

Dream Summit Industrial LP Green Bond Allocation Report

April 13, 2023 to April 12, 2024



**LEED Silver Building
30 Hanlon Creek Blvd, Guelph, Ontario**

Introduction

Dream Summit Industrial LP (“DSI” or “Partnership”) is a private limited partnership. As of September 30, 2024, DSI owns 91 assets comprised of 182 buildings, totaling 24.1 million square feet valued at \$6.3 billion. The operations of the Partnership commenced on February 17, 2023, and pursuant to a court-approved statutory plan of Arrangement (the “Arrangement”), DSI acquired certain assets and assumed certain liabilities of Summit Industrial Income REIT (“Summit REIT”).

In the Arrangement, DSI assumed Summit REIT’s \$250 million 2.25% Series C debentures due January 12, 2027 (“Series C Green Bond”). The Series C Green Bond is governed by the Green Financing Framework published by Summit REIT in April 2021.

In the inaugural Green Bond Allocation report published by Summit REIT dated April 12, 2022, the net proceeds from the Series C Green Bond issuance were \$249.1 million. A total of \$160.4 million of proceeds were allocated between April 12, 2018 and April 12, 2022 in accordance with Summit REIT’s [Green Financing Framework](#) (see Framework Section IV. Reporting) with \$88.7 million remaining to be allocated. The report was independently assured by DNV Business Assurance Services UK Limited.

In the 2023 Green Bond Allocation report, DSI reported that \$88.7 million were allocated between April 13, 2022 and April 12, 2023, confirming that the net proceeds were fully allocated. The 2023 Green Bond Allocation report included a \$29.2 million planned development, which was reviewed and put on hold subsequent to the publication of the report. This 2024 Green Bond Allocation report outlines the reallocation of the remaining proceeds of \$29.2 million from the Series C Green Bond between April 13, 2023 to April 12, 2024.

External Assurance

PricewaterhouseCoopers LLP (“PwC”) has performed a limited assurance engagement over select performance metrics for Dream Summit Industrial LP which have been identified with a symbol “√” throughout this Report.

Allocation of Proceeds

All allocations described below relate to properties owned by DSI and were incurred between April 13, 2023 and April 12, 2024.

Green Building Category

Development Projects	Allocated Amount in \$ millions
4214-4216 South Service Road, Burlington, Ontario LEED Silver ¹ – 243,828 square feet	23.4
30 Hanlon Creek Boulevard, Guelph, Ontario LEED Silver ¹ – 207,396 square feet ²	5.8
Less: Previously allocated proceeds that no longer meet Eligible Green Initiatives per Green Financing Framework	(29.2)
Net Proceeds Allocated to Green Buildings in 2023-2024	-√

While DSI invested in many categories of Eligible Green Initiatives, the scope of this report was limited to material projects that utilized previously unallocated proceeds. Below is an overview of full utilization of proceeds:

Series C Green Bond Net Proceeds	\$249.1 million
Allocation per the 2022 Use of Proceeds Report	\$160.4 million
Allocation per the 2023 Use of Proceeds Report	\$ 88.7 million
Allocation per the 2024 Use of Proceeds Report	-
	<u>\$249.1 million</u>

As of April 12, 2024, net proceeds of Series C Green Bond have been fully utilized.

¹LEED Silver v4 Building Design and Construction: Core and Shell Development

²Owned 50% by DSI, and only DSI's share of eligible costs have been allocated

Case Study – Development Project 4214-4216 South Service Road, Burlington, Ontario

In early 2024, DSI substantially completed the development of its 4214-4216 South Service Road property. This property achieved LEED v4 Silver, Building Design and Construction: Core and Shell Development on August 28, 2024. The energy performance of the building is a 15.9% improvement in energy consumption over baseline³.

LEED (Leadership in Energy and Environmental Design) is a globally used rating system for Green Buildings. The building is evaluated based on the building's energy consumption and resource management efficiency.



³The estimate is calculated on the building core and shell design for annual energy savings against a baseline, built to minimally comply with ASHRAE 90.1-2013 standard as modified by OBC SB10-2017.

Disclaimer

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Independent practitioner's limited assurance report on the select performance metric as presented in the Green Bond Allocation Report

To the Board of Directors of Dream Summit Industrial LP

We have undertaken a limited assurance engagement of the select performance metric included in Exhibit 1 of Dream Summit Industrial LP during the period from April 13, 2023 to April 12, 2024.

Dream Summit Industrial LP's responsibility for the select performance metric

Dream Summit Industrial LP is responsible for the preparation of the select performance metric in accordance with the applicable criteria established in Exhibit 1 (the applicable criteria). Dream Summit Industrial LP is also responsible for the design, implementation and maintenance of internal control relevant to the preparation of the select performance metric that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the select performance metric based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* and International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board.

These standards require that we plan and perform this engagement to obtain limited assurance about whether the select performance metric is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the select performance metric in accordance with the applicable criteria, are likely to arise.

Our engagement included, among others, the following procedures performed:

- identified areas where material misstatement of the select performance metric is likely to arise;
- evaluated the suitability of the criteria specified in Exhibit 1;
- made inquiries of management and others within the entity, as appropriate;
- agreeing and testing the underlying data related to the select performance metric on a sample basis;
- applied analytical of reported data for the select performance metric; and

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- evaluated the overall presentation of the select performance metric.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether Dream Summit Industrial LP's select performance metric has been prepared, in all material respects, in accordance with the applicable criteria.

Our independence and quality management

We have complied with independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and of the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Dream Summit Industrial LP's select performance metric during the period from April 13, 2023 to April 12, 2024 is not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of the select performance and restriction on use of our report

The select performance metric has been prepared in accordance with the applicable criteria to assist Dream Summit Industrial LP in reporting to the Board of Directors. As a result, the select performance metric may not be suitable for another purpose. Our report is intended solely for Dream Summit Industrial LP.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Toronto, Ontario
December 19, 2024



Exhibit 1

Our limited assurance engagement was performed on the following select performance metric:

Select Performance Metrics	Amount (CAD)	Report page(s)
Net Allocation of proceeds to the Green Building category for the period of April 13, 2023 to April 12, 2024.	\$0	2