



2020—

Impact Report

“

Impact investing
is building better
communities.

”





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Letter from Chief Responsible Officer



West Don Lands - Block 20
Toronto, ON

Real estate is an exciting and creative business which can have a profound positive or negative effect on a community or individual. Our approach to how we execute the development and operation of our properties reflects the most basic earliest teachings, ‘treat others as you would want to be treated’, ‘leave everything better than how you found it’ and ‘we only have a short time on this planet – make it mean something’.

From the early days of Dream, we have focused on pursuing attractive financial returns for our owners while also focusing on providing all our stakeholders benefits from our work. We believe that for a business to be sustainable, people must be better off because of their work. Building communities provides rich opportunities to make lives better as well.

People join our company enthusiastically because of this culture of providing benefits to all through the way we work with our partners, cities, suppliers, customers and neighbours.

The approach to focus on others as much as ourselves has led to long-term success as we often are provided with opportunities based on our past work, reputation, culture and ideas.

While our culture has been evolving over the past 25 years, two factors occurred simultaneously to create our

impact investing approach. Firstly, in 2019, the Operating Principles for Impact Management (‘Impact Principles’) were published and have become one of the leaders in impact investing. These principles set out an approach to making impact that is standardized, public and organized. The Impact Principles created a method for evaluating impact investing as an asset class.

Secondly, COVID-19 revealed the depths of the inequities in our community, which are intolerable. These inequities can be lessened through thoughtful investment and changes to how we look at the communities that we build and operate.

The combination of articulated public principles and reporting together with the increased need for more fairness in our society has provided Dream with an opportunity to articulate and formalize our historical behaviour. With the application of the Impact Principles, we can now layer onto the benefits that we have always created intentional measurement and reporting. As usual, with vocabulary to explain ourselves and articulated principles, we are not only able to discuss what we are doing more thoughtfully, but we are able to create even better positive social outcomes as a result.

Our Impact Management System provides our intent, our goals, how we measure, our verification, and subsequent learnings to improve further. The System allows our team

to assess and create positive impacts within our company and drive the speed at which we create even more impact. Our Impact System gives us legitimacy among responsible investment signatories as ~33% of all U.S. assets under management are under a sustainable investing mandate. Through our Impact System, we can speak with investors, governments, financial institutions, NGOs, tenants, suppliers and community groups about what and how we do our work.

By declaring our intentions publicly and formalizing our goals, process and the outcomes we intend to achieve, we aspire to create even more meaningful work in the future than we have in the past. We signal to everyone within our company and with whom we deal what it is that makes Dream, Dream.

The System sets the direction and priorities for the people we work with. To be successful, everyone in the organization, regardless of their position, knows that we place an equal emphasis on social and financial goals. People are empowered to do their best work and work that they are proud of. People know that when they need to make a decision, we believe that the non-financial considerations are just as important as the financial. Each person can make a meaningful contribution and can feel that they are making a meaningful contribution by making decisions that are respectful of each other.

Our impact approach provides us with a powerful lens to look at everything we do and improve in general. Aside from the organization-wide approach to improvement through impact, over the next year, we want to create a roadmap to achieve Dream Impact Trust’s goal of net-zero by 2035, complete our social procurement strategy and create commercial impact leases.

We do not lose sight that we are a for-profit organization through impact investing. Quite the opposite. We believe that our business will be most financially successful over the long term if we are a meaningful contributor to making our wider community fairer and providing benefits to all our stakeholders. Impact investing makes our company most able to attract and motivate exceptional people, whether it is to work at Dream or for cities, suppliers, customers, tenants or the community to want to work with Dream. It also strengthens our ability to generate sustainable returns over very long periods of time and keep our company resilient in the face of change and challenges.

Sincerely,



Michael J. Cooper
Chief Responsible Officer



Letter from Vice-Chair, Impact

I've dedicated my life and career to thinking about, and helping to build, better cities – more creative and innovative cities, more equitable and inclusive cities, more sustainable and resilient cities. I have studied and tried to understand cities for almost four decades now. As a child growing up in and around riot-torn Newark, New Jersey in the 1960s, I saw them in their darkest days of decay and decline. I chronicled their rebirth and revitalization at the turn of the millennium. Lately, I have been focused on the problems of unaffordability and inequality which vex our superstar cities like New York, London and Toronto.

Several years ago, I was fortunate to play a role in pushing for and helping to create the United Nations Sustainable Development Goal (SDG) for Cities – SDG 11. That goal focuses global attention on building cities and human settlements that are inclusive, safe, resilient and sustainable. Cities are our most important social and economic organizing unit. They are key to achieving all the great goals we want to achieve such as energy efficiency, mitigating climate change, ameliorating poverty, promoting inclusive development, growing our prosperity and generating jobs.

For most of modern time, it was government, sometimes with the help of private foundations, that worked to solve these problems. And there is a lot government can do. But all you have to do is look around. Many of the problems of inequality, unaffordability, dependence on cars – I could go on – that afflict our cities and communities continue to persist.

That's why it is so important that the real estate community do its part to ensure that our cities are more equal, affordable, cohesive and substantiable. All the more so as we rebuild after the COVID-19 crisis.

And that's where impact investing comes in. Impact investing means developing a coherent system where you can track the achievement of social goals as well as financial returns. It unlocks pools of private capital to build better cities.

Dream is uniquely positioned through its commitment to impact investing guided by and in line with UN SDG 11. We are focused on our three impact verticals: environmental sustainability and resilience, affordable and attainable housing, and inclusive communities.

It is time for the real estate community to step up. We at Dream seek to help catalyze that transformation.

Sincerely,

Richard Florida



Richard Florida
Vice-Chair, Impact

Dream Overview and History

Dream Unlimited Corp.

Founded in 1994, Dream has emerged as one of Canada's leading real estate companies. We focus on developing large-scale, urban and suburban communities across Canada and managing income-producing properties across Canada, the United States and Europe. Since inception, Dream has delivered excellent financial returns by focusing on building better communities. We always invest with purpose, embracing creativity, passion and innovation in all that we do.



Dream Unlimited Corp.
TSX: DRM



Dream Impact Trust
TSX: MPCT.UN



Dream Office REIT
TSX: D.UN



Dream Industrial REIT
TSX: DIR.UN

We do all things real estate. We build inclusive communities that embrace diversity. We create places where people do great work and are excited to call home. We invest in environmental solutions. We operate our existing properties in an impactful way. We stand behind everything we do.



Across the Dream group of companies, we are privileged to be able to maximize our impact and returns on everything we have:*

\$10 billion of assets under management
~500 total employees

11.8 million sf of commercial/retail gross leasable area (GLA) across the Dream group portfolio, inclusive of our development pipeline
~21,000 condominium and purpose-built rental units in the Dream group portfolio, inclusive of our development pipeline

* As at December 31st, 2020.

West Don Lands - Block 20
Toronto, ON

Our Values

Creating positive impact forms an integral part of who we are, how we invest and how we have done business for more than 25 years. It is integral to Dream's purpose to Build Better Communities and aligns with our values. Since 2013, we have defined our focus as 'Building Better Communities', which guides how we think, live and work.



Meaningful Relationships



Fierce Diligence



Courageous Ideas



Social Responsibility



Our values provide the foundation for our corporate culture and our investment philosophy – acting as a strong platform on which to build impact into Dream's culture.

This photo celebrates our learning partnership with Women's College Hospital
July 2015


Our Journey

Dream has a long history of building better communities. We have generated strong financial returns by creating unique, inclusive assets which have lasting positive impacts on the lives of our residents, customers and stakeholders.

"For them to put their necks out and put money into heritage before building out the condos is unheard of. They did the right thing first. It was incredibly creative and visionary, but also practical – they got things done." (Distillery District)


Pam McConnell
City Councillor for Ward 28, Toronto Centre-Rosedale,
June 23, 2007

"We recognize the role we must play with respect to environmental stewardship and sound environmental practices and are working to develop a corporate responsibility and sustainability reporting framework that will effectively convey our current practices, as well as our goals and objectives and our progress towards their achievement."

 **Michael Cooper**
Dundee REIT Annual Report,
December 31, 2009


"We believe in better communities. We build communities to live in from the ground up — developing land, constructing homes, providing retail centres and driving renewable power projects. We also build communities to work in, bringing office and industrial spaces to life. We invest in and manage properties, enriching them for the people who work there and the greater community."

"We aim to make stakeholders' lives better — customers, colleagues, shareholders and the community. We aim to outperform our competition by working smart, being innovative, treating people well, and never giving up."

 **Our Purpose**
Dream Unlimited Corp. Annual Report,
December 31, 2013

Our timeline, combined with the statements we have made, is the best affirmation of our business strategy and commitment to making a positive impact that continues to drive us to this day.

"Becoming a One Planet Community is more than receiving a stamp of approval. It's a long-term commitment to bring our ambitious plan to life and to continue to work diligently to build a better community through sustainability." (Zibi)

 **Jason Lester**
Senior VP of Urban Development at Dream,
May 21, 2015

"The Dream group of real estate companies had the highest proportion of female board members and executives last year, according to detailed data released Thursday by Canadian securities regulators. Five Dream-related Ontario businesses scored highly with Dream Unlimited Corp. (TSX:DRM) boasting 63 per cent women on its board, while 100 per cent of management on Dream Global Real Estate Investment Trust (TSX:DRG) were women."

 **CTV News**
November 30, 2017

"Since the beginning, Dream has done business in a way that is respectful of people and the environment while generating high returns. Building on our foundation, our vision is to do better every year."

 **Jane Gavan**
President, Asset Management,
2019 Dream Sustainability Report Interview

"We believe impact investing is ingrained in Dream's long-standing history as a developer and have seen the phenomenal effects we can make on our communities. With Dream Impact Trust's portfolio, we have the opportunity to build best-in-class assets and foster long-standing positive change for our stakeholders."

Michael Cooper
Dream Impact Trust Q3 Results Press Release,
November 2, 2020

2004

Dream formed a partnership to invest, improve and revitalize Toronto's Distillery District community, transforming 40 heritage buildings into a landmark destination and creating a cultural anchor in the city's East end

2007

Launched a \$350M fund exclusively focused on renewable energy

2011

DRM was selected to develop the LEED Gold certified Pan/Parapan Am Athletes' Village, inclusive of affordable and student housing. The project won numerous awards including the 2014 Building Industry and Land Development Association (BILD) Community of the Year

D.UN began measuring greenhouse gas emissions, energy and water consumption and set four-year targets

2013

DRM became the first TSX-listed company to have a female majority Board

2014

DRM invested in Zibi to create Canada's most sustainable master-planned community

DIR.UN began its rooftop solar program

Dream established a Sustainability Executive Committee to oversee and embed sustainability in key business areas including property operations, employee engagement and communications

Dream formalized diversity policies for each entity

D.UN implemented mandatory waste audits across Dream Office REIT, and redesigned recycling processes

2015

Dream published its first Sustainability Report

Michael Cooper, Chief Executive Officer, changed title to Chief Responsible Officer

2017

DRM completed its transformation of the Broadview Hotel, creating a beautiful arts and culture destination for the vibrant Riverside district community

2018

DRM and MPCT.UN were selected to deliver the West Don Lands project, building 600+ affordable housing units in a mixed-income community

D.UN achieved green certifications for 100% of its sites above 100,000 sf

D.UN and DRM formed Alate Partners to invest in innovative real estate solutions

2019

DRM and MPCT.UN established a partnership with Anishinabe Health Toronto to develop Canary Block 10, an Indigenous Hub celebrating culture and serving Toronto's Indigenous community

2020

Dream Hard Asset Alternatives Trust (DRA.UN) changed its name to Dream Impact Trust (MPCT.UN), focusing on impact investing

DRM became a signatory to the Operating Principles for Impact Management and a member of the Global Impact Investing Network

2021

Dream further expands its impact platform by successfully launching one of the world's first open-ended private funds dedicated exclusively to impact investing – Dream Impact Fund

Our Journey

Case Study

Distillery District

The historic Distillery District is a Toronto landmark featuring 40 heritage buildings on 13 acres in Toronto's east end.

In 2004, Dream, alongside its partner, acquired what were then viewed as rundown historical buildings and started investing to create a new community. Dream saw the potential that others overlooked and became a 50% partner. The Distillery District has now become a globally recognized destination and the anchor of a revitalized east end. It is a dramatic fusion of old and new, with a blend of Victorian Industrial architecture and stunning 21st century design and creativity. The result is an internationally acclaimed village of one-of-a-kind stores, shops, galleries, studios, restaurants, cafes, theatres and diverse housing choices. It is widely regarded as Canada's premier arts, culture and entertainment destination. It is home to one of the world's best Christmas markets and the value to Toronto tourism is priceless.



The Distillery District provides a home to artists, galleries and theatres, and acts as an incubator to foster young artists.

~90%

of GLA is occupied by Canadian-owned businesses

~139,000

sf dedicated to the arts

~800,000

annual visitors to the Christmas Market

Impact Investing

To further demonstrate our commitment to creating impact, we have introduced two dedicated impact investing vehicles: [Dream Impact Trust \(TSX: MPCT.UN\)](#) and [Dream Impact Fund](#).

Dream is the asset manager for both offerings, which provide access to exceptional, best-in-class assets. Each vehicle is designed to provide meaningful and lasting impact in the communities they serve while generating attractive financial returns.

dream
impact trust

Dream Impact Trust (TSX: MPCT.UN)

In October 2020, we announced that Dream Hard Asset Alternatives Trust would be renamed Dream Impact Trust, to better align the company's name with its purpose. As the first public impact company in Canada, the Trust has openly committed to effecting environmental and social change, through its role as a real estate owner, developer and operator. Dream Unlimited has a 26% interest in the Trust.

~\$653 million
of total assets⁽¹⁾

27
total number of assets.

10,326
number of units under
development⁽²⁾

We work with exceptional partners, working together to do our best work, and create communities that are financially rewarding and make people's lives better because of the communities we create. Those partners include: Cityscape Development Corp., Diamond Corp., FRAM + Slokker, Great Gulf Residential, Kilmer Van Nostrand Co. Ltd., Streetcar Developments Inc., Theia Partners, Tricon Capital Group, and Westdale Construction Co. Ltd. Throughout the report, when we refer to 'Dream' or 'we' in relation to our communities, we are referring to Dream and our partners.

[Dream Impact Trust](#) and [Dream Impact Fund](#) are both managed by Dream Unlimited, share the same Impact Management System and co-own a number of assets. Throughout the rest of this report, we will be speaking to the Trust and the Fund as one [“Dream.”](#)

\$136 million
of equity

6
total number of assets

1,214
number of units under
development⁽¹⁾

dream

Dream Impact Fund

In 2021, Dream further expanded its impact platform by successfully launching one of the world's first open-ended private funds dedicated exclusively to impact investing. With investments from some of Canada's leading institutions and family offices, Dream Impact Fund will share a similar mandate to Dream Impact Trust, including the three impact verticals and the Impact Management System.

Note 1 - As at March 31, 2021.
Note 2 - Residential units are at 100% project level and include planned units which are subject to change pending various development approvals.

Note 1 - Residential units are at 100% project level and include planned units which are subject to change pending various development approvals.

What Impact Investing Is To Us



At Dream, we are focused on **United Nations Sustainable Development Goal (UN SDG) 11: Building Sustainable Cities and Communities**, with the goal of making cities and human settlements inclusive, safe, resilient and sustainable. We believe that through this single goal, we address many of the other 16 UN SDGs.

Cities are at the core of life, innovation, and are a critical driver of global prosperity. More than 50% of the global population now lives in cities and they spend 90% of their time indoors. Over the next century, city-dwellers will represent an ever-greater share of the world's population. As cities continue to grow, it is imperative the prosperity they generate be more equitably shared.

Not all cities are equal. The largest are home to the greatest opportunity but are also the most expensive. It is crucial that life in these great cities remains attainable, and affordable housing is a critical component of ensuring their economic accessibility.

For cities to be successful at continuing to be incubators of innovation, and centres of creativity, they must be diverse.

To promote diversity, we must emphasize and support inclusivity. When all feel safe to be who they are and are proud of where they live, they can share their unique perspective without constraint. We are focused on developing and managing our real estate to create inclusive, safe and welcoming places.

As cities continue to house a greater share of the global population, building sustainably will be even more important. Currently, 40% of global GHG emissions are derived from the built environment. As a leader in the real estate industry, we must reduce emissions by building new sustainable buildings and upgrading our existing stock. Our focus on sustainability will encompass more than only the health of the environment. We will focus on the health and wellness of community residents too.

As a city builder, we are uniquely positioned to assist in delivering the best for our communities. We believe our purpose of building better communities – ones that revolutionize the way people live and work – is impact investing.

“Impact Investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.”

- The Global Impact Investment Network (GIIN)



"It is extremely important for the real estate industry to do its part to ensure that our cities are more equal, affordable and cohesive."



Richard Florida
Vice-Chair, Impact

Canary District
Toronto, ON

Dream's Impact Verticals

Dream's investments will address one or more of our three "impact verticals". Each vertical is integral to our strategy of building complete communities and reflects a component of UN SDG 11 – Sustainable Cities and Communities. Through successfully supporting UN SDG 11, we will also support the achievement of several other UN SDGs.

1. Environmental Sustainability and Resilience:

Develop sustainable real estate that optimizes energy use, limits greenhouse gas emissions, and reduces water use and waste while also creating resiliency against natural disasters and major climatic events.



2. Attainable and Affordable Housing:

Invest in mixed-income communities that are transit oriented, located close to employment opportunities, and support an overall lower relative cost of living with high quality of life.

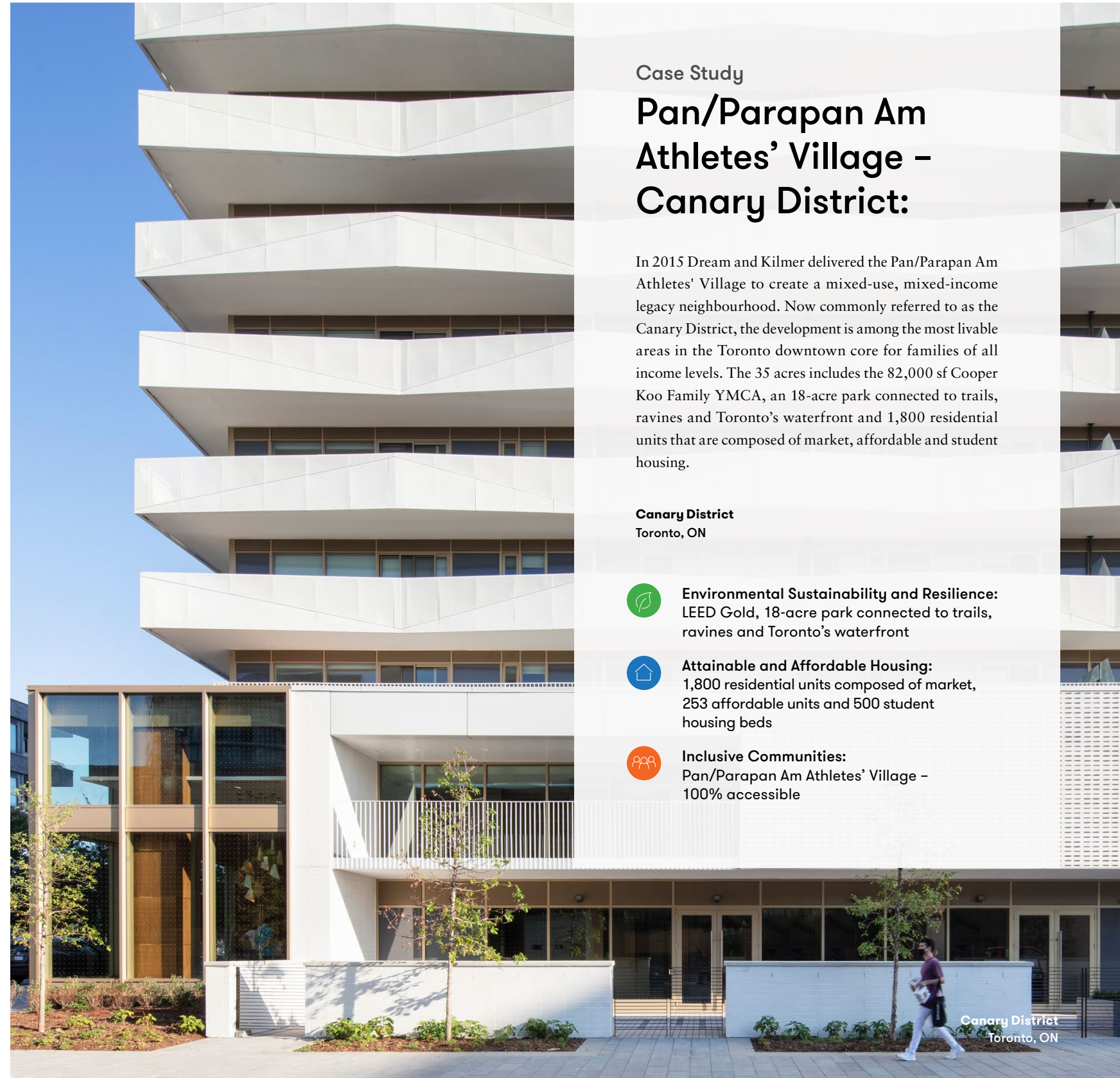


3. Inclusive Communities:

Intentionally design and program communities that are safe and inclusive for everyone. This includes creating spaces that encourage mental and physical health and wellness.



Dream supports the Sustainable Development Goals



Case Study

Pan/Parapan Am Athletes' Village – Canary District:

In 2015 Dream and Kilmer delivered the Pan/Parapan Am Athletes' Village to create a mixed-use, mixed-income legacy neighbourhood. Now commonly referred to as the Canary District, the development is among the most livable areas in the Toronto downtown core for families of all income levels. The 35 acres includes the 82,000 sf Cooper Koo Family YMCA, an 18-acre park connected to trails, ravines and Toronto's waterfront and 1,800 residential units that are composed of market, affordable and student housing.

Canary District
Toronto, ON

Environmental Sustainability and Resilience:
LEED Gold, 18-acre park connected to trails, ravines and Toronto's waterfront

Attainable and Affordable Housing:
1,800 residential units composed of market, 253 affordable units and 500 student housing beds

Inclusive Communities:
Pan/Parapan Am Athletes' Village – 100% accessible

Canary District
Toronto, ON

Why We Are Committing to Impact Investing

Our enhanced focus on impact investing is part of the natural evolution of our business.

Throughout our 25-year history, we have pursued projects that allow our team to achieve multiple goals at once. We have always pursued the highest possible returns for our investors and focused on improving the lives of those who live or work in the places we build and the spaces we manage.

We view the impact investing asset class as an improved articulation of our company's historical focus on pursuing both financial and social goals within each of our projects. While this has always been part of our DNA, it has been implicit within our work. With the adoption of an impact investing lens, we are now committing to apply the same rigour, concentration and transparency to our community impact results as we have to our financial results.

Over the past six months we have been developing our Impact Management System to formally communicate and demonstrate to all of our stakeholders the commitment we have to our communities. The Dream Impact Management System is a combination of the impact industry's best practices and Dream's historical processes. Unlike financial statements, there are no universally accepted impact reporting standards. Therefore, we are committing to annually review our Impact Management System and continue to evolve and improve as the impact investing industry matures.

The following sections of this report will introduce you to our Dream Impact Management System and provide specific examples of how we apply the many facets of this system in practice.



As the impact investing industry continues to evolve, we will continue to learn and improve our Impact Management System. We acknowledge that feedback and collaboration will be an important way to do this. We invite you to send us your feedback at impactfeedback@dream.ca

“We aspire to create even more meaningful work in the future than we have in the past.”



Michael Cooper
Chief Responsible Officer

In 2021, we will be building out three of our impact commitments:

1.

Net-Zero Roadmap ↗

Our roadmap to achieving net-zero across Dream Impact Trust's portfolio by 2035

2.

Social Procurement Strategy ↗

Create and implement a procurement strategy to increase exposure to equity seeking groups in our supply chain

3.

Impact Leases ↗

Integrate social and environmental commitments into our leases

Our Impact Philosophy

To build out our impact management system, we have incorporated methodologies from established frameworks today and acknowledge that over time, as the asset class becomes more developed, our approach will be further refined. As we have designed our system, we have incorporated existing work produced by three leading impact investing field-builders in addition to the UN SDGs:

- The Operating Principles for Impact Management;
- The Global Impact Investing Network; and
- The Impact Management Project.



Relevant Frameworks and Inputs

The following third-party frameworks have been incorporated in developing the Dream Impact Management System, which guides our impact investing and management.

United Nations Sustainable Development Goals [↗](#)

The Sustainable Development Goals, also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. There are 17 goals in total which provide a shared blueprint to achieve these goals. We have aligned our impact verticals with the SDGs to demonstrate how our investments may contribute to the achievement of these goals.

Dream is dedicated to building safe, resilient, inclusive and sustainable cities – expressed by Goal 11 – and we expect to have impact principally on these other SDGs:



Operating Principles for Impact Management [↗](#)

The Operating Principles for Impact Management, developed by the International Finance Corporation, in collaboration with global asset owners and asset managers, were launched in April 2019. This framework is intended to ensure that impact considerations are purposefully integrated through the investment life cycle. Furthermore, the Operating Principles for Impact Management framework seeks to bring greater discipline and transparency to the impact investing market by requiring signatories to produce annual disclosure statements, and to seek independent verification of their impact management systems and processes. Dream became a signatory on October 29, 2020 and has since participated in shaping policy.

The Global Impact Investing Network (“GIIN”) [↗](#)

The Global Impact Investing Network is the global champion of impact investing, dedicated to increasing impact investing’s scale and effectiveness around the world. The GIIN works with investors to accelerate the scale and effectiveness of impact investing by convening impact investors to facilitate knowledge exchange, highlight innovative investment approaches, build the evidence base for the industry, and produce valuable tools and resources. Dream became a member of the GIIN on November 2, 2020.

Impact Management Project (“IMP”) [↗](#)

The Impact Management Project is a forum for building global consensus on how to measure, manage and report impacts on sustainability. The IMP has reached a consensus that Impact can be measured across five dimensions: What, Who, How Much, Contribution and Risk. We have incorporated this into our Dream Impact Scoring System.

Aligned with these frameworks, our approach can be distilled into three core activities:

Intentionality

For every impact investment, Dream creates an impact plan that identifies multiple pathways to impact, each of which is aligned with a UN SDG and has a measurable outcome with key performance indicators.

Measurement

For each pathway, impact will be scored according to various dimensions. These include who will be affected (an assessment of the number of people, and how well or underserved they are), the extent of the impact (an assessment of depth and duration), and what Dream’s contribution is (an assessment of the outcome delivered by Dream, relative to what would have happened otherwise). We intend to measure our impact efforts in a repeatable, systematic way, consistent with broadly recognized sustainability accounting standards.

Verification

Our processes and our Dream Impact Management System will be verified by a recognized independent firm.



Zibi
Gatineau, QC / Ottawa, ON

Our Impact Integration

Renewed commitment to stated positive community outcomes

While achieving positive social and environmental outcomes has always been our part of our process, we have created an Acquisition Checklist to assist the investments team in determining the impact an investment can have. The checklist is a step-by-step approach to determining our impact intentions with the potential investment.

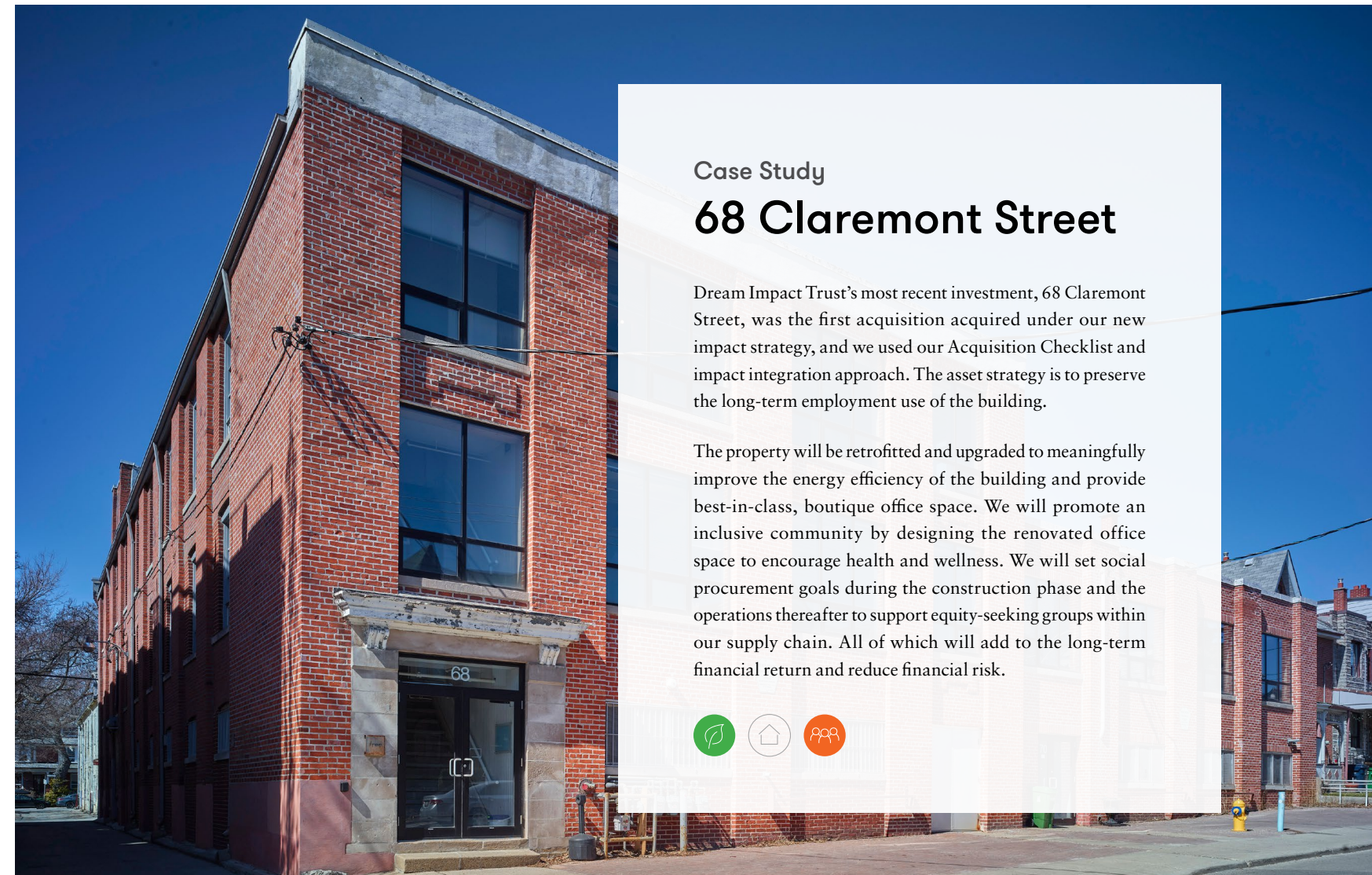
Impact Integration Throughout Our Portfolio

Investment & Impact Underwriting

- 1 As part of our due diligence procedures, **financial and impact underwriting** are simultaneously conducted and follow parallel approaches.
- 2 Using our **Acquisition Checklist**, we identify opportunities for impact that align with Dream's three impact verticals.
- 3 We establish **concrete metrics and outcomes against a baseline**. We evaluate opportunities to improve on the baseline, the cost to implement and potential benefits of implementation.
- 4 We seek to **maximize both the impact and financial return** of the investment.
- 5 We **create impact pathways** and continuously monitor performance against impact targets.

We are strengthening our commitment by presenting the investment to **Dream's Investment Committee** and hosting internal strategy sessions on impact to help us determine how we can maximize value and contribute to the community. The Investment Committee's role is to approve investments that meet both our financial and impact goals and hold the project team accountable.

Formalizing this process within our Impact Management System and creating transparency in our decision-making process will result in improved outcomes and enhanced accountability in creating impact. Dream's integration of impact investing begins at the outset of our investment process. The Acquisition Checklist is a crucial first step in brainstorming and determining our impact pathways for the investment.



Case Study

68 Claremont Street

Dream Impact Trust's most recent investment, 68 Claremont Street, was the first acquisition acquired under our new impact strategy, and we used our Acquisition Checklist and impact integration approach. The asset strategy is to preserve the long-term employment use of the building.

The property will be retrofitted and upgraded to meaningfully improve the energy efficiency of the building and provide best-in-class, boutique office space. We will promote an inclusive community by designing the renovated office space to encourage health and wellness. We will set social procurement goals during the construction phase and the operations thereafter to support equity-seeking groups within our supply chain. All of which will add to the long-term financial return and reduce financial risk.



“We invest with purpose, seeking to maximize both the impact and financial return of each investment.”



Jamie Cooper
Portfolio Manager, Dream Impact Fund



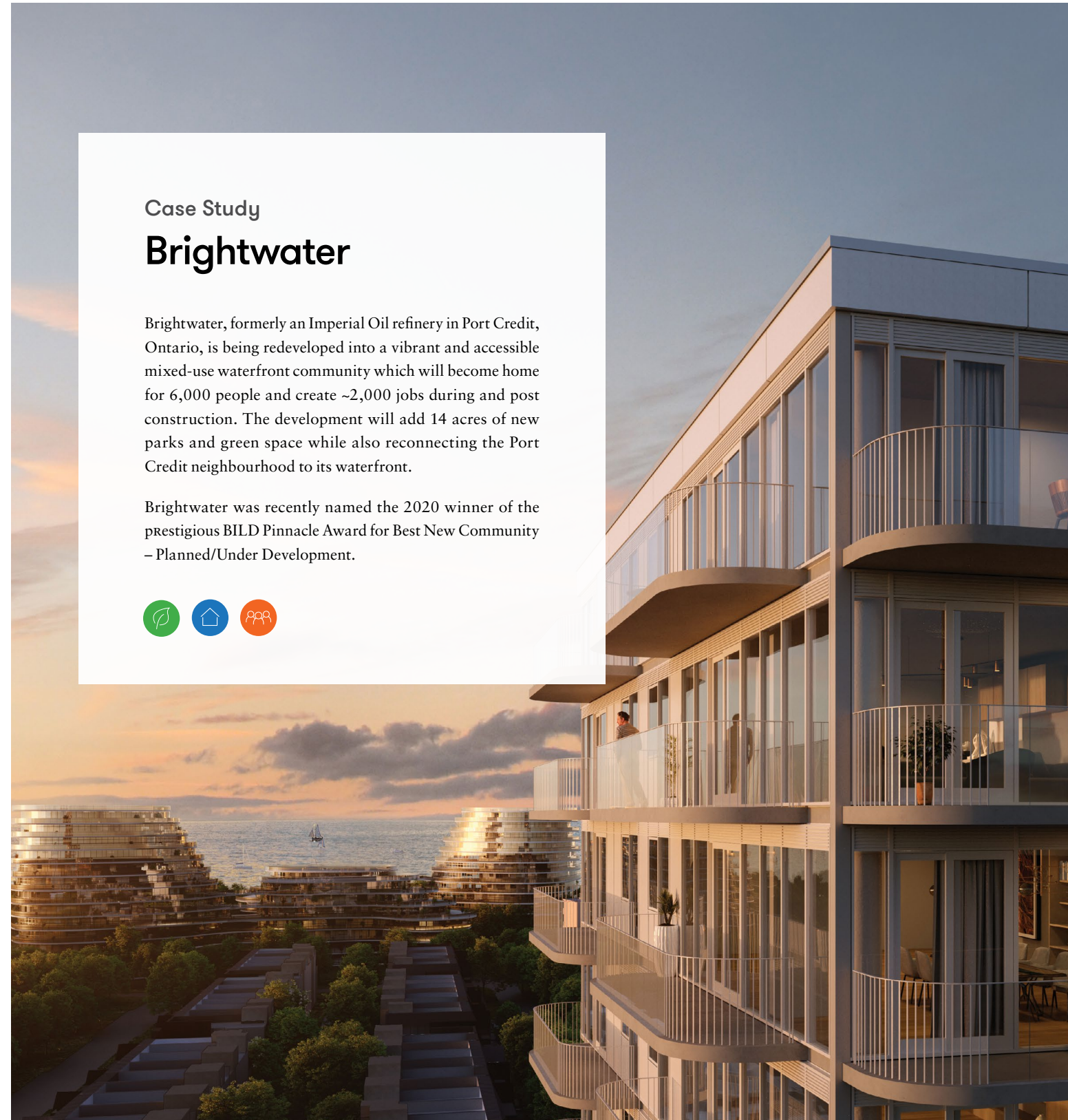
Environmental Sustainability and Resilience

Case Study

Brightwater

Brightwater, formerly an Imperial Oil refinery in Port Credit, Ontario, is being redeveloped into a vibrant and accessible mixed-use waterfront community which will become home for 6,000 people and create ~2,000 jobs during and post construction. The development will add 14 acres of new parks and green space while also reconnecting the Port Credit neighbourhood to its waterfront.

Brightwater was recently named the 2020 winner of the prestigious BILD Pinnacle Award for Best New Community – Planned/Under Development.



15–20%
IRR

18 acres
of parks and outdoor
gathering space

31%
Dream's total
ownership interest

Remediated a site contaminated by an oil refinery to make way for an award-winning, sustainable and inclusive community.

Key highlights include:

- ▶ ~3,000 residential units (including affordable)
- ▶ ~350,000 square feet (retail and commercial space)
- ▶ Central amenities, destination retail and restaurants
- ▶ Elementary school
- ▶ YMCA

Our Impact Management System

United Nations Sustainable Development Goals:



Our three impact verticals:



1. Environmental Sustainability and Resilience:

Develop sustainable real estate that optimizes energy use, limits greenhouse gas emissions, and reduces water use and waste while also creating resiliency against natural disasters and major climatic events.



2. Attainable and Affordable Housing:

Invest in mixed-income communities that are transit oriented, located close to employment opportunities, and support an overall lower relative cost of living with high quality of life.



3. Inclusive Communities:

Intentionally design and program communities that are safe and inclusive for everyone. This includes creating spaces that encourage mental and physical health and wellness.

These are each a component of the Dream Impact Management System. Throughout the report, we will use our Zibi project to illustrate the system.



Our Impact Pathways ↗

Dream's Impact Pathways are the internal system we use to measure the impact each investment creates on a consistent basis across the portfolio. They allow us to benchmark investments against one another and against their target scores, and evaluate whether a new acquisition will meet our impact requirements.

Our Secondary Pathways ↗

Secondary pathways are an extension of our impact pathways, and they are meant to better illustrate the benefits that our assets have on individuals, families and the communities in which we operate. These benefits are based on primary research, conducted by Dream, and secondary research, based on peer reviewed academic papers.

Our Negative Pathways ↗

Negative pathways are the negative externalities that Dream's business activities may have on people and the environment. For all our income properties and development projects, we focus on delivering both social and environmental benefits while mitigating the potential negative effects our operations may cause.

Governance ↗

We strive for continued improvement and enhancement through our methodical approach of: reviewing, refining, seeking management approvals, including outcome based compensation, publishing our progress and requesting ongoing feedback from our stakeholders and individuals within our organization.

Dream Impact Management System

Our Annual Commitment

As the impact asset class continues to evolve and our development projects move closer to stabilization, Dream’s key performance indicators will be refined, and we expect to incorporate a broader range of inclusivity metrics. We will continue to build out these targets as we work through our 2021 impact commitments.

Key Performance Indicators

Joint Indicators⁽¹⁾



46%

of women in senior management⁽¹⁾⁽²⁾

50%

of women on DRM and MPCT.UN Boards⁽¹⁾⁽³⁾

194

direct jobs supported⁽¹⁾⁽²⁾

100

female direct jobs supported⁽¹⁾⁽²⁾

1,567

baseline tonnes per year of GHG emissions⁽⁴⁾

20%

target GHG reduction by 2025 for income properties⁽⁴⁾⁽⁵⁾⁽⁶⁾

20%

target water usage reduction by 2025 for income properties⁽⁴⁾⁽⁵⁾⁽⁶⁾

50%

of income properties are Green Certified, targeting 100% by 2025

1,136

affordable units completed or under development⁽⁷⁾

37%

discount to market rent on affordable units⁽⁷⁾

\$19.5 million

annual rent savings on affordable units⁽⁷⁾



Zibi
Gatineau, QC / Ottawa, ON

“We are setting clear KPIs so our stakeholders know our priorities and we are committed to reporting on them annually.”



Meaghan Peloso
Chief Financial Officer, Dream Impact Trust



Canary District
Toronto, ON

Note 1 - Dream has endorsed the Joint Impact Indicators (JII). The JII are a subset of the Harmonized Indicators for Private Sector Operations (HIPSO) indicators and the IRIS Catalog of Metrics in topics that are common across investments, including gender, jobs and climate.

Note 2 - Based on Dream Asset Management Corporation employees, which includes DRM and MPCT.UN employees. Does not include employees at Dream recreational properties, employees on unpaid leave of absence (e.g. permanent disability, long-term disability, parental leave) or interns.

Note 3 - Includes members of both the GP and Trust Boards.

Note 4 - All reduction targets are compared to an established and normalized baseline year, which is 2019 or equivalent baseline year based on best practices.

Note 5 - Calculations of reductions is based on International Performance Measurement and Verification Protocol (IPMVP) standards.

Note 6 - Properties under development or redevelopment may be excluded.

Note 7 - All figures are at 100% project level, as at March 31, 2021. These are forecasted figures and are subject to change.

Our Impact Pathways

Dream's Impact Pathways are the internal system we use to measure the impact each investment creates on a consistent basis across the portfolio. They allow us to understand, evaluate and effectively communicate the impact we are generating. We have outlined our impact pathways to align with our three impact verticals and explicitly to a UN SDG.

The Impact Management Project (IMP) reached a consensus that impact can be measured across five dimensions, outlined below⁽¹⁾:

- What are the expected impacts?
- How much impact will the investment deliver? How much is it delivering already?
- Who will benefit?
- Contribution – What is the contribution of Dream to the impact?
- Risk – What is the risk the investment doesn't achieve the impact we expect?

With these five industry dimensions, Dream created the **Dream Impact Scoring System**. The goal is to create the best-in-class impact system for Dream to manage and measure its impact. The system is unique to Dream and accounts for Dream's three impact pillars: Environmental Sustainability and Resilience, Attainable and Affordable Housing and Inclusive Communities.



Zibi
Ottawa, ON / Gatineau, QC

Dream Impact Scoring System

Step 1 What?

This step emphasizes **intentionality**. What activity is Dream doing and what is the expected impact? All pathways are linked explicitly to one or more UN SDG, and to a target and indicator under the corresponding SDG. All pathways are also connected to one of Dream's three impact pillars. This is the process of thinking through and writing down the impact that we are seeking to achieve with an investment, commonly referred to as a logic model in the world of impact investing.

Note: This step does not produce a score.

Key Questions we look to answer in the What section:

- What is the activity Dream is doing?
- How are we achieving that activity?
- What is the expected output?
- What is the expected outcome?
- What are the KPIs we will be measuring to achieve the goal?

Step 2 How Much and When?

This step is about **depth** – the depth of Dream's impact by measuring two things – Duration and Degree.

- Duration – How long will the impact last? This is scored on a scale of 1-5. An activity that will be a permanent change would score a 5.
- Degree – What is the extent of the social or environmental change to the beneficiary experience? This is scored on a scale of 1-5.
- Delivery – When will the impact be delivered? This specifies the expected timeline of the pathway to ensure that we are held accountable on our delivery. This is not scored.

Step 3 Who?

This step is about the **beneficiaries**. It is measured in two ways – Number of People and the relative Need of People and the Planet.

Number of People – How many people will be affected? Although this is seemingly straightforward, it needs to be reviewed in context in order to assign a score. Is our activity affecting the whole building or a subset of people? This is scored on a scale of 1-5.

Need of People (for social indicators) – How well-served were the benefiting stakeholders before the investment? What is their relative need? This is scored on a 1-5 scale for social indicators and given an N/A for sustainable indicators.

Need of the Planet (for sustainable indicators) – What is the relative need of the planet for this investment? This is scored on a 1-5 scale for sustainable indicators and given an N/A for social indicators.

Step 4 Contribution

This step is to **understand Dream's role**. The question we ask ourselves when completing this is: without Dream, would this have happened? How much impact would be delivered without Dream? When evaluating contribution of our income properties, we compare against baseline building code requirements.

Contribution is given a low, medium or high rating. The rating applies as a multiplier in the Dream Impact Scoring System.

To further understand the non-linear effects associated with large-scale developments, we have also included a scale multiplier in our Dream Impact Scoring System. The multiplier is based on the GFA of the project. The scale multiplier assists in recognizing the size of the project and adjusting our impact accordingly.

Step 5 Risk

This step does not have a numerical score but is used to assess the **potential risk of Dream's actions**. It is broken out into two sub-steps – Evidence Risk and Enterprise Risk.

Evidence Risk – How strong is the evidence that Dream will deliver the expected impact? This is given a low, medium or high rating.

Enterprise Risk – What is the risk that Dream does not execute as planned? This depends on Dream's prior experience, and is given a low, medium or high rating.

Note 1 - This is the Dream order, not the IMP order of dimensions.

Dream's Development Pathways: Zibi

In addition to generating attractive returns at Zibi, we are looking to accomplish the following impact returns.



Zibi - Block 10
Ottawa, ON / Gatineau, QC



Pathway 1 Affordable and Attainable Housing

SDG Target

- 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.

Activities Dream Impact will undertake to accomplish this goal

Dream is building affordable housing. We are required to provide 7% or 140 units over the project life cycle. We have 150 affordable units already under construction and expect to greatly exceed our requirements. Affordable units will be applied across bedroom types, distributed throughout the building, have access to all amenities, and include the same unit quality and finishes as market rent suites.

What are the expected outputs?

At the development, Dream will provide affordable rental rates in the Ottawa-Gatineau metropolitan area to individuals who make below average income. Units will be priced at 30% of median household income in the Ottawa/Gatineau region, and will be in close proximity to transit and have access to all amenities that market rent suites will have.

What are the expected outcomes?

Providing affordable units will benefit the community by:

- Allowing individuals of all income levels to live closer to their work and have shorter commutes (affordable units in a central location), which results in higher levels of life satisfaction, increased time for physical activity (improves physical and mental health), increased job performance, and decreased sense of time pressure (which causes stress, fatigue).
- Providing proximity to green space, which improves air quality and increases levels of physical activity and well-being.
- Lowering budgetary stress, which leads to lower mental and physical health problems, improved job performance, and improved relationships.
- Increasing an individuals' ability to live closer to their work.
- Offering low-cost internet provider – available to all units.

What are the key performance indicators?

- Number of affordable units
- Number of affordable and accessible units
- Demographic of individuals receiving the affordable/accessible units
- Discount to market rent (%)



Pathway 2 Inclusive Communities

SDG Target

- 11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
- 11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

Activities Dream Impact will undertake to accomplish this goal

Dream is partnering with Algonquin Anishinabe nation and people to promote and incorporate First Nations culture into the development. We are developing Zibi beneficially with and for the Algonquin Anishinabe nation and people. Engage with Algonquins to ensure First Nations history, presence and culture are reflected throughout the development.

What are the expected outputs?

- At least 20 individuals are bridged from on-reserve work to off-reserve work experience, throughout the project life cycle.
- At least 2 opportunities for long-term investment for First Nations throughout project life cycle.
- Mention traditional Algonquin territory in 100% of public speaking engagements, media events and published reports; 15% of place names will be in Algonquin. Visitors to Zibi know that Zibi is the Algonquin word for river, and Ottawa-Gatineau is within traditional Algonquin territory.

What are the expected outcomes?

- Increased opportunity for historically marginalized/disadvantaged groups for training and learning.
- Increased home/asset ownership rates for Indigenous groups. Partnership creates a more inclusive community that reduces inequalities for a historically marginalized group.
- Increased awareness of Indigenous issues and culture.
- Opportunities for youth and workers to access off-reserve employment and build resumsés for future employment.

What are the key performance indicators?

- Number of partnerships with indigenous/minority groups
- % of construction hours worked by women and equity-seeking groups



Pathway 3 Inclusive Communities/ Environmental Sustainability and Resilience

SDG Target

- 11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

Activities Dream Impact will undertake to accomplish this goal

Dream is promoting health and wellness. The development will promote health and well-being through providing access to green space for everyone living/working on site.

What are the expected outputs?

Everyone living/working on site will be within 400m of park space. Past studies have suggested that a link between health outcomes and proximity to green space exists due to increased levels of physical activity.

What are the expected outcomes?

Improved mental and physical health for all residents as a result of higher levels of physical activity, enhanced air quality, reduction of the urban heat island effect, improved mental health and self-esteem.

What are the key performance indicators?

- % of green space
- Usage of dedicated green space



Dream's Development Pathways: Zibi, Continued



Pathway 4 Environmental Sustainability and Resilience

SDG Target

- 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Activities Dream Impact will undertake to accomplish this goal

Dream remediated a formerly contaminated site to make way for a sustainable, inclusive community. The Zibi site has a long industrial history dating back to the 1890s, beginning with the start of the timber trade, then the production of pulp and paper, and then the production of hydroelectricity by harvesting the nearby source of the Chaudière Falls. Due to decades of industrial use, the site was contaminated with polycyclic aromatic hydrocarbons (PAHs), petroleum hydrocarbons (PHCs), and polychlorinated biphenyls (PCBs). As a result, Dream had to remediate the site.

What are the expected outputs?

By completion, we forecast Zibi will have remediated more than 450,000 tonnes of contaminated soils. We intend to preserve nearly 462,000 sf of great buildings and demolish buildings that are contaminated or have deteriorated beyond repair.

What are the expected outcomes?

The land will no longer pose a threat to the surrounding community, and is now a suitable base for future development.

What are the key performance indicators?

- Tonnes of contaminants removed
- SF of post-industrial buildings repurposed



Pathway 5 Environmental Sustainability and Resilience

SDG Target

- 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.
- 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
- 7.3 By 2030, double the global rate of improvement in energy efficiency.

Activities Dream Impact will undertake to accomplish this goal

Dream is building a district thermal energy system. The creation of Zibi Community Utility (ZCU) district energy system – the first post-industrial waste heat recovery system in a master plan community in North America – will provide a self-sufficient, net-zero heating and cooling system for all tenants, residents and visitors upon buildout.

What are the expected outputs?

A self-sufficient, net-zero heating and cooling system for all tenants, residents and visitors, ahead of the Paris Agreement target date of 2050 net-zero greenhouse gas emissions.

What are the expected outcomes?

Once fully completed, Zibi's District Thermal Energy System will result in a net-zero carbon community. Without it, Zibi would have produced approximately 4,447 tCO₂e per year.

What are the key performance indicators?

- Tonnes of GHG emissions saved/sequestered
- Utility costs saved across the development (\$)
- GHG goal (reduction from baseline)
- Energy goal (reduction from baseline)
- Water goal (reduction from baseline)
- Waste goal (% recycled)



Pathway 6 Environmental Sustainability and Resilience

SDG Target

- 12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Activities Dream Impact will undertake to accomplish this goal

Dream is building and promoting an inclusive and resource efficient community. Dream has hired a One Planet Ambassador who will help facilitate programming at Zibi, including creating a Community Garden group for residents in order to promote an inclusive community. The Ambassador will also host more workshops and activities outdoors when possible.

What are the expected outputs?

Having a One Planet Ambassador is centred around the importance of educating and informing people who live/work at Zibi to change their habits in order to build a green community and reduce resource consumption. The Ambassador is in charge of catalyzing lifestyle changes for people who live and work at Zibi through site programming initiatives that are intended to promote environmental awareness and stimulate social and physical activity. We will monitor the attendance at community events to constantly improve and have more influence.

What are the expected outcomes?

- Increased sense of community, which leads to a stronger sense of belonging, and results in improved mental health.
- Focus on health and happiness – through the creation of green spaces, play areas, and outdoor programming such as hikes in Gatineau Park and a snowshoeing club – will stimulate physical and social activity.
- Improved health as a result of education programs to encourage a reduction in consumption of high-carbon foods; benefits of eating local through farm-to-table programs.
- Reduction of waste generation through recycling, composting, sharing programs.

What are the key performance indicators?

- Number of community events and attendance



Zibi
Ottawa, ON / Gatineau, QC

Attainable and Affordable Housing

Case Study

West Don Lands

In 2018, we joined forces with the world's leading architects and developers to create a revolutionary vision for our next development in the West Don Lands and deliver 2,279 world-class new rental units, of which 30% are affordable, to meet a growing demand in the Toronto housing market.

The first block of the development, Block 8, is a public-private partnership with Canada Mortgage and Housing Corporation (CMHC), the Province of Ontario, the City of Toronto and our development partners to deliver long-term affordable housing units through a sustainable finance model.

The West Don Lands is a LEED Gold, purpose-built, multi-family rental apartment community in Toronto's downtown east end. The development is one of the largest affordable housing projects in Canada and the first within the Provincial Affordable Housing Lands Program to break ground.

We are focused on addressing one of the most prevalent issues facing Canadian cities: shortage of attainable housing. Our West Don Lands Development will provide 684 affordable housing units. The development will be a "community for all" – affordable units will have the same finishes and amenities as market rate suites. As the first block of the development nears completion, we will be working with local non-profit groups to establish an inclusive tenant selection process for the affordable units.



Largest mixed-income development project in Canada with 2,279 units.



- Key highlights include:
- 54% discount to market rent.⁽¹⁾
 - Market units and affordable units have access to all the same amenities and are undifferentiated.
 - Affordability period of 99 years.
 - Expected to reduce energy consumption by 27% compared to the building code.
 - Expected to reduce GHG emissions by 32% compared to the building code.
 - Expected to reduce potable water consumption by 35% compared to market standard.

15–20%
IRR

684
total affordable units

33.33%
Dream's total ownership interest

Note 1 - This is a forecasted figure and is subject to change.

Our Secondary Pathways

What is a secondary pathway?

Secondary pathways are an extension of our impact pathways, and they are meant to further illustrate the benefits that our assets have on individuals, families, and the communities within which we operate. These benefits are based on primary research, conducted by Dream, and secondary research, based on peer reviewed academic papers and institutional resources. Both these sources comprise our “evidence base” – a key internal decision-making tool that helps our team determine how best to deliver impact.

For example, one of the studies in our evidence base showed that creating a mixed-income residential development did not necessarily facilitate interaction between different social classes. Low-income residents cited a lack of communal open space as a barrier to this interaction, reducing the inclusivity and social capital of the development.⁽¹⁾ One of Dream’s developments, Zibi, solves for this by not just providing open spaces within its mixed-income community but going a step further through various programming initiatives made available to all residents (community gardens, educational sessions, etc.).

Secondary pathways demonstrate intentionality and thoughtfulness in impact and can offer a holistic snapshot of how Dream’s impact features tie to positive social outcomes. These social outcomes are represented by our three guiding impact pillars: Environmental Sustainability and Resilience, Attainable and Affordable Housing, and Inclusive Communities.

Of note, secondary pathways are not scored. They are intended to offer additional evidence for benefits that appear to be intuitively true, and which have thus been prioritized in Dream’s development and refurbishment plans. In most cases, it may be difficult to directly link any one attribute of a Dream property to positive environmental or social outcomes. The purpose of our secondary pathways is to illustrate the compounding effect of being able to control various elements of real estate at the same time. Affordable housing, when combined with adjacent green space and community programming, can deliver a range of benefits that affordable housing alone cannot. For example, in the context of Zibi, time saved from shorter commutes is likely to result in more physical activity and community interaction, and hence improved physical and mental well-being for adults and children alike.



Select Secondary Pathways for Zibi are outlined below:



Evidence Base Example: Proximity to green space and better child development outcomes

Title	Green spaces and cognitive development in primary schoolchildren ⁽¹⁾
Publication year	2015
Geography	Barcelona, Spain
Study topic	Assessed the association between exposure to green space and measures of cognitive development in primary schoolchildren.
Selected for evidence base due to	<ul style="list-style-type: none"> — Similar population — Similar density — World Bank income group (high-income economies)
Methodology/design	Studied 2,593 schoolchildren in the second to fourth grade (7–10 years old) of 36 primary schools throughout Barcelona, Spain from 2012 to 2013. Used high-resolution (5m x 5m) satellite data on greenness.
Results	Observed an enhanced 12-month progress in working memory and a greater 12-month reduction in inattentiveness associated with greenness within and surrounding school boundaries and with total surrounding greenness index (including greenness surrounding home, commuting route and school).
Potential caveat	Adding a traffic-related air pollutant (elemental carbon) to models explained 20–65% of our estimated associations between school greenness and 12-month cognitive development.

Note 1 - Chaskin, Robert J, and Mark L Joseph. "Social Interaction in Mixed-Income Developments: Relational Expectations and Emerging Reality." Journal of Urban Affairs, vol. 33, no. 2, 2011, pp. 209–237. doi:10.1111/j.1467-9906.2010.00537.x

Note 1 - Davdand, Payam et al. "Green spaces and cognitive development in primary schoolchildren." Proceedings of the National Academy of Sciences of the United States of America vol. 112,26 (2015): 7937-42. doi:10.1073/pnas.1503402112

Inclusive Communities

Case Study

Canary Block 10, Indigenous Hub

We have entered into an innovative partnership with Anishinabe Health Toronto to develop Canary Block 10, a mixed-use project in the Canary District. Anishinabe Health Toronto is a community health centre with the mission to improve the health and well-being of Indigenous People in spirit, mind, emotion and body by providing Traditional Healing within a multi-disciplinary healthcare model.

Canary Block 10 will be the first purpose-built Indigenous Hub in a major North American city. The development will be composed of a 238-unit condominium building, a 206-unit residential rental building, heritage retail space, a community health centre and a mixed-use commercial building that includes a training, education and employment centre, offices for Indigenous-owned businesses and a city daycare. The five-building development draws from Indigenous architectural and design influences to foster a lasting spirit of diversity and inclusivity.



15–20%

IRR

444

total residential units

33.33–50%

Dream's total ownership interest⁽¹⁾



Key highlights include:

- All buildings have been designed with Indigenous architect consultation, will incorporate Indigenous design elements and be built to a LEED Gold standard.
- Expected to reduce energy consumption by 31% compared to the building code.
- Expected to reduce GHG emissions by 38% compared to the building code.
- Increased access to healthcare will improve the overall effectiveness of health services.
- Fully funded education, health and childcare centre to support the local Indigenous community.

We are proud to be a partner in the creation of the first purpose-built Indigenous Hub in any major North American city.

Note 1 - Dream has a 50% ownership in the condo and retail portion of the project and a 33.33% ownership in the rental component.

Our Negative Pathways

What is a negative pathway?

Negative pathways are the negative externalities that Dream’s business activities may have on people and the environment. For all our income properties and development projects, we focus on delivering both social and environmental benefits while mitigating the potential negative effects our operations may cause.



As part of our Impact Management System, we have developed a tool to help evaluate the materiality of negative pathways and an approach to ranking them based on the severity of the problem, relevance to Dream’s operations and mitigation difficulty. The purpose of this framework is to better understand the potential negative impacts of our business and to develop strategies to mitigate, where possible.

The most significant negative pathway for developments is the environmental effects associated with concrete production and usage. We acknowledge that the byproducts of construction are a serious global issue that needs to be addressed and is currently one of the most difficult negative pathways for us to fully mitigate/offset. Currently, “clean” concrete is over three times more expensive; however, over time this gap may narrow. Dream will continue to investigate costs for clean concrete and monitor trends in the space.

Zibi Negative Pathway

Negative Pathway	Construction Byproducts (carbon emissions from concrete and steel usage)
Scale of the problem	Global emissions from the cement and concrete industry produce 2.2 gigatons of CO ₂ per year ⁽²⁾ (~6% of global CO ₂ emissions) ⁽³⁾ .
Relevance to Zibi	<ul style="list-style-type: none"> — Zibi will consist of 37 blocks and total development area of ~4.3 million sq. ft. — Estimated concrete is 232,000 cubic metres (m³) — Estimated carbon is 46,400 tonnes of CO₂, equivalent to annual emissions of ~10,000 cars (lower with more recycled content)
Mitigation approach	<ul style="list-style-type: none"> — Reduce embodied carbon of buildings (overall reduction target is 20%) — In 2020, the project poured concrete with a combined total of 53.3% recycled content — Decrease construction emissions by processing excavated rock on site into aggregates for use in the development (in 2020, 71% of all blast rock was crushed and reused or kept in stockpiles on-site)
Commentary	“Clean” concrete is currently not commercially feasible. Dream will continue to monitor costs for “clean” concrete and explore new technology as construction progresses.

Note 1 - All figures included above are at 100% project level.

Note 2 - National Resources Canada, “CO₂ utilization in concrete: a new circular economy model” (2020).

Note 3 - Global CO₂ emissions are assumed to be 40 Gigatons. Le Quéré, Corinne, Jackson, R.B., Jones, M.W. et al. “Temporary” reduction in daily global CO₂ emissions during the COVID-19 forced confinement. Nat. Clim. Chang. 10, (2020): 647–653.

Iterating and Enhancing Our Impact Management System

Our goal is to establish and maintain one of the most thoughtful and effective Impact Management Systems in the world. This will require continuous improvement as the industry evolves and best practices are refined. We are making the following corporate commitments to ensure continual improvement and enhancement of our Impact Management System:

- 1 **Annual Reviews** – Each year our Head, Impact Strategy & Delivery, alongside the Impact team, will review each component of our Impact Management System to strengthen our core principles and introduce new concepts as the impact asset class evolves.
- 2 **Refine Scoring Accuracy** - Ongoing review of our impact pathway scores as well as key performance indicators (KPIs) to ensure our actions are aligned with our commitments. This will be a collaborative process and will involve every functional area – development, property management, investments, sustainability and impact. We will modify the system based on these reviews.
- 3 **Management Approval** - The Dream Impact Management System will be approved by management every year, similar to our annual Business Plans.
- 4 **Tying Compensation to Outcomes** - Employee annual goals will include impact KPIs and therefore compensation will be tied to meeting those goals.
- 5 **Receiving Feedback** - We want to create an environment where we can receive feedback from all stakeholders we interact with as well as all individuals within our organization.

This process is important to ensure that we govern our impact activities with the same rigour as we do our financial activities.



West Don Lands - Block 20
Toronto, ON

Future Outlook

At Dream, we have always been committed to Building Better Communities by supporting local initiatives that strengthen the social fabric of the communities where we work and live. We believe in building and designing exceptional places to inspire and bring the community together.

1 Issue Our Net-Zero Roadmap

Dream Impact Trust has announced the goal of being **net-zero carbon by 2035** – fifteen years ahead of the Paris Agreement mandate. Arapahoe Basin is a great example (outlined on the next page) of an innovative approach to achieving net-zero and we will be taking a similar approach with each of our properties. Over the next year we will issue a report detailing how we will achieve our net-zero goal. This strategy will include a detailed plan and milestones for eliminating our Scope 1, Scope 2 and Scope 3 emissions.

2 Social Procurement Strategy

Later this year, Dream will be releasing our commitment to creating employment opportunities for equity-seeking groups through our supply chain with an intention to create positive social impacts – a process often referred to as **social procurement**. This program will be called **The Dream Difference** and will establish a clear, intentional and equity-focused strategy for social procurement to leverage and influence our entire supply chain. As a start, Dream is formulating a request to suppliers and contractors to highlight their company diversity programs with each submission.

3 Impact Leases

As a landlord, it is extremely important to ensure our goals align with those of our tenants. Our team is in the process of creating an **Impact Lease** to formalize a joint commitment by Dream and our tenants to achieving our shared social and environmental goals. We look forward to entering into our first Impact Lease in 2021.

“Impact investing is an ongoing commitment, driving us to improve and challenge ourselves to continually achieve better outcomes.”



Pino Di Mascio
Head, Impact Strategy & Delivery

Case Study

Arapahoe Basin Ski Area

Arapahoe Basin Ski Area is a unique property in Dream’s portfolio with an important environmental emphasis due its natural setting and long-standing commitment to conservation. The ski resort, located in Colorado, features 147 ski runs across 1,400+ acres of natural terrain. Arapahoe Basin’s goal is to be carbon neutral by 2025.

- Become carbon neutral by 2025;
- 100% renewable electricity;
- 75% waste diversion;
- Increase carpool and public transport participation;
- Ecosystem stewardship and wildlife management;
- No net increase in water use; and,
- Centralized purchasing.



Case Study

The Broadview Hotel

The Broadview Hotel is an example of our social procurement strategy in action. The hotel collaborates with the community to support local artists, social entrepreneurs and independent businesses through the sourcing of various hotel products and services, such as skincare, mini-bar items, vinyl records, coffee and chocolate. This year, we will be expanding to include a specific focus on BIPOC and women-owned businesses.



A modern building at night with string lights and a courtyard full of people. The building has a dark facade with large glass windows and balconies. The courtyard is paved and has several trees. People are sitting on a bench, walking, and talking. A person is juggling in the foreground. The scene is illuminated by warm lights from the building and string lights.

“

Impact investing
is building better
communities.

”

As the impact industry continues to evolve, so will our Impact Management System. If you have any feedback or questions, please do not hesitate to reach out using the following email: impactfeedback@dream.ca



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