumption across the portfolio includes potable water consumption, plumbing use or specific business purposes and consumption attributed to HVAC performance, maintenance and cleaning. Based on World Resources Institute Water Risk Atlas tool, our buildings in Calgary are considered to have high (40-80%) water stress level, and no building is considered to have extremely high (>80%) water stress level. Although water-stress levels are considered low across most of our portfolio, Allied recognizes that the availability of global fresh water continues to be an increasing concern. We aim to improve water efficiency and support conservation efforts to mitigate any negative impacts of our operations on water resources. We use ENERGY STAR Portfolio Manager to track our monthly water consumption across our portfolio. In Quebec, not all buildings are invoiced for their water consumption and therefore, where utility meters are installed, our technical services team performs manual water meter readings to track usage. We strive to maintain excellence in utility data benchmarking by aligning ourselves with industry best practice and by submitting annually to GRESB. We ensure quality and accuracy by submitting to third-party data assurance prior to public release of any performance information. Using 2019 as our baseline, we set a 2024 Water Use Intensity (WUI) target of 59.1 L/ft^2 for our target portfolio. We established a national strategy for executing energy, water and waste audits to improve consistency, quality and collaboration to ultimately develop innovative building-specific solutions. We have established a consolidated, master tracker with a series of key decision factors to transparently map out the building auditing schedule over the next five years. Allied's energy and water audit specifications set out the technical requirements for project consultants when conducting on-site audits and drafting final reports. The specifications include references to relevant codes and standards, technical calculation requirements and standard forms and templates to control quality and consistency of the studies that are performed. These technical assessments are the basis of identifying the water retrofit projects funded through our National Energy and Water Budget. In 2022, we started prioritizing water leak detection with the use of interval meters. We will be installing more interval-data submeters across our portfolio for direct chargeback and water leak detection, particularly for restaurants and retail tenants with high water consumption levels.										

SASB Table

MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS			RESPONSE										
SASB CODE	ACCOUNTING METRICS	UNIT OF MEASUREMENT	TOTAL	OFFICE	MIXED USE (OFFICE/ RETAIL)	RETAIL (BARS/ RESTAURANTS)	RETAIL (HIGH STREET)	MIXED USE (OTHER)	EDUCATION	TECHNOLOGY (DATA CENTRE)	LODGING, LEISURE, RECREATION	RESIDENTIAL	PARKING
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 sub-sector	% by floor area (ft²)	While Allied includes cost recovery clauses in all new standard leases turned over from 2018, we do not currently track the floor area associated with these clauses. In 2022, we began an initiative to review all of our leases and abstract relevant cost recovery clauses in order to calculate the associated leased area by property sub-sector. This initiative is still underway.										
IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sub-sector	% by floor area (ft²)	At our buildings, we typically have two scenarios for submetering: (1) Buildings with multiple utility meters, some of which Allied is the account holder and for the others, users are the account holder and pay their bills directly. We typically do not receive data for user-held accounts, unless provided by the user at Allied's request. (2) Allied is the sole account holder for all utilities. At some of these properties we have installed third-party submetering systems to meter user suite usage. For newly developed buildings and buildings undergoing re-development, Allied installs CARMA energy submetering systems to more accurately monitor user energy consumption levels and allocate utility cost. As at December 31, 2022, we have 24 buildings with energy submetering system covering 6,630,400 sq. ft. of gross building area, which is about 36.6% of our portfolio.										
IF-RE-410a.3	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants		Creating meaningful user experience is critical to our business success. By collaborating and communicating regularly with our users we can have a much greater impact on the environmental performance of our properties. We believe it is essential to engage users as partners to reduce energy, water and waste consumption and support resource conservation. We engage our users through ESG education and operational protocols to reduce environmental impacts throughout our buildings. Allied provides employees with toolkits to promote environmental behaviours at our buildings. Toolkits include information on green cleaning, pest control and implementing multi-stream waste bins, to support both Allied and building users' sustainability ambitions. Since 2017, we have implemented waste management initiatives and training programs for our users, suppliers and internal team members to improve waste behaviours and increase the diversion rate of recycling, organics, e-waste and hazardous waste. In 2021 and 2022, we held virtual Waste and Recycling Workshops for our users across all cities where we operate. Regular correspondence included information on our COVID-19 health and wellbeing protocols. To ensure continuous improvement of our users' experience at our buildings, we engage Kingsley, a third-party organization, to distribute our annual User Experience Assessment Survey. Within this survey, we ask sustainability-related questions, such as the importance of sustainability initiatives to the organization and level of satisfaction with their properties' sustainable building commitments. We completed our third annual Kingsley survey in November 2022 and are committed to completing an annual survey to assess our performance. Allied intends to use this information to support our users in the achievement of their sustainability goals. Our standard lease agreement from 2018 onward includes a cost recovery clause for resource efficiency-related capital improvements, encouraging user energy conservation. Allied also collects information from users for mandatory energy rating schemes, such as ENERGY STAR Portfolio Manager. In 2022, we rolled-out our waste management strategy, which includes a series of user engagement initiatives to promote user behaviour to reduce landfill waste and increase waste diversion levels. This includes updating our signage for waste diversion at our buildings, e-waste drive, engagement and activities during Waste Reduction Week and Earth Month, waste audit communication letters and routine engagement with our users on waste management best practices.										

CLIMATE CHANGE			RESPONSE										
SASB CODE	ACCOUNTING METRICS	UNIT OF MEASUREMENT	TOTAL	OFFICE	MIXED USE (OFFICE/ RETAIL)	RETAIL (BARS/ RESTAURANTS)	RETAIL (HIGH STREET)	MIXED USE (OTHER)	EDUCATION	TECHNOLOGY (DATA CENTRE)	LODGING, LEISURE, RECREATION	RESIDENTIAL	PARKING
IF-RE-450a.1	Area of properties located in 100-year flood zones, by property sub-sector	Square feet (ft²) *Areas of properties located in 100-year flood zones. Identified using FM Global Flood Risk Tool*	7,004,706 ft²	5,842,205 ft²	239,930 ft²	82,877 ft²	27,249 ft²	760,438 ft²	-	-	52,007 ft²	-	-
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks		Climate change poses physical and transitional risks to Allied's business as an owner and operator of properties across Canada. To mitigate the adverse impacts of climate change, we strive to build business resilience by incorporating climate-related considerations into key activities and long-term business planning. In 2021, Allied initiated a high-level climate resilience assessment across our portfolio. We analyzed 427 Climate Risk data on seven risk indicators: sea level rise, water stress, heat stress, hurricanes, wildfires, earthquakes, and floods. 427 provided a risk rating for this standard set of risk indicators based on third-party climate data. Based on this assessment, assets were assigned a risk score for each category and ranked on a percentile from 1-to-100. We have begun additional, site-specific physical climate risks assessments at five of our properties representing different geographical locations and climatic conditions to identify risks from extreme weather events using current and a future (2°C) scenario to identify measures to mitigate potential impacts from extreme weather events. Building on this exercise, we are now in the process of developing a Physical Climate Resilience Strategy for Allied's standing portfolio. This includes developing a robust methodology and evaluating the specific physical climate risks of each building to identify, evaluate, prioritize and implement opportunities that enhance the capacity of our buildings due to the anticipated effects of climate change. To advance our climate-related risk evaluation and assessment practices, we report in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) and its recommended disclosures for governance, strategy, risk management, and metrics and targets. See page 47 for more information. In 2022, we partnered with third-party climate resilience experts to host workshops with an internal cross-disciplinary senior leadership working group. Workshop activities include assessing climate-related risks and opportunities to our organization's business activities under different climate-related scenarios. We plan to integrate workshop outcomes into our long-term strategy, risk management and business process planning to better manage risk and efficiently allocate capital.										

GRI Table

GRI: Content Index

DISCLOSURES	DESCRIPTION	RESPONSE
GRI CONTENT INDEX		
	ii. Statement of Use	Allied Properties REIT has reported in accordance with the GRI Standards for the period January 1, 2022 - December 31, 2022
	iii. Title of GRI 1 used	GRI 1: Foundation 2021
	iv. GRI Sector Standards(s) that apply to the organizations sector(s)	Not applicable, the real estate sector guidance has not been released at the time of publication.

GRI 2: General Disclosures 2021

DISCLOSURES	DESCRIPTION	RESPONSE
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2 - 1	a. Legal name of the organization	Allied Properties Real Estate Investment Trust
	b. Ownership and legal form	Allied Properties REIT, widely held and publicly traded on the Toronto Stock Exchange (XTSE: AP.UN)
	c. Location of headquarters	134 Peter Street, Suite 1700 Toronto, Ontario M5V 2H2
	d. Location of operations	Canada
2 - 2	a. list all its entities included in its sustainability reporting	Allied Real Estate Investment Trust List of all entities: Refer to page 19 of 88 in our 2022 Annual Information Form (https://alliedreit.com/wp-content/uploads/2023/01/Allied_AIF_December-31-2022.pdf)
	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	The scope of our annual ESG Report is consistent with financial reporting unless otherwise noted. See Reporting Methodology on page 26 for further details.
	c. if the organization consists of multiple entities, explain the approach used for consolidating the information, including: 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	As disclosed in Note 2(C) of Allied's 2022 Financial Statements (https://alliedreit.com/wp-content/uploads/2023/02/Allied_Q4AR_December-31-2022.pdf) The consolidated financial statements comprise the financial statements of Allied and its subsidiaries. Subsidiaries are all entities over which Allied has control, where control is defined as the power to direct the relevant activities of an entity so as to obtain benefit from its activities. Control exists when a parent company is exposed to, or has rights to, variable returns from the subsidiaries and has the ability to affect those returns through its power. Subsidiaries are consolidated from the date control is transferred to Allied and are de-consolidated from the date control ceases. Inter-company transactions between subsidiaries are eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by Allied. All subsidiaries have a reporting date of December 31.
2 - 3	a. specify the reporting period for, and the frequency of, its sustainability reporting	Annual reporting, January 1, 2022 - December 31, 2022.
	b. specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this	The financial reporting period is the calendar year (January 1 to December 31 of each year). This aligns with our ESG reporting period.
	c. report the publication date of the report or reported information	Monday, June 26, 2023
	d. specify the contact point for questions about the report or reported information	Jo Flatt, VP, Corporate Planning & Sustainability, jflatt@alliedreit.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.	The indirect emissions from the district energy system at 151 Front Street is now calculated using the emissions factors provided by the local district energy utility, in lieu of the default average emission factor for North America. The default average emission factor for North America district cooling system is considerably higher than the actual emission factor of the Deep Lake Cooling Water system in Toronto. We first stated this change last year in our ESG Report and we will continue to make this change in the future to more accurately calculate the indirect emissions associated with our district cooling energy consumption in Toronto. For energy and greenhouse gas (GHG), the target portfolio boundary was set in 2021 and is kept consistent year-over-year, with the exception of RCA 1001 Lenoir that is undergoing major renovation and has been excluded from our target portfolio. 2021 median total compensation restated to include all sources of compensation as opposed to base salary only.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
THE ORGANIZATION AND ITS REPORTING PRACTICES		
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	We seek to provide assurance on our reported information by having our energy, GHG, water and waste data verified annually to support accurate ESG reporting. This is coordinated and overseen by our Vice President, Corporate Planning & Sustainability and Director, Asset and Environmental Sustainability. Externally verified data is shared with the ESG Committee and the Board via the ESG Report and related presentations.
	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	The 2022 energy, GHG, water and waste data included in this report has been externally verified by ISOS Group using ISO 140-64-3:2019 (see page 50). ISOS Group is a third-party consultancy and is not involved in the collection of data.
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. Allied's primary business activities include operating, developing and re-developing distinctive urban workspace in Canada's major cities and network-dense UDC space in Toronto. Our primary property types are office, data centres and retail with geographic locations in Vancouver, Calgary, Edmonton, Toronto, Kitchener, Ottawa and Montréal. Our mission is to provide knowledge-based organizations with workspace and UDC space that is sustainable and conducive to human wellness, creativity, connectivity and diversity. Knowledge-based organizations generate approximately 40% of Canada's economic output, owning and occupying over 27% of all business establishments and employing about a third of the Canadian workforce. Our office users are at varying stages of growth and development in their business life cycles, ranging from early-stage businesses occupying 5,000 sq. ft. or less, up to established businesses occupying 100,000 sq. ft. or more. ii./ iii. Allied engages primarily with suppliers that help us develop, manage and maintain our properties effectively. These include but are not limited to architects, engineers, general contractors, contractors in major service categories (i.e., HVAC, security, cleaning, etc.). Our suppliers range in location but tend to be concentrated in our primary geographic regions (Vancouver, Edmonton, Calgary, Toronto, Kitchener, Ottawa and Montréal). For development and major re-development projects, we aim to engage suppliers local to the project location where possible. We broadly categorize knowledge-based organizations, our users, into the following groups: • Business services and professional • Educational and institutional • Financial services • Government • Life sciences • Media and entertainment • Telecommunications and information technology
	c. report other relevant business relationships	Our joint-venture partners in 2022 included RioCan Real Estate Investment Trust, Sutter Hill, OPTrust, Telus, Westbank and Perimeter Development Corporation.
	d. describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	• Acquisitions & Dispositions: Allied acquired 10 properties in 2022, including a 50% interest in three properties, all totaling $971.5 million. During the year ended December 31, 2022, Allied disposed of three investment properties for total net proceeds of $74.4 million and the fifth and final phase of The Well air rights for net cash proceeds of $14.8 million (at Allied's share). Please refer to Note 4 in the annual 2022 Financial Statements. • As at December 31, 2022, the Urban Data Centre segment has been classified as discontinued operations and is comprised of three investment properties held for sale totaling $1.3 billion and a related lease liability held for sale totaling $107.2 million. The three investment properties are 151 Front Street W, 905 King Street W and 250 Front Street W and the lease liability is at 250 Front Street W. Please refer to Note 6 in the annual 2022 Financial Statements. • Our core operational and development activities did not change in 2022.

GRI Table

<table>
<tr><th>DISCLOSURES</th><th>DESCRIPTION</th><th>RESPONSE</th></tr>
<tr><td colspan="3">ACTIVITIES AND WORKERS</td></tr>
<tr><td rowspan="4">2 - 7</td><td>a-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;</td><td>
<table>
<tr><th></th><th>FEMALE</th><th>MALE</th><th>GRAND TOTAL</th></tr>
<tr><td>Contract Full-Time</td><td>4</td><td>1</td><td>5</td></tr>
<tr><td>Montréal</td><td>1</td><td></td><td>1</td></tr>
<tr><td>Toronto</td><td>3</td><td>1</td><td>4</td></tr>
<tr><td>Contract Part-Time</td><td>2</td><td></td><td>2</td></tr>
<tr><td>Montréal</td><td>1</td><td></td><td>1</td></tr>
<tr><td>Toronto</td><td>1</td><td></td><td>1</td></tr>
<tr><td>Full-Time</td><td>147</td><td>227</td><td>374</td></tr>
<tr><td>Calgary</td><td>15</td><td>17</td><td>32</td></tr>
<tr><td>Kitchener</td><td></td><td>4</td><td>4</td></tr>
<tr><td>Montréal</td><td>32</td><td>59</td><td>91</td></tr>
<tr><td>Ottawa</td><td>1</td><td>3</td><td>4</td></tr>
<tr><td>Toronto</td><td>90</td><td>134</td><td>224</td></tr>
<tr><td>Vancouver</td><td>9</td><td>10</td><td>19</td></tr>
<tr><td>Intern</td><td></td><td>1</td><td>1</td></tr>
<tr><td>Toronto</td><td></td><td>1</td><td>1</td></tr>
<tr><td>Temporary Support</td><td>4</td><td></td><td>4</td></tr>
<tr><td>Montréal</td><td>2</td><td></td><td>2</td></tr>
<tr><td>Toronto</td><td>2</td><td></td><td>2</td></tr>
<tr><td>Grand Total</td><td>158</td><td>230</td><td>386</td></tr>
</table>
</td></tr>
<tr><td>c. describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:
i. 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</td><td>Data above represents employment numbers as at December 31, 2022.
All full time employees include employees working at least 40 hours per week. There are two contract part-time employees that work approximately 20 hours per week.</td></tr>
<tr><td>d. report contextual information necessary to understand the data reported under 2-7-a and 2-7-b</td><td>This data was compiled using a headcount report from ADP.</td></tr>
<tr><td>e. describe significant fluctuations in the number of employees during the reporting period and between reporting periods.</td><td>Temporary numbers go up slightly in the summer when interns join us on a four-month contract, typically from May to August (10 interns in Summer 2022).</td></tr>
<tr><td rowspan="3">2 - 8</td><td>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</td><td>a. Our total contractual workers that were employed to support Allied's building operations in 2022 was approximately 503: Montréal & Ottawa - 195, Calgary & Edmonton - 63, Toronto & Kitchener - 197, Vancouver - 48.
i & ii) The most common type of contractual workers that Allied employs are security guards, janitorial service providers and parking operators. Security guards are employed at our buildings 24/7 to provide services, such as patrols, asset protection and access control. Our janitorial contractors provide cleaning services at our buildings and parking operators assist Allied in managing and patrolling our parking lots.</td></tr>
<tr><td>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</td><td>Data was collected through close collaboration with Allied's Portfolio Operations Team across our seven cities (Vancouver, Calgary, Edmonton, Toronto, Kitchener, Ottawa and Montréal). 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 that were not employed on an ongoing basis throughout 2022 (i.e., plumbers if there is a flood at a building).</td></tr>
<tr><td>c. describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods</td><td>None</td></tr>
</table>

GRI Table

<table>
<tr><th>DISCLOSURES</th><th>DESCRIPTION</th><th>RESPONSE</th></tr>
<tr><td colspan="3">GOVERNANCE</td></tr>
<tr><td rowspan="3">2 - 9</td><td>a. describe its governance structure, including committees of the highest governance body</td><td>Pages 5 and 23 and at https://www.alliedreit.com/company/esg/</td></tr>
<tr><td>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</td><td>Page 5 and at https://www.alliedreit.com/company/esg/</td></tr>
<tr><td>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</td><td>The Board of Trustees is Allied's highest governance body, composed of 10 Trustees as at December 31, 2022. Trustees for 2022 were Matthew Andrade, Kay Brekken, Hazel Claxton, Gerald Connor, Lois Cormack, Gordon Cunningham, Michael Emory, Antonia Rossi, Stephen Sender and Jennifer Tory.
i. Non-executive: 90% / Executive: 10% (Michael Emory)
ii. Independent: 90% / Non-independent: 10% (Michael Emory)
iii. Matthew Andrade < 1 year; Kay Brekken: 2 years; Hazel Claxton < 1 year; Gerald Connor: 20 years; Lois Cormack: 4 years; Gordon Cunningham: 20 years; Michael Emory: 20 years; Antonia Rossi: <1 year; Stephen Sender: 2 years; Jennifer Tory: 2 years.
iv. Matthew Andrade: None
Kay Brekken: None
Hazel Claxton: Director of TELUS Corporation
Gerald Connor: Chairman of Cumberland Private Wealth Management Inc.; Director of SQI Diagnostics Inc.
Lois Cormack: CEO of Spring Living Retirement Communities;
Gordon Cunningham: None
Michael Emory: CEO of Allied Properties REIT; Director of EQB Inc.
Antonia Rossi: President, Real Estate of Infrastructure Ontario; Director of Dexterra Group Inc.
Stephen Sender: Director and Chair of Audit Committee of Sienna Senior Living Inc.
Jennifer Tory: Director of BCE Inc.
v. Female: 50% / Male: 50%
vi. One
vii.
<table>
<tr><th>PROPOSED TRUSTEE</th><th>AUDIT/ ACCOUNTING</th><th>BUSINESS LEADERSHIP</th><th>CAPITAL MARKETS</th><th>COMPENSATION/ TALENT MANAGEMENT</th><th>ENVIRONMENTAL, SOCIAL AND GOVERNANCE</th><th>LEGAL</th><th>REAL ESTATE</th><th>RISK MANAGEMENT</th></tr>
<tr><td>Mathew Andrade</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Kay Brekken</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Gerald R. Connor</td><td>x</td><td>x</td><td>x</td><td></td><td></td><td></td><td>x</td><td>x</td></tr>
<tr><td>Lois Cormack</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Gordon R. Cunningham</td><td></td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td></tr>
<tr><td>Michael R. Emory</td><td></td><td>x</td><td>x</td><td></td><td></td><td>x</td><td>x</td><td>x</td></tr>
<tr><td>Toni Rossi</td><td></td><td>x</td><td>x</td><td></td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Stephen L. Sender</td><td>x</td><td>x</td><td>x</td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Jennifer Tory</td><td></td><td>x</td><td></td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
<tr><td>Hazel Claxton</td><td>x</td><td>x</td><td></td><td>x</td><td>x</td><td></td><td>x</td><td>x</td></tr>
</table>
viii. Trustees are not selected to represent specific stakeholder groups. See disclosure 2-10 for more information on Trustee selection.

The Board of Trustees has two standing committees, the Audit Committee and the Governance, Compensation and Nomination Committee. The Audit Committee members for 2022 were Matthew Andrade, Kay Brekken, Gerald Connor, Lois Cormack and Stephen Sender.
i. Non-executive: 100% / Executive: 0%
ii. Independent: 100% / Non-independent: 0%
iii. Refer to iii. above
iv. Refer to iv. above
v. Female: 40% / Male: 60%
vi. None
vii. Refer to skills table above
viii. Trustees are not selected to represent specific stakeholder groups. See disclosure 2-10 for more information on Trustee selection.</td></tr>
</table>

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
GOVERNANCE		
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	The Governance, Compensation and Nomination Committee members for 2022 were Kay Brekken, Hazel Claxton, Lois Cormack, Gordon Cunningham, Antonia Rossi and Jennifer Tory. i. Non-executive: 100% / Executive: 0% ii. Independent: 100% / Non-independent: 0% iii. Refer to iii. above iv. Refer to iv. above v. Female: 83% / Male: 17% vi. One vii. Refer to skills table on page 34 viii. Trustees are not selected to represent specific stakeholder groups. See disclosure 2-10 for more information on Trustee selection. For more information, see Allied's Notice of Annual and Special Meeting of Unitholders and Management Information Circular (Link: https://alliedreit.com/wp-content/uploads/2023/03/2023AlliedMICEng.pdf)
2 - 10	a. describe the nomination and selection processes for the highest governance body and its committees	The Governance, Compensation and Nomination Committee is responsible for identifying suitable candidates to be recommended for election to the Board of Trustees by Unitholders. The Trustees are elected by resolution passed by a majority of the votes cast at a meeting of the Unitholders. Trustees elected at an annual meeting will be elected for terms expiring at the next annual meeting and will be eligible for re-election. A Trustee elected to fill a vacancy will be elected for the remaining term of the Trustee he or she is succeeding. Unitholder proposals for the nomination of Trustees may be made in accordance with the Declaration of Trust of Allied.
	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	b. The Board seeks trustees who represent a mix of backgrounds and experiences that will enhance the ability of the Board to guide the long-term strategy and ongoing business operations of Allied, and has adopted a policy with respect to trustee qualification. i. Unitholders may propose nominees for election as a Trustee in accordance with the Declaration of Trust. ii. Diversity, including gender and other elements of diversity, is an important factor that is taken into account in identifying and selecting Board members. Under Allied's Diversity Policy, the Governance, Compensation and Nomination Committee must identify and select candidates based on merit using objective criteria with due regard to diversity. The Governance, Compensation and Nomination Committee will annually (i) assess the effectiveness of the Board and executive management appointment/nomination process at achieving the diversity objectives of Allied and (ii) consider and, if determined advisable, recommend to the Trustees for adoption, measurable objectives for achieving diversity on the Board and executive management. At any given time, the Board may seek to adjust one or more objectives concerning its diversity and measure progress accordingly. iii. The independence of Trustees is highly valued and considered in the nomination of potential Trustees. In addition to independence from management of Allied, interlocking board memberships among the Trustees and nominees are also considered. iv. Refer to skills table in disclosure 2-9 vii.
2 - 11	a. report whether the chair of the highest governance body is also a senior executive in the organization	No
	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	The Board is responsible for overseeing Allied's business and affairs as set out in the Declaration of Trust. The Trustees have adopted a Trustees' Mandate, a copy of which may be found as Schedule "D" in Allied's Management Information Circular (https://alliedreit.com/wp-content/uploads/2023/03/2023AlliedMICEng.pdf). The Trustees' Mandate provides that the Trustees are responsible to review and approve, if appropriate, management's strategic plans on an annual basis. The Trustees' Mandate further provides that the Trustees are responsible to oversee and monitor Allied's ESG Strategy, including the integration of sustainability into Allied's overall business strategy. The Trustees' Mandate was expanded in December 2022 to clarify the Board's responsibility for oversight of Allied's enterprise risk management program and practices.
	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	See page 5 for a description of the Board's oversight of Allied's ESG Strategy and process for reviewing effectiveness. Impacts are monitored as part of ongoing ESG Strategy management and implementation.
	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 Table

DISCLOSURES	DESCRIPTION	RESPONSE
GOVERNANCE		
2 - 13	a. describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees;	See page 5 for a description of the Board's process for delegating responsibility for managing Allied's impacts on the economy, environment and people.
	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	The Board receives regular updates from Management regarding Allied's ESG Strategy, initiatives and reporting. Allied's ESG Report is reviewed by the Board annually. For more information on Allied's ESG Governance Structure, see page 5.
2 - 14	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	Allied's Board of Trustees reviews our governance practices regularly and is responsible for overseeing our ESG Strategy and governance philosophy, including Allied's material topics. The Board receives regular updates from Management on ESG and an annual presentation from the VP, Corporate Planning & Sustainability. Allied's ESG Report is reviewed by the Board annually. For more information, see page 5.
	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	Not applicable
2 - 15	a. describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated	The Trustees have adopted a Code of Business Conduct (the "Code") applicable to employees, officers and Trustees of Allied which addresses conflicts of interest, among other things. The Code was amended on December 1, 2022, to provide more fulsome guidance regarding conflicts of interest. The Board of Trustees monitors compliance with the Code and Management provides an annual report to the Board regarding issues, if any, arising under the Code. Trustees and senior officers are required to complete a conflict of interest questionnaire annually and all employees officers and Trustees are required to report any conflicts of interest arising in connection with their activities for Allied and any violations or suspected violations of the Code. The Governance, Compensation and Nomination Committee reviews the adequacy of the Code on an annual basis. The Trustees are required to review and approve all material related party transactions in accordance with the processes and protocols developed by the Governance, Compensation and Nomination Committee. Under the protocol for related party transactions adopted by the Trustees, all Trustees, officers and employees of Allied are required to notify the General Counsel, the CEO or the Chair of Allied regarding any related party transaction of which they become aware. The Board of Trustees reviews all related party transactions, regardless of their value, no less than quarterly. Any related party transaction that has a value that will or may be expected to exceed CAD $100,000 in any fiscal year shall require the approval of the Trustees (or the Independent Trustees or a committee thereof, as applicable), subject to certain limited exceptions. Allied's Code of Business Conduct can be found on our website at: https://alliedreit.com/wp-content/uploads/2022/12/Code-of-Business-Conduct-December-1-2022.pdf
	report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership ii. cross-shareholding with suppliers and other stakeholders iii. existence of controlling shareholders iv. related parties, their relationships, transactions, and outstanding balances	i. Cross-board membership is reported to Unitholders annually in each Management Information Circular of Allied. ii. There is no cross-shareholding to report. iii. The existence of controlling unitholders, if any, is reported to Unitholders no less than annually in each Management Information Circular of Allied. 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.
2 - 16	a. describe whether and how critical concerns are communicated to the highest governance body	Allied has an open process for Unitholders to contact the Board of Trustees, including the chairs of the Board committees, by mail or e-mail to the Chair of the Board. The mailing address and e-mail address are included no less than annually in each Management Information Circular of Allied. The Chair reports to the Governance, Compensation and Nomination Committee and the Board of Trustees with respect to all communications with Unitholders. Senior executives provide, at a minimum, quarterly updates to the Board of any concerns that are elevated from our employees.
	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	As an owner and operator of over 200 properties across Canada, building and operating climate resilient buildings is an integral part of our sustainable development. The Board is responsible for overseeing Allied's risk assessment process by identifying the principal risks of Allied's business and ensuring that appropriate systems are in place to manage these risks, including environmental and social risks. The Board administers this oversight function directly, with support from its two standing committees, the Audit Committee and the Governance, Compensation and Nomination Committee, each of which addresses risks in their respective areas. Climate change risk has been identified by the Board as an environmental risk to Allied's business since 2017, particularly operating costs and physical assets, as the likelihood of natural disasters and severe weather increases due to rising global temperatures. The Board expressed interest in receiving ongoing updates on the actions being taken to evaluate climate risk and support the development of Allied's NZC Plan. To advance knowledge of climate-related governance and increase engagement among our Trustees, we partnered with the Canada Climate Law Initiative as specialists in climate risk who delivered an education session for Allied's Board in December 2021. The Board receives updates regarding 365 Railway, our first net zero and mass timber development, thereby gaining an understanding of both net zero and mass timber and their associated impacts. Our Founder and Executive Chair and President and CEO, both members of the Board, sit on our Executive ESG Committee and engage in ongoing education related to our internal price of carbon and NZC Plan.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
GOVERNANCE		
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 b. report whether the evaluations are independent or not, and the frequency of the evaluations	The Board is responsible for monitoring Allied's ESG Strategy and evaluates the overall ESG performance of our organization through third-party assessments and frameworks that evaluate Allied's impacts on the economy, environment and people. The Board reviews the assessment scores from ISS, Board Games, GRESB, our User Engagement Survey and Employee Engagement Survey at least annually. Our 2022 performance and scores for ISS, Board Games and GRESB can be found on page 23. Highlights from our User Engagement Survey can be found on page 19 and highlights from our Employee Engagement Survey can be found on page 15. The Governance, Compensation and Nomination Committee conducts an annual assessment of the overall governance, performance and issue prioritization of the Board and an individual assessment of the Trustees through a Board Effectiveness Survey and an individual assessment conducted by the Chair of the Board. The Governance, Compensation and Nomination Committee reports its findings to the full Board of Trustees.
	c. describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices	To drive continuous improvement of our impacts on the economy, environment and people, Allied's Board adopted a formal ESG Policy in December 2021. To advance knowledge of climate-related governance and increase engagement of the Board, we partnered with the Canada Climate Law Initiative who provided an education session for Allied's Board in December 2021.See disclosure 2-10 for information related to Trustee evaluations and selection.
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	Executives i. Fixed compensation for senior executives is comprised of base salary, which is set annually, generally with reference to competitive base salaries for peer companies, taking into consideration each individual's contributions to Allied's success, tenure in the job and internal equities among positions. Variable compensation for senior executives is comprised of (i) an annual cash incentive bonus depending upon the achievement of individual performance goals and short-term corporate performance goals of Allied and (ii) equity based long-term incentive compensation. The proportion of total pay delivered through "at risk" performance-based compensation increases directly with the senior executives' level of responsibility at Allied. Similarly, the proportion of equity-based compensation also increases directly with the executives' level within Allied. The Governance, Compensation and Nomination Committee believes this ensures that the senior executives are held most accountable for achievement of critical strategic and operating performance goals and for changes in Unitholder value. In addition, the Governance, Compensation and Nomination Committee believes that this mix and weighting aligns the interests of senior executives with those of the Unitholder, provides significant incentives for superior performance and assists in keeping Allied competitive in the market for high-quality executives. ii. Sign-on bonuses and recruitment incentive payments are considered on a case-by-case basis. No such payments were made to senior executives in 2022. iii. The employment contract with the CEO provides for notice periods, termination payments and accelerated vesting and release of equity compensation in the event that his employment terminates in certain circumstances, which differs from other employees. Agreements with the CFO and COO provide for termination payments in the event of the termination of employment without just cause within 18 months of a change of control of Allied. iv. Allied has adopted a compensation claw-back policy for each executive officer of Allied whereby the Board of Trustees may require reimbursement of annual incentive bonus and equity based compensation by the executives in certain circumstances. v. Allied provides up to 5% of a senior executive's base salary for registered savings programs. Trustees i. For 2022, Trustees received an annual retainer of $60,000 and $85,000 in equity based compensation. In addition, the Chair of the Board received $70,000, the Chair of the Audit Committee received $25,000 and the Chair of the Governance, Compensation and Nomination Committee received $15,000, in each case as an annual retainer for their services in these roles. Trustees were also able to elect to receive all or a portion of their compensation as equity compensation rather than cash. For Trustees, a- ii, iii, iv and v are not applicable.
	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	Executive In 2022, the annual incentive bonuses of each of the senior executives was based, in part, on performance against four corporate ESG objectives, including employee engagement, user satisfaction, and Allied's equity, diversity and inclusion (EDI) priorities set out in Allied's EDI Roadmap. In addition, the annual incentive bonuses of certain senior executives was based, in part, on performance against individual ESG goals. For more information see page 23. Trustees For Trustees, compensation is not linked to objectives or performance.

GRI Table

<table>
<tr><th>DISCLOSURES</th><th>DESCRIPTION</th><th>RESPONSE</th></tr>
<tr><td colspan="3">GOVERNANCE</td></tr>
<tr><td rowspan="2">2 - 20</td><td>a. describe the process for designing its remuneration policies and for determining remuneration, including:
i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration
ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration
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</td><td>i. The Governance, Compensation and Nomination Committee is responsible for making recommendations for approval by the Board of Trustees with respect to compensation plan design and the remuneration of the senior executives of Allied.
ii. Unitholders have an opportunity to have a say on Allied's approach to executive compensation through a non-binding advisory vote, commonly known as "Say-on-Pay", at each annual meeting of Unitholders. This vote gives Unitholders an opportunity to either endorse or not endorse Allied's approach to its executive compensation programs and policies and forms an important part of the process of engagement between Unitholders and the Board of Trustees on executive compensation. While this vote is advisory and non-binding, the Governance, Compensation and Nomination Committee and the Board will consider the result, together with feedback received from other Unitholder engagement activities, in future compensation planning. Unitholders are also invited to contact the Chair of the Board of Trustees directly by mail or by e-mail if they have any comments or questions about Allied's approach to executive compensation.
iii. To ensure that executive pay programs are competitive, Allied assesses compensation levels compared to the marketplace on a regular basis. The Governance, Compensation and Nomination Committee retains an independent compensation consultant on a biennial basis to conduct a comprehensive compensation review and to evaluate the competitiveness of Allied's executive compensation programs relative to its peer group and the appropriateness of Allied's executive and trustee compensation levels and design. In interim years, Allied may also retain a compensation consultant on an ad hoc issue-specific basis. In 2022, the Governance, Compensation and Nomination Committee retained an independent compensation consultant to conduct a comprehensive review of its executive compensation program related to leadership transitions. The compensation consultant is independent of Allied, the Board of Trustees and senior executives.</td></tr>
<tr><td>b. report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable</td><td>Allied issues 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. Allied 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, 85.54% of the proxies received voted "For" the Say-on-Pay resolution.</td></tr>
<tr><td rowspan="3">2 - 21</td><td>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)</td><td>Ratio is 33 : 1
• Total compensation for Highest Paid Employee (CEO): $3,970,006
• Median total compensation (excluding the CEO): $121,777</td></tr>
<tr><td>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)</td><td>Ratio is -0.32 : 1
• CEO annual total compensation decreased by 3.5% in 2022
• Median total compensation (excluding the CEO) increased by 10.85% in 2022</td></tr>
<tr><td>c. report contextual information necessary to understand the data and how the data has been compiled</td><td>Data was compiled using actual compensation paid for active employees as at December 31, 2022.</td></tr>
<tr><td colspan="3">STRATEGY, POLICIES AND PRACTICES</td></tr>
<tr><td>2 - 22</td><td>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</td><td>Letter from CEO on page 2.</td></tr>
<tr><td rowspan="6">2 - 23</td><td>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</td><td>a. The Trustees have adopted a Code of Business Conduct (the "Code") applicable to all employees, officers and Trustees of Allied which addresses, among other things, health, safety and security, privacy, accessibility, conflicts of interest and following the law, including environmental, labour, safety, anti-corruption and anti-money laundering laws, and prohibits the payment of bribes.
i. The Code provides that Allied supports and promotes the principles of the United Nations Universal Declaration of Human Rights and acknowledges the United Nations Declaration on the Rights of Indigenous Peoples.
ii. Yes. The Code provides that managers must be diligent in looking for indications that unethical or illegal conduct has occurred. Anyone having a concern about unethical or illegal activities is expected to inform their manager and take appropriate and immediate action.
iii. No
iv. Yes. The Code provides that respect for human rights is one of Allied's fundamental values. Allied strives to respect and promote human rights in its relationships with employees, suppliers, users and communities in which it operates. The Code can be found on our website at: https://alliedreit.com/wp-content/uploads/2022/12/Code-of-Business-Conduct-December-1-2022.pdf</td></tr>
<tr><td>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</td><td>i. Allied is committed to meet or exceed its respect to human rights under applicable Canadian Law including The Canadian Human Rights Act, The Canada Labour Code and The Fair Wages and Hours of Labour Act. Allied is also committed to meet or exceed human rights laws within the jurisdictional areas where we own and operate buildings, including the BC Human Rights Code, Alberta Human Rights Act, Ontario Human Rights Code and Quebec's Charter of Human Rights and Freedoms. The Code provides that Allied supports and promotes the principles of the United Nations Universal Declaration of Human Rights and acknowledges the United Nations Declaration on the Rights of Indigenous Peoples. In addition, specific commitments to human rights in the Code include non-discrimination, harassment, sexual harassment and violence, anti-slavery, human trafficking and child labour, accessibility, the right to privacy and the right to water.
ii. In the Code, Allied makes specific commitments to persons with disabilities and Indigenous Persons and to non-discrimination on the basis of race, colour, religion, creed, sex, age, social status, family origin, physical or mental disability or sexual orientation.</td></tr>
<tr><td>c. provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this</td><td>https://alliedreit.com/wp-content/uploads/2022/12/Code-of-Business-Conduct-December-1-2022.pdf</td></tr>
<tr><td>d. report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level</td><td>The Board of Trustees, which is the most senior level of our organization, has adopted the Code.</td></tr>
<tr><td>e. report the extent to which the policy commitments apply to the organization's activities and to its business relationships</td><td>All of Allied's business activities are guided by our Code.</td></tr>
<tr><td>f. describe how the policy commitments are communicated to workers, business partners, and other relevant parties</td><td>All employees must review and certify compliance with our Code annually.</td></tr>
</table>

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
STRATEGY, POLICIES AND PRACTICES		
2 - 24	a. describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organization ii. how it integrates the commitments into organizational strategies, operational policies, and operational procedures iii. how it implements its commitments with and through its business relationships iv. training that the organization provides on implementing the commitments	The Code is embedded within our hiring process and employees certify compliance with it annually. All policies developed are anchored in our Code.
2 - 25	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 b. describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in 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; 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 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	Allied 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.
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	i. Allied has an open-door culture and encourages employees to raise any concerns through their manager or with any alternative member of Management. Allied's leadership team is committed to attending regular site visits to build relationships and encourage any site- specific concerns to be raised during these visits. ii. Allied has a formal Whistleblower Policy in place that was updated in 2023 (https://alliedreit.com/wp-content/uploads/2023/05/10-Whistleblower-Policy.pdf)
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 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 c. describe the significant instances of non-compliance d. describe how it has determined significant instances of non-compliance.	No fines or non-monetary sanctions incurred for instances of non-compliance with laws and regulations noted in the current nor previous reporting periods.
2 - 28	a. report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	Allied is an active partner in industry associations including BOMA, ULI, NAOIP and CREW.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
STRATEGY, POLICIES AND PRACTICES		
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 is fundamental to our approach to ESG and business philosophy. We actively engage our key stakeholders to ensure satisfaction and to support our financial and ESG performance objectives. **Investor Engagement** • Regular investor presentations and one-on-one interviews • Annual General Meeting • Quarterly earnings calls including Q&A with executives • Press releases announcing significant business developments • TCFD, GRI, SASB and UN SDG-aligned disclosures for cross-industry comparison **User Engagement** • User Engagement Program led by our National Operations team since 2015 • Annual third-party user satisfaction assessment • Regular meetings with users to maintain ongoing communication and feedback • Hosting community events for users such as summer BBQs, holiday breakfasts • Educational events including waste management, or our rooftop beehive and urban farming workshops • EDI webinars on Black History in Canada and Pride month **Employee Engagement** • Annual third-party employee engagement survey • Training and educational opportunities, including the development and roll-out of Allied Academy • Annual performance reviews • On-boarding orientation • Intranet site for internal communications • Internal committees such as the Equity, Diversity and Inclusion Committee and the Make Room for the Arts Committee • Regular town hall meetings and email communications from the CEO **Community Engagement** • Make Room for the Arts program and Allied Music Centre • Preserving architectural history through design and exhibitions e.g. Nordelec • Sponsorship and in-kind support for regional community events • Interaction with communities throughout the development process e.g., town hall meetings • Strategic partnerships with charities, NGOs and community partners for specific projects • Community events in support of local non-profit agencies, including toy and food drives
2 - 30	a. report the percentage of total employees covered by collective bargaining agreements	0% of employees are covered by collective bargaining agreements
	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 Table

GRI 3: Material Topics 2021

DISCLOSURES	DESCRIPTION	RESPONSE
STRATEGY, POLICIES AND PRACTICES		
3 - 1	a. describe the process it has followed to determine its material topics, including: 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 ii. how it has prioritized the impacts for reporting based on their significance	The ESG priorities listed on page 6 are deemed material as identified by our evidence-based materiality assessment and extensive stakeholder engagement process, which is described on page 27 of this report. Materiality was determined by evaluating the significance of Allied's impact on that topic as well as the perceived importance of the topic to stakeholders. When we refer to the significance of Allied's impact, this means our ability to have a significant economic, environmental and/or human impact, both positive and negative. The significance of our impact was determined by in-depth reviews of relevant industry standards, legislation where we own and operate buildings and international disclosure frameworks. Perceived importance was determined based on stakeholder feedback from an employee-wide survey, one-on-one interviews with seven members of the Allied leadership team and in-depth interviews with 12 external stakeholders. Ten topics were deemed material to Allied; we refer to these as our priority ESG topics. The impact of Allied's business activities for each priority topic form the basis of our ESG Strategy and annual ESG reporting. Economic, environmental and human impacts, both positive and negative, are integrated within the disclosures for our priority topics. Specific and measurable environmental impacts are explicitly disclosed within the Energy & GHG Emissions, Water and Waste Management sections on pages 9 and 11 respectively. Human impacts are taken into account within the Equity, Diversity & Inclusion and Health, Wellbeing & Safety sections of this report on pages 16 and 18 respectively. In 2022, we undertook a review of our 2021 Materiality Assessment to ensure that our ESG priorities remain in alignment with our stakeholders and prevailing market forces. As part of the review, we held employee engagement sessions with our internal stakeholders and evaluated investor communications and questionnaires to evaluate any possible shifts in priorities. In 2021, we refreshed our desktop review of relevant legislation, ESG frameworks and peers. The results of this review demonstrate that our ESG priorities have remained the same.
	b. specify the stakeholders and experts whose views have informed the process of determining its material topics.	• One-on-one interviews with seven members of the Allied leadership team, including the CEO, CFO, COO, EVP Development, EVP Special Operations, SVP General Counsel and Corporate Secretary and a Board Member. • An employee-wide survey to understand Allied's ESG priorities. The survey achieved a 64% response rate. • In-depth interviews with 12 external stakeholders representing different aspects of our business, including users, community partners, municipal government, investors, suppliers and joint venture partners across the regions where we operate. In 2022: • Four employee sessions were held with different internal stakeholders from across departments and regions to understand shifts in priorities and emerging areas of focus.
3 - 2	a. list its material topics	1. Energy management 2. GHG emissions reduction 3. Climate change adaptation 4. Sustainable design standards 5. Water management 6. Waste management 7. Equity, diversity & inclusion 8. Health, wellbeing & safety 9. Climate-related risk management 10. ESG disclosure & transparency
	b. report changes to the list of material topics compared to the previous reporting period.	None

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
STRATEGY, POLICIES AND PRACTICES		
3 - 3	a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights;	1. Energy management (GRI 302: Energy), page 9 2. GHG emissions reduction (GRI 305: Emission), page 9 3. Waste management (GRI 306: Waste), pages 11 and 12 4. Water management (GRI 303: Water & Effluents), page 11 5. Sustainable design standards 6. Climate change adaptation 7. Equity, diversity & inclusion (GRI 405: Diversity & Equal Opportunity, GRI 406: Non-Discrimination), pages 16 and 17 8. Health, wellbeing & safety (GRI 403: Occupational Health & Safety), page 18 9. Climate-related risk management 10. ESG disclosure & transparency For more information on our impact, see page 27.
	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	
	c. describe its policies or commitments regarding the material topic	
	d. describe actions taken to manage the topic and related impacts, including: i. actions to prevent or mitigate potential negative impacts ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation iii. actions to manage actual and potential positive impacts	
	e. report the following information about tracking the effectiveness of the actions taken: i. processes used to track the effectiveness of the actions ii. goals, targets, and indicators used to evaluate progress iii. the effectiveness of the actions, including progress toward the goals and targets iv. lessons learned and how these have been incorporated into the organization's operational policies and procedures	
	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).	

GRI 300-400: Topic Disclosures

DISCLOSURES	DESCRIPTION	RESPONSE
ENVIRONMENTAL		
302: Energy 2016	302-1: Energy consumption within the organization	a. Total fuel from non-renewable sources (in joules or multiples): • 2021: 122,739 MWh or 441,860 GJ (Converted using Measurabl's conversion factor of 0.27777778) • 2022: 116,945 MWh or 421,001GJ (Converted using Measurabl's conversion factor of 0.27777778) • Fuel type used: Natural gas b. Total fuel consumption within the organization from renewable sources: • 2022: 0 MWh c. Total electricity and district (which include heating, cooling, steam consumption) in watt hours or multiples: • 2021 Electric: 297,735 MWh • 2022 Electric: 327,504 MWh • 2021 District: 64,236 MWh • 2022 District: 79,497 MWh d. Total electricity sold: • 2022: 70.93 MWh e. Total energy consumption for organization: • 2021: 484,730 MWh • 2022: 523,504 MWh f. Numbers represent absolute consumption (total for all sites in reporting year) directly taken from Measurabl's 2022 GRESB Report Data Summary, where emission factors are based on 2022 Canadian National Inventory Report (NIR), with the exception of emissions from district energy systems where emissions factors are available from local utilities and used in lieu of default emission factors from Measurabl. • In 2021, Allied's energy data coverage was 94%. • In 2022, Allied's energy data coverage was 95.8%. g. Numbers converted where required using Measurabl's conversion factors.
	302-3: Energy Intensity	a. Energy intensity ratio for the organization using absolute energy: • 2021: 28 kWh/ft² (represents 96.56% of portfolio coverage) • 2022: 28 kWh/ft² (represents 96.27% of portfolio coverage) b. Organization-specific metric chosen to calculate the above ratio: Total portfolio floor area: 19,146,490 ft² c. Types of energy included in the intensity ratio: electricity, natural gas, district hot water, district chilled water and district steam. d. The ratio only uses energy consumption within the organization.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
ENVIRONMENTAL		
303: Water & Effluents 2018	303-5: Water consumption	a. Total water consumption: • 2021: 636,482 m³ • 2022: 804,550 m³ b. Total water consumption from all areas with water stress: • 2021: 66,487 m³ • 2022: 78,113 m³ c. Not applicable, water storage has not been identified as having a significant water-related impact. d. All water is from municipal water supply. No estimations or assumptions are used.
305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	a. Gross Scope 1 GHG Emissions: • 2021: 20,157 tCO_2e • 2022: 19,815 tCO_2e b. Gases included in calculation: Carbon Dioxide (CO_2), Nitrous Oxide (N_2O) and methane (CH_4). Scope 1 emissions include emissions attributable to burning of natural gas. c. Not applicable - our energy supply does not include combustion of organic material. d. Allied's base year is 2019. Total Scope 1 emissions in 2019 was 20,526 tCO_2e. e. Allied utilizes Measurabl, which uses emission factors from 2022 Canadian National Inventory Report (NIR). Measurabl uses industry standard emission factors across fuels and global regions, and these emission factors include life-cycle emissions from energy generation. f. Consolidation approach as defined in Allied's reporting boundary. g. See (e.), Allied utilizes Measurabl. No estimations or assumptions used.
305: Emissions 2016	305-2: Energy indirect (Scope 2) GHG emissions	a. Gross Scope 2 GHG emissions: • 2021: 18,597 tCO_2e* • 2022: 24,014 tCO_2e* *both 2020 and 2021 emission factors include using local district energy emission factors from local district energy utility providers, where available. b. Not applicable as Allied does not consume gross market-based energy. c. Gases included in calculation: Carbon Dioxide (CO_2), Nitrous Oxide (N_2O) and Methane (CH_4). Scope 2 emissions include emissions attributable to consumption of electricity and district energy. d. Allied's base year is 2019. Total scope 2 emissions in 2019 was 21,672 $MTCO_2e$ e. Allied utilizes Measurabl, which uses emission factors from 2022 Canadian National Inventory Report (NIR). Measurabl uses industry standard emission factors across fuels and global regions, and these emission factors include life-cycle emissions from energy generation. f. Consolidation approach as defined in Allied's reporting boundary. g. See (e.), Allied utilizes Measurabl. No other estimations or assumptions are used, with the exception of emissions from district energy systems where emissions factors are available from local utilities and used in lieu of default emission factors from Measurabl.
	305-4: GHG emissions intensity	a. GHG emissions intensity: • 2021: 2.56 $kgCO_2e$ • 2022: 2.29 $kgCO_2e$ b. Organization-specific metric used to calculate the ratio: 19,146,490 ft² (Total portfolio floor area) c. Type of GHG emissions included in the ratio: Scope 1 and Scope 2 d. Gases included in calculation: CO_2, CH_4, N_2O

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
ENVIRONMENTAL		
306: Waste 2020	306-1: Waste generation and significant waste-related impacts	Refer to page 11. Detailed description of type of waste generated through operations: Total waste collected is the weight in metric tons of waste sent to landfill or recycled. Recycled waste varies by site and can include compost, beverage containers, cardboard, mixed paper, secure paper shredding, pallets, fats/oils/grease, plastics, furniture and building materials such as wood, steel, carpet, glass, concrete. Hazardous waste includes printer/toner cartridges, batteries, electronic waste, fluorescent lamps. Several of Allied's assets do not have any associated waste data because the waste is picked up by the local municipality and it does not provide waste data, or the waste is managed by a single tenant, for example residential dwellings, restaurants and bars and some office spaces. In these instances, the tenant is responsible for waste management and Allied does not track waste quantities. In other instances without data, the property does not generate waste, such as parking lots and parking structures. In 2022, waste data coverage was 85% across the portfolio.
	306-2: Management of significant waste-related impacts	a. The majority of our portfolio is comprised of adaptively re-used heritage buildings from the turn of the last century. Inherently our construction practices conserve excavation, demolition and construction waste by preserving and re-purposing these historical structures. We preserve these assets without compromise to character by upholding high design standards and replacing infrastructure with modern and efficient technology. In accordance with our User Construction Manual, the below outlines our policy on construction waste management practices: Construction and demolition work should be planned and managed in accordance with the Building's Construction Waste Policy and should incorporate the following practices: • Reduce the materials brought to the site to the minimum required to complete the work and to the minimum required to package and transport the material. • Re-use material where appropriate on renovations or changes to existing work. • Recycle material by separation of recyclable material and diverting it to an appropriate recycling facility. • Adhere to Canadian Environmental Protection Act, 1999 (S.C. 1999, c.33), Waste Audits & Waste Reduction Work Plans (O.R. 102/94) and Industrial, Commercial & Institutional Source Separation Programs (O.R. 103/94). • Tenant's contractors shall provide confirmation of proper disposal of construction waste in keeping with local regulations and guidelines. b. Allied's waste hauling practices must comply with all local regulatory requirements and performance standards. Allied conducts e-waste take back programs at some of our properties where electronic waste is recycled and diverted from landfill. Larger properties have an area to store collection until it's ready to be disposed. Allied's current providers, Aevitas, Quantum Recycling and Bulb Eater, are available at our larger properties, which allows us to properly dispose of e-waste and hazardous materials from landfill. We also receive building-level diversion reports from our waste haulers that feed into benchmarking and tracking waste data. Allied also leads educational campaigns for employees and our users. In 2022, we continued to refine our waste management program to introduce multi-stream mixed recycling to existing buildings and buildings acquired in 2021 and 2022, while continuing to engage our tenants with training and education sessions. c. Allied's contracted waste haulers must comply with local, municipal, regional, provincial and federal by-laws, statutes, rules, regulations, standards and other enactments to the performance of the services. All contractor personnel must comply with the rules and regulations applicable to each property. Allied also imposes specific requirements within our waste and recycling contracts to ensure the waste haulers manage waste responsibly. Examples of requirements include, but are not limited to: • The contractor must collect and properly dispose of all waste and recycling streams generated at each property to eliminate cross contamination or adverse environmental impact. • The contractor must colour code waste and recycling bins/totes by stream: waste (black), paper/cardboard (grey), organics (green), cans/glass/plastic (blue). This allows our users and third-party janitorial vendors to easily distinguish the different types of waste and sort them into different categories. • The contractor must provide a monthly diversion report in Excel format to Allied noting the breakdown of all waste and recycling streams generated at each property. A separate report must be generated for each property to benchmark, track and improve our recycling practices to divert waste away from landfill. d. Waste haulers must provide waste diversion reports for each property on a monthly-basis, summarizing waste stream results for the current month and the same month from previous years. This data is compiled and recorded within ENERGY STAR Portfolio Manager (a centralized database for energy, water and waste data) on behalf of Allied by a third-party waste consultant. To ensure accurate waste data is collected, Allied conducts third-party data assurance. Since Allied began reporting its ESG performance, no material discrepancies, errors or omissions were noted. We are currently developing and implementing additional strategies and resources to achieve our 2024 waste diversion target of 64%.
306: Waste 2020	306-3: Waste generated	a. Total waste generated: Hazardous: • 2021: 21 MT • 2022: 1.61 MT Non-Hazardous: • 2021: 3,856 MT • 2022: 4,863 MT Breakdown by Disposal Route: Landfill: • 2021: 2,060 MT • 2022: 2,406 MT Composted: • 2021: 389 MT • 2022: 553 MT Recycled: • 2021: 1,428 MT • 2022: 1,904 MT b. Waste haulers provide Allied with monthly diversion reports for our records. The data is compiled and recorded in ENERGY STAR Portfolio Manager (a centralized database for energy, water and waste data) on behalf of Allied by a third-party waste consultant.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
SOCIAL		
403: Occupational Health & Safety 2018	403-1: Occupational health and safety management system	Allied has an occupational health and safety management system that meets and exceeds provincial and federal occupational health and safety requirements, including policy; roles and responsibilities; hazard recognition, reporting and assessment; health and safety committees; workplace inspections; training; injury and incident investigations. The components of the health and safety management system comply with the Ontario Occupational Health and Safety Act, Quebec's Act Respecting Occupational Health and Safety, Alberta's Occupational Health and Safety Act and British Columbia's Occupational Health and Safety Regulation. This occupational health and safety management system applies to all of Allied's employees, contractors and visitors across all sites owned and managed by Allied.
	403-2: Hazard identification, risk assessment, and incident investigation	Allied has specific occupational health and safety policies and programs to support the identification, assessment and resolution of workplace hazards. These policies and programs include training for all Allied staff, contractors and stakeholders on reporting workplace hazards using the hazard reporting form and building incident reports. Allied also trains and certifies members of the Allied Health and Safety Committee on their legislated roles and responsibilities. These reports are reviewed by Allied supervisors and management to identify root causes of the hazards and to identify corrective actions and trends across the organization. In 2021, Allied developed and implemented a formal risk management program based on the ISO 31000:2018 risk management framework. Through this program, Allied has identified all occupational health, safety and security risks as they apply to our employees, contractors and the users of our properties. In 2023, this program will be expanded to further capture all environmental and climate-related risks as they pertain to our operations. Allied has developed emergency response plans for each asset and completed the first year of internal audits to ensure safe and healthy work environments for Allied staff and building users. Our regional Health and Safety Committees and Safety and Security Teams assess our properties to ensure compliance with provincial requirements on an ongoing basis. Our operations team completes monthly inspections of each property to ensure that opportunities for improvement are identified and implemented. In 2021, Allied implemented a process to uncover all health, safety and security hazards for new acquisitions to ensure that properties brought under Allied management meet or have plans to meet the organization's standards as they relate to employee, contractor and user health and safety. To date, eight new assets have been assessed identifying over 150 health, safety and/or security risks that have been addressed or capital projects initiated to address. Allied's Hazard Reporting Policy and Health and Safety Policy state that it is the responsibility of all employees, contractors and visitors to report workplace hazards to the organization. Management is committed to formally responding to all hazard reports, observations and recommendations in no more than 21 days. Employees are encouraged to report hazardous workplace situations and are encouraged to do so in order to continuously improve the organization's health and safety program. Those reporting workplace hazards are protected from reprisals by the organization for utilizing their fundamental labour rights. All Allied employees and contractors are protected from workplace reprisals for refusing to work in a situation or perform work that could or would result in injury, illness or more serious consequences. Allied has a formal Refusal to Work Policy that is consistent with federal and provincial legislation ensuring the rights of all workers to refuse unsafe work. All work refusals are investigated by the employee's manager, a worker representative of the Allied Health and Safety Committee and senior management as appropriate. In the event that an agreement to resolve the hazard cannot be reached internally, a member of the senior management team will contact the local provincial labour ministry to have an inspector attend the workplace and provide support in resolving the concern. Workplace incident investigations are initiated with the employee or contractor and their supervisor completing an incident report and submitting it to the local Allied Health and Safety Committee and Talent Team. The supervisor, with the support of senior management and relevant subject matter experts, will complete a root cause analysis to determine the actions needed to prevent recurrences, focusing first on eliminating the hazard, and if not possible, finding a sufficient substitution. If neither of these options are practical or possible, appropriate engineering controls followed by administrative controls will be considered. Additional personal protective equipment is considered as a last resort to protect employees and contractors from future recurrences. All recommendations determined as a result of the root cause analysis are reviewed by senior management and the local Allied Health and Safety Committee for alignment prior to implementation. In 2021, Allied developed and implemented an online incident reporting program that provides immediate notification to the organization's leadership team on risks, hazards and incidents that pose a direct risk or impact to our employees, contractors, users and visitors. In 2022, Allied also developed and implemented a Contractor Management Handbook for Health, Safety, Security and Environmental Compliance as well as a national standard for equipment and emergency supplies.
	403-3: Occupational health services	Allied maintains first aid stations that meet or exceed provincial requirements in all buildings under our management, and all buildings have Allied personnel trained in first aid. Noise level assessments are completed where there is a potential for noise levels to exceed provincial requirements to ensure adequate protection for Allied workers and contractors. Allied maintains the ability to complete workplace ergonomic assessments and since the start of the COVID-19 pandemic, each building has been equipped with signage and hand sanitation stations. Personnel have been provided with training on hand hygiene practices and equipped with enhanced filtration, medical grade masks and personal hand sanitizer. In 2021, Allied started a voluntary COVID-19 rapid testing program to allow employees and third-party service providers in Allied buildings to screen for COVID-19 prior to coming to work. This program has allowed Allied to successfully maintain operations and prevent the spread of the virus in the workplace. Allied maintained an at-home rapid testing program from January to September 2022 to protect workers, vendors and contractors performing work in Allied buildings, deploying 14,622 rapid tests prior to the program wind down. We continued implementing traditional COVID-19 precautions which allowed the Allied team to fully return to the office in April 2022. A chemical hazard program was developed and implemented in 2021 that included a full inventory of hazardous chemicals in use within our buildings and the procurement and deployment of chemical storage cabinets to relocate hygiene risks to controlled areas of our properties.
	403-4: Worker participation, consultant, and communication on occupational health and safety	
	403-5: Worker training on occupational health and safety	Occupational Health and Safety training is offered to Allied employees through two primary channels online, which we utilize for annual and new hire compliance training and in-person by a qualified third-party trainer for hazard-specific or hands-on training. All training provided to Allied personnel is offered during standard working hours and requires the individuals to complete a competency test to ensure they have gained the required knowledge to be effective. All new hires are required to complete Occupational Health and Safety online training and the operations team is required to complete the training annually.

GRI Table

DISCLOSURES	DESCRIPTION	RESPONSE
SOCIAL		
403: Occupational Health & Safety 2018	403-6: Promotion of worker health	a. Allied uses accredited third-parties to provide occupational health services to its employees. Our Employee Assistance Program (EAP), LifeWorks, provides health and wellness resources and confidential support and is accessible at all times. Where Allied is informed of confidential health information regarding an employee, this information is held within the Talent Team to ensure that all private material is kept strictly confidential. Any employee can access the EAP 24-hours a day, seven-days a week by phone, e-mail or chat. A mobile phone application is available by our service provider so that employees can conveniently and privately get access to health and wellbeing information, services and support. In addition to the EAP, Allied offers all full-time and permanent employees an extended benefits program. The program covers various health expenses and provides subsidized medical, vision, dental, long-term disability and life insurance. b. Allied offers an optional Wellness Spending Account for reimbursement of fitness and/or wellness related expenses to promote health and provides up to four education sessions per year on a variety of health and wellness topics, including mental health and financial items. Allied also provides six personal days to each employee annually to allow them to have time away from work for medical, vision, dental or other personal appointments to support their health and wellbeing.
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Allied has a contractor management and permit to work program that is used to ensure that work being performed by third-parties meets Allied's minimum requirements and expectations as it relates to that organization's workers' health and safety. For contractor management, the guidelines are provided to third-party service providers during the contracting process. Permits are required by Allied when high hazard work is being performed. Allied must also provide authorization prior to commencement, especially during construction projects. To ensure the health and safety of building users, Allied completes frequent inspections of common areas to ensure they are free of hazards and that all systems associated with occupant health and wellness are functioning as intended. In 2021, Allied started to complete building audits to review the level of conformance with Allied policies and procedures conducted by our service providers. Where opportunities for improvement exist, we complete root cause analysis to ensure appropriate corrective and preventative actions are identified. As outlined, Allied also initiated a COVID-19 rapid testing program. All employees, including third-party service providers, such as our janitorial and security partners, participate. The testing helps to ensure that positive COVID-19 cases are identified prior to entering the workplace to maintain a safe and healthy environment for all employees and users.
405: Diversity & Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	a. Board of Trustees i. 50% F / 50% M ii. 10% 30-50 / 90% over 50 iii. 10% Black / 90% White b. Executives and Vice Presidents i. 41% F / 59% M ii. 45% 30-50 / 55% over 50 iii. No other indicator c. All employees i. 41% F / 59% M ii. 21.5% under 30 / 54.5% 30 - 50 / 24% over 50 iii. No other indicator
GRI 406: Non-Discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	No incidents of discrimination.

Task Force on Climate-related Financial Disclosures (TCFD)

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Describe the board's oversight of climate-related risks and opportunities.	**Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.**	**Describe the organization's processes for identifying and assessing climate-related risks.**	**Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.**
The Board is responsible for overseeing Allied's risk assessment process by identifying the principal risks to the business and ensuring that appropriate systems are in place to manage these risks. The Board administers this oversight function directly, with support from its two standing committees, the Audit Committee and the Governance, Compensation and Nomination Committee, each of which addresses risks in their respective areas. See page 5.	Due to a rise in global temperatures, Allied recognizes that the likelihood of climate-related impacts to our business is increasing across the short, medium and long-term. In early 2022, Allied hosted a series of workshops, with third-party climate experts to identify the potential risks and opportunities associated with the impacts of climate change on the Canadian real estate sector using two climate change scenarios across short (before 2030) and long-term (beyond 2030) time horizons. See page 48 for the detailed findings from the scenario analysis.	Climate change has been identified as an environmental risk to Allied since 2017, and we intend to continuously enhance both our transition and physical climate-related risk assessment and management processes. See pages 10 and 23.	Allied has established key intensity-based metrics for the environmental topics most material to our business, including energy, GHG emissions, water and waste. Disclosing metrics related to environmental performance, such as Greenhouse Gas Intensity (GHGI), Energy Use Intensity (EUI), Water Use Intensity (WUI), energy and water consumption allows Allied and our stakeholders to understand how our assets are performing and how we are managing climate-related risk. See pages 9 and 11. To ensure high quality reporting and comparability for our stakeholders, we prepare our ESG Report, including metrics and targets, in alignment with the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI). See pages 28 and 31.
Describe management's role in assessing and managing climate-related risks and opportunities.	**Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.**	**Describe the organization's processes for managing climate-related risks.**	**Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.**
Allied's executive ESG Committee is responsible for implementing, expanding and evaluating Allied's ESG Strategy, which encompasses identifying risks and evaluating the actions to mitigate and address climate-related risks. The Committee meets at least semi-annually to review all matters related to ESG, including climate risk. See page 5.	One of Allied's ESG priorities is climate-related risk management, with a focus on integrating material transition and physical climate risks into our current risk management process, capital planning and asset-level preparedness. See page 23.	Allied understands the importance of achieving net zero by 2050 or earlier to mitigate the adverse impacts of climate change and reduce the business' physical and transition risk exposure. We are in the process of developing a NZC Plan that will identify a pathway to achieve NZC by 2050 or sooner. See page 8.	The environmental performance of Allied's standing portfolio, including Scope 1 and 2 greenhouse gas emissions, can be found on page 26. As we continue to develop our NZC Plan, we aim to begin reporting our Scope 3 emissions, in alignment with SBTi requirements.
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	**Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.**	**Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.**
	The two climate-related scenarios we used to conduct our scenario analysis included the Paris Agreement-aligned scenario (lower than 2°C), which was guided by IEA SDS and IPCC Representative Concentration Pathway (RCP) 2.6 and assumed widespread global action on climate change. The most significant impacts on the Canadian real estate market in this scenario could include strict uplift in building regulations, policies, carbon pricing and net-zero emissions requirements for all new developments. This scenario suggested that stakeholder priorities may shift, potentially resulting in users refusing to lease space in buildings that are not net-zero or net-zero ready, as well as investors divesting from companies that do not have credible decarbonization plans. In this scenario, we identified potential transition risks associated with policies and investments as well as opportunities in early-stage innovative technologies. The second scenario, or Failure to Act scenario (approximately 4°C) was guided by IPCC RCP 6.0 and 8.5 and assumed limited global action on climate change. In this scenario, the most severe climate-related impacts to the Canadian real estate market could include significant supply chain disruptions due to extreme weather and geopolitical events, an increase in frequency and severity of extreme flooding and heat events across Canadian cities and an increase in insurance claims, rates and premiums in uninsurable regions. In this scenario, the potential risks and opportunities identified were primarily associated with the physical impacts of climate change. See page 48 for the detailed findings from the scenario analysis.	Allied manages transition risk through acquisition due diligence, regulatory reviews, GHG emissions reduction targets and monitoring, as well as proactive management supported by our environmental performance team. We also established an internal shadow price of carbon as a notional market price per tonne of operational carbon emitted. The shadow price of carbon enables us to quantify the impact of carbon emissions to our business and to make decisions that account for expected transition risk. For more information on how these processes are integrated into our risk management process see pages 8 and 23. Allied recently developed a Physical Climate Resilience Strategy for our standing portfolio that prioritizes building-level mitigation strategies and have started to evaluate the physical risks at each building. See page 10.	Allied understands the importance of meaningfully integrating climate-related metrics and targets into our business strategy and remuneration policy. As such, our performance against GRESB, an internationally recognized benchmarking tool for the ESG performance of real estate companies, is directly linked to annual executive compensation. In 2021, Allied established intensity-based 2024 reduction targets for our environmental performance, including energy, GHG emissions, water and waste, with 2019 as our baseline year. The targets support Allied's ability to manage our climate-related risks and opportunities. The targets will be enhanced over time, particularly as we implement our NZC Plan. See pages 9 and 11.

Task Force on Climate-related Financial Disclosures (TCFD)

SCENARIO ANALYSIS

	Scenario 1: lower than 2˚c The Paris Agreement-aligned scenario (lower than 2˚C) was guided by IEA SDS and IPCC Representative Concentration Pathway (RCP) 2.6 and assumed widespread global action on climate change.		SCENARIO 2: Approximately 4˚C The Failure to Act scenario (approximately 4˚C) was guided by IPCC RCP 6.0 and 8.5 and assumed limited global action on climate change.	
	RISKS	**OPPORTUNITIES**	**RISKS**	**OPPORTUNITIES**
SHORT-TERM (BEFORE 2030)	• Insurers requiring resilience measures • Enhanced emissions reporting and transition planning obligations • Challenges leasing high-carbon buildings or buildings without decarbonization plans • Increased capital and development costs to meet decarbonization requirements for new and existing assets • Increased operational costs due to proactive mitigation measures • Carbon pricing rapidly increasing operational costs • Unpredictable policy change and variation across provinces • Rapid demand for electric vehicle charging infrastructure in new and existing buildings	• Capitalize on grants and funding for net zero investments and green financing mechanisms • Prioritize low-carbon program due to increased demand from users and investors • Continue to adaptively re-use and enhance existing building stock • Upskill and build internal capacity • Develop partnerships with users to pilot net zero buildings • Enhance risk management process to incorporate climate-related impacts • Seek low-carbon technology and other potential new investments and co-investments • Introduce net zero as a service to users through carbon removal credits or other emissions reduction services • Invest in local supply chain and low-carbon partnerships	• Increased insurance premiums • Increased overhead and storage for maintaining inventory of equipment to mitigate supply chain disruptions • Significant increase in operational costs and prolonged equipment downtime • Increased cost and timeline disruptions for development • Limited access to reliable water supply during potential droughts in Western Canada • Potential for uninsurable user spaces and stranded assets • Unreliable supply chain due to extreme weather events • Market variation in rents and demand due to inconsistent regional regulations • Increased planning and operational complexity due to varying requirements between provinces and municipalities	• Increase user awareness of building resilience program • Incorporate beyond-code resilience and emergency preparedness measures to mitigate physical risks • Expand resilience-focused services to users • Integrate climate risk into acquisition and due diligence process • Modify supply chain to focus on local suppliers • Improve employee knowledge and capabilities related to emergency preparedness and resilience
LONG-TERM (BEYOND 2030)	• 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 brownouts • Social unrest from increased cost of living, accelerating inequality • Economic impacts to enterprises as a result of changing customer preferences	• Cost reduction from upfront investment realized • Demand increase from limited supply of net zero office space • Explore and implement innovative and new technology revenue sources • Integrate green space into large development projects • Strengthen partnerships with low-carbon focused and aligned suppliers • Attract investors aligned with Allied's decarbonization goals	• Significant impact on supply chain and business due to extreme weather events • Inequality in urban core due to mass migration of climate refugees • Increased equipment failure and damages impacting user satisfaction • Incurring cost of relocating critical building infrastructure to mitigate flood risk • Increased security cost due to crime • Increased health risks due to poor air quality • Lack of coastal development opportunities due to sea-level rise and flooding	• 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 • Seek 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

United Nations Sustainable Development Goals (UN SDGs)

The UN created the SDGs to serve as guidance to achieve a more sustainable future for people and planet. As a public entity and global citizen, Allied supports the UN SDGs. Our ESG initiatives contribute to the following UN SDG goals and related targets.

UN SDG	UN SDG TARGET	UN SDG INDICATOR	ALLIED'S ALIGNMENT
3 GOOD HEALTH AND WELL-BEING	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	3.8.1 Coverage of essential health services	Employee Engagement (page 15) and Health, Wellbeing & Safety (page 18)
	3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks		
5 GENDER EQUALITY	5.1 End all forms of discrimination against all women and girls everywhere	5.1.1 Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex	Equity, Diversity & Inclusion (page 16)
	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	Equity, Diversity & Inclusion (page 16)
6 CLEAN WATER AND SANITATION	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	6.4.1 Change in water-use efficiency over time	Water Management (page 11)
7 AFFORDABLE AND CLEAN ENERGY	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	Net Zero Carbon Plan (page 8) and Energy Management & GHG Emissions Reduction (page 9)
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	9.4.1 CO_2 emission per unit of value added	Net Zero Carbon Plan (page 8) and Energy Management & GHG Emissions Reduction (page 9)
11 SUSTAINABLE CITIES AND COMMUNITIES	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons	11.2.1 Proportion of population that has convenient access to public transport, by sex, age and persons with disabilities	Mobility & Active Transportation (page 18)
	11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage	11.4.1 Total per capita expenditure on the preservation, protection and conservation of all cultural and natural heritage, by source of funding (public, private), type of heritage (cultural, natural) and level of government (national, regional and local/municipal)	Community Building (page 20) and Sustainable Design Standards (page 20)
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and re-use	12.5.1 National recycling rate, tons of material recycled	Waste Management (page 11)
13 CLIMATE ACTION	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	13.1.3 Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction	Climate Change Adaptation (page 10) and Climate-related Risk Management (page 23)
	13.2 Integrate climate change measures into national policies, strategies and planning	13.2.2 Total greenhouse gas emissions per year	Energy Management & GHG Emissions Reduction (page 9)

Statement of Assurance

Independent Assurance Statement Provided by ISOS Group, Inc.

ISOS Group, Inc. ["ISOS" or "we"] were engaged by Allied Properties Real Estate Investment Trust ["Client" or "Allied"] to conduct moderate level type 2 assurance of select data to be reported in its 2023 GRESB Real Estate Assessment ["Assessment"], covering the period beginning January 1, 2022 and ending December 31, 2022.

We have performed our moderate assurance engagement in accordance with the AccountAbility 1000 Assurance Standard v3 ("AA1000AS"). Our review was limited to the data reported in Allied's 2023 GRESB Real Estate Assessment comprising of:

- Energy consumption,
- GHG emissions,
- Water use,
- Waste generation.

We have not performed any procedures with respect to other information included in 2023 GRESB Real Estate Assessment and, therefore, no conclusion on the Assessment as a whole is expressed.

ALLIED'S RESPONSIBILITIES

The Company's management are responsible for:

- Preparing the data in accordance with generally accepted reporting practices,
- The accuracy and completeness of the information reported,
- The design, implementation and maintenance of internal controls relevant to the preparation of the report to provide reasonable assurance that the report is free from material misstatement, whether due to fraud or error,
- Ensuring the data performance is fairly stated in accordance with the applicable criteria and for the content and statements contained therein.

CRITERIA

The assurance process was intended to provide an independent opinion confirming that the Client has complied with procedures for data management at the company and minimized degrees of error by adequately:

1. Sourcing utility and waste hauler data to populate relevant data management systems,
2. Enforcing management and quality controls across the reporting period,
3. Aggregating and converting metrics into the correct unit of measure,
4. Calculating greenhouse gas emissions, and
5. Disclosing all totals correctly into its 2023 GRESB Real Estate Assessment.

BOUNDARY

Organizational Boundary	Allied is a leading operator of distinctive urban workspace in Canada's major cities and network-dense Urban Data Centre (UDC) space in Toronto.
Assurance Boundary	The boundary of assurance included one hundred and ninety-six (196) properties of the Client's facilities located in Canada.
GHG Emissions Consolidation Approach	The GHG emissions boundary followed the operational control methodology specified in the GHG Protocol.

LIMITATIONS AND EXCLUSIONS

Greenhouse gas quantification is unavoidably subject to inherent uncertainty because of both scientific and estimation uncertainty and for other non-financial performance information the precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

Several smaller Scope 1 GHG emission sources (i.e., refrigerant releases, mobile combustion sources, emergency generators) have been excluded from this review. Reviews pertaining to the completeness and capture of all utility meters at properties, particularly those attributed to tenant spaces, is limited to what is disclosed in data management systems. No visit to the Client's headquarters or facilities was conducted throughout this engagement. However, a sample set of properties were reviewed in more granularity and tested for data accuracy. It was determined that these limitations and exclusions do not materially impact the performance criteria or assurance engagement.

METHODOLOGY

The assurance procedures undertaken were to determine the strength of the systems in place. ISOS Group:

- Engaged a sample of individuals responsible for performance measurement,
- Evaluated current management systems for performance data collection, compilation, calculation, reporting, and validation,
- Determined consistency of assessing materiality, management approach, and application of quality control procedures,
- Reviewed sustainability disclosures, supporting data, and justification for rectifying discrepancies,
- Validated alignment to standard reporting protocols to ensure accurate claims to the quantitative methodology and approach and assurance claims,
- To verify quantitative claims, both at the aggregate level and on a sample basis, and test accuracy, consistency, completeness, and reliability, ISOS Group:
    1. Conducted a portfolio assessment analyzing performance results to uncover any errors, misstatements, gaps, or performance anomalies,
    2. Brought all findings to the Client's attention to address and confirmed resolution,
    3. Selected the following properties for testing and analysis, including cross-reference to primary source data to uncover variances and address any exclusions and other limitations:
        a. 151 Front Street W (Toronto, Canada)
        b. 60 Adelaide Street E (Toronto, Canada)
        c. CDM - 111 Robert-Bourassa (Montreal, Canada)

FINDINGS

Based on the process and procedures conducted, there is no evidence that the energy, water, carbon, and waste metrics reported by the client are materially misstated and confirm they provide a fair representation of the Client's environmental impacts to stakeholders for the stated period and reporting boundary.

APPLICATION OF THE AA1000AP

Findings and conclusions concerning adherence to the AA1000 AccountAbility Principles:

Inclusivity	Allied identifies its key stakeholders in its annual ESG report. Key stakeholders include its employees, tenants, investors, partners, communities, suppliers and contractors. Allied should continue to disclose engagement types and outcomes in future reporting.
Materiality	In its ESG Report, Allied outlines the 10 highest scoring topics, which were approved by Allied's ESG Committee, as the foundation of their ESG Strategy. Topics were sourced from the GRI standards, SASB, and TCFD, which represent best practices and industry standards. Allied conducted their materiality assessment in 2021.
Responsiveness	Allied established an executive ESG Committee representing leaders from different areas of responsibility who offer expertise and disseminate information across the organization. The ESG Committee assists Management and the Board in defining, designing, implementing, expanding, and evaluating Allied's ESG Strategy. Progress of this committee is communicated via a dedicated space on their website and within its ESG report.
Impact	Allied established environmental performance metrics and targets and reports its progress annually in its ESG Report. Allied has commitment to establish a Net Zero Carbon Plan and a GHG reduction target that will be validated by the Science-Based Targets initiative.

RESTRICTION OF USE

This assurance report is made solely to the Client in accordance with the terms of our engagement, which include agreed arrangements for disclosure. Our work has been undertaken so that we might state to the Client those matters we have been engaged to state in this moderate assurance report and for no other purpose. Our moderate assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Client for any purpose or in any context. Any party other than the Client who obtains access to our moderate assurance report or a copy thereof and chooses to rely on our moderate assurance report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Client for our work, for this independent moderate assurance report, or for the conclusions we have reached.

STATEMENT OF COMPETENCY AND INDEPENDENCE

ISOS Group is an independent professional services firm that specializes in sustainability reporting under the Global Resources Initiative (GRI), CDP, and GRESB and is a provider of external assurance services. ISOS Group is a Global Reporting Initiative Certified Training Partner for the United States and a CDP Silver Education and Training Partner in the United States. Our team of experts have the technical expertise and competency to conduct assurance to the AA1000 assurance standard, which meets the criteria for assurance of environmental data.

No member of the assurance team has a business relationship with the Client, its Directors, or Managers beyond that required of this assignment. We conducted this assurance independently and, to our knowledge, there has been no conflict of interest. ISOS Group has a strong code of ethics and maintains high ethical standards among its staff in their day-to-day business activities. The assurance team has extensive experience in conducting assurance engagements over environmental, social, ethical, and health and safety information systems and processes.

Further information, including a statement of competencies, can be found at www.isosgroup.com.

SIGNED ON BEHALF OF ISOS GROUP:

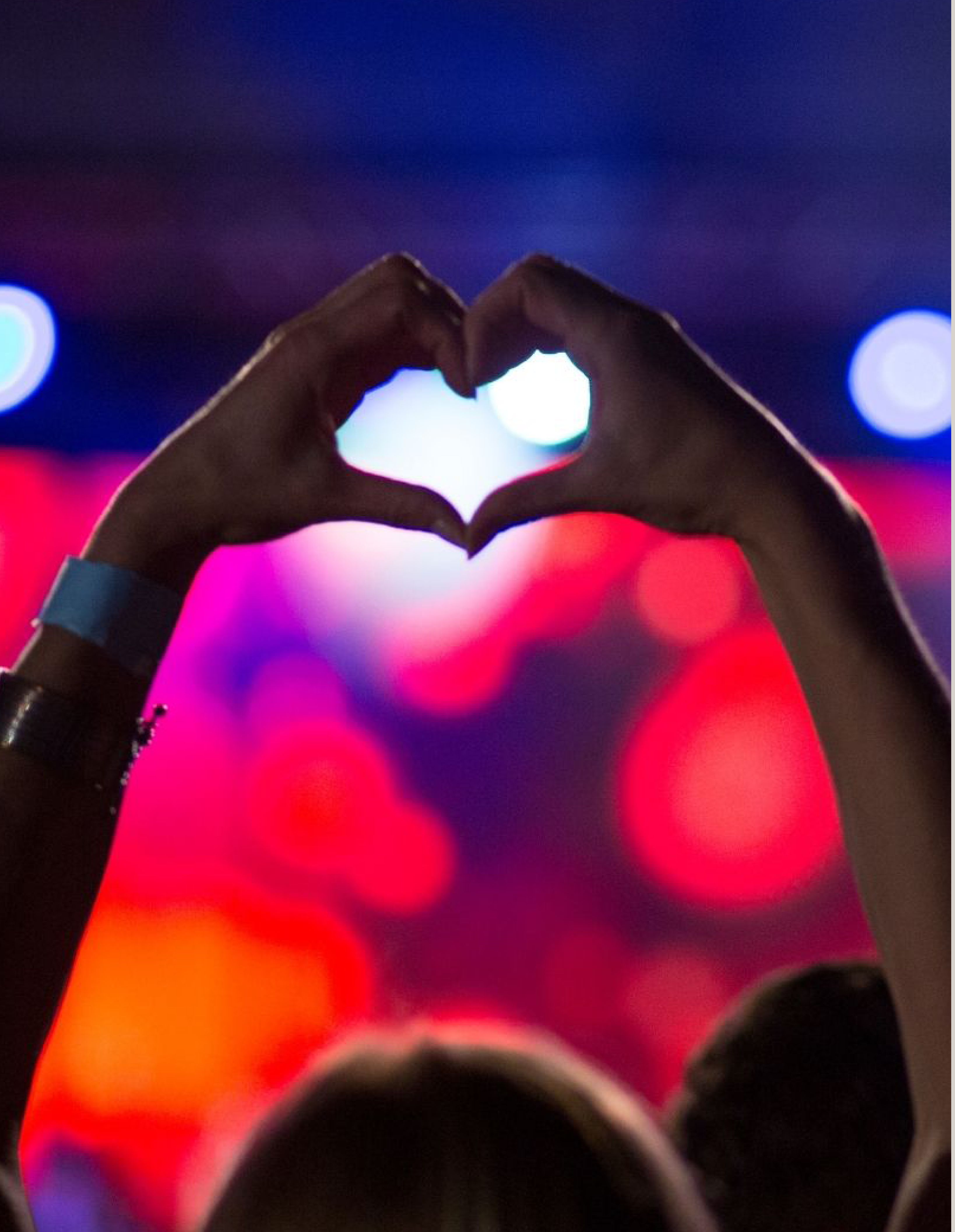
San Diego, California – USA, June 23, 2023.

Darlin Perez

BRIAN NOVECK
CSAP PRACTITIONER

DARLIN PEREZ
SUSTAINABILITY ANALYST

AA1000
Licensed Assurance Provider
000-284



"We build and operate commercial real estate
to save the global environment,
not to destroy it.

We build and operate to foster human wellness,
not to undermine it.

We build and operate to promote diversity,
not to impose uniformity.

We build and operate to facilitate creativity,
not to encourage conformity.

We build and operate as city builders, which in a way
embraces everything else."

MICHAEL EMORY

ALLIED PROPERTIES REIT
134 PETER STREET, SUITE 1700 TORONTO, ONTARIO M5V 2H2
T 416.977.9002 F 416.306.8704 alliedreit.com