



Operating Principles for Impact Management

Dream Unlimited Corp. | May 30, 2025

We **Build Better Communities** for people to live, work and play in. The three core impact verticals that we've committed to are: Environmental Sustainability and Resilience, Attainable and Affordable Housing, and Inclusive Communities. Each impact vertical is aligned with various United Nations Sustainable Development Goals ("UN SDGs"); our goal as an organization is to align most closely with SDG 11, Sustainable Cities and Communities.

Dream Unlimited Corp. ("Dream", "we", "us", "our" or the "Signatory") has an established and successful asset management business, inclusive of CAD \$27 billion of assets under management as of December 31, 2024, across four Toronto Stock Exchange ("TSX") listed trusts, our private asset management business and numerous partnerships. We are a leading developer of exceptional real estate assets across Canada and Europe, including income properties that will be held for the long term as they are completed. We also develop land for sale in Western Canada. Dream has a proven track record for being innovative and for our ability to source, structure and execute on compelling investment opportunities.

The Signatory hereby affirms its status as a signatory to the Operating Principles for Impact Management (the "Impact Principles").

This Disclosure Statement applies to certain assets or business lines (the "Covered Assets") that qualify under Dream's impact strategy within Dream Impact Fund, Dream Impact Trust, Dream Office REIT and Dream.

The total Covered Assets in alignment with the Impact Principles is approximately USD \$2.8 billion¹ as of December 31, 2024.

In this Disclosure Statement, we provide specific commentary aligned with each of the 9 Operating Principles for Impact Management.

"Meaghan Peloso"

Meaghan Peloso
Chief Financial Officer, Dream Unlimited Corp.

¹ Stated Covered Assets that are in alignment with the Impact Principles and qualify under Dream's impact strategy include specific portions of Assets Under Management from Dream Impact Fund, Dream Impact Trust, Dream Office REIT and Dream as of December 31, 2024.

Principle 1**Define strategic impact objective(s), consistent with the investment strategy.**

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the United Nations Sustainable Development Goals (“UN SDGs”), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

Dream’s impact qualifying assets are governed by three core impact verticals. These verticals are:

- Environmental Sustainability and Resilience;
- Attainable and Affordable Housing; and
- Inclusive Communities.

All three verticals were established to address social and environmental issues facing the communities in which we operate. The themes behind our verticals are supported by numerous stakeholders, including, but not limited to, various levels of government, lenders, investment partners, customers, and the community.

As a real estate developer and manager, we have the potential to support many of the UN SDGs. However, we believe our Environmental, Social, and Governance (“ESG”) and Impact Management System position us to contribute to the UN SDGs that are most closely connected to our core business activities and where we can intentionally measure our impact. At Dream, we are focused on building safe, resilient, inclusive, and sustainable cities. Therefore, we view SDG 11: Sustainable Cities and Communities as our overarching goal with several other UN SDGs supporting asset level projects and initiatives within our impact investing strategy. For a more in-depth look into our alignment with the UN SDGs, refer to Dream’s Impact Report published on our website, www.dream.ca.

Given our asset profile and the depth of our development pipeline, we believe we can achieve scale through the completion of our developments, retrofits to our existing assets, and implementation of programming through partnerships across our assets. For each investment, we identify impact pathways that describe the impact-related activities for that asset and link the outputs and outcomes of each pathway to a relevant UN SDG, UN SDG target, and impact vertical.

Principle 2**Manage strategic impact on a portfolio basis.**

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

Dream sets impact objectives for all impact assets in the portfolio and, where possible, aggregates metrics to monitor impact at the portfolio level, by reporting on Key Performance Indicators (“KPIs”) that are common across many of our impact investments.

Dream’s Impact Management System is our intentional approach to identifying, managing, and measuring our impact assets in a systematic way, incorporating industry leading methodologies from established frameworks. It was developed to ensure impact considerations are integrated throughout all phases of the investment lifecycle – from due diligence to investment completion or stabilization, with annual reviews in place to ensure impact initiatives stay on track.

By policy for both Dream Impact Fund and Dream Impact Trust (TSX: MPCT.UN), all new investments must contribute to Dream’s impact objectives. We have developed an acquisition checklist to evaluate potential new investments based on financial criteria and impact criteria and utilize the checklist during the due diligence process. Only investments that qualify for both financial and impact criteria will be considered as impact investments. Impact pathways for recurring income assets are completed during the due diligence phase and are formally scored with our in-house impact scoring system (further discussed under Principle 4) at closing. For development acquisitions, preliminary impact pathways are identified during due diligence with final pathways revised during the development entitlement process. An impact strategy section is included in our Investment Committee materials and utilizing the pathways we identify how a potential investment compares with existing investments in the portfolio, and how it contributes to our impact objectives. These analyses are reviewed by the Investment Committee as part of the acquisition approval process.

For recurring income assets, pathways set at acquisition are expected to be consistent with the eventual impact outcome. For development projects, we expect the pathways to evolve throughout the planning process, as zoning is achieved, and pre-development work is completed. However, the Impact Management System continues to be used to ensure impact considerations are reflected through each of the development steps and reporting stages. Strategic briefs for each development project discuss impact objectives alongside construction and financial considerations.

Our ESG, impact, and financials goals are integrated into relevant employee work plans and deliverables. In respect to ESG and impact objectives and performance, the Chief Responsible Officer is the highest-level executive with oversight over ESG and impact matters. As part of Dream’s ESG and Impact Management System, ESG and impact considerations are aligned to executives’ goals, where applicable, which naturally cascade into the broader team goals.

Principle 3**Establish the Manager's contribution to the achievement of impact.**

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

Dream's Impact Management System is aligned with the Five Dimensions of Impact (What, Who, How Much, Contribution, and Risk) and incorporates a specialized scoring system that enables Dream to evaluate the specific contribution(s) towards achieving a positive impact that is created by each investment.

Within the scoring system, Dream's contribution is assessed separately for each impact asset and is marked on a scale ranging from Low to Medium to High, each of which corresponds to a numerical multiplier in our scoring system. Investments receive a higher contribution score if the impact outcome is unlikely to be achieved without Dream's investment, and a lower score, if the impact outcome is likely to have occurred regardless of Dream's involvement. Some guiding questions used to determine the score are 'How essential was Dream in achieving the impact?' and 'Would the outcome have happened without Dream's involvement?'

Construction rules (often referred to as "codes") and regulatory requirements are the main tool we use for consideration of contribution. For example, performing capital upgrades to a recurring income asset to bring it up to, or maintain it at code, receives a low contribution score. By contrast, building a low carbon master-planned community with affordable housing units receives a high contribution score, as it goes above common development practices and will achieve a higher impact.

Principle 4**Assess the expected impact of each investment, based on a systematic approach.**

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations.

In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

Dream has developed an in-house Impact Management System, which includes scoring assets, that can be applied to all impact investments. The Impact Management System and scoring has been reviewed and adapted by various teams inside Dream to ensure it is internally consistent and practically applicable. The framework Dream developed utilizes the Five Dimensions of Impact (What, Who, How Much, Contribution, and Risk) to measure and manage our intended impact.

The Impact Management System has been designed to measure the positive impact that each of our impact investments create – whether recurring income assets or development projects - consistently across the portfolio. The scoring system is applied to all impact assets, creating specific and detailed impact pathways, which produce a total net impact score. Each impact pathway has associated KPIs that align with reporting and disclosures across Dream entities. For an asset to be considered an impact asset it must have a minimum of three unique impact pathways, under at least two of the three impact verticals.

For each of Dream's impact verticals, we have also considered and researched indirect impacts, which we refer to as "secondary impacts." These are not scored but are intended to illustrate more fully our assets' benefits to stakeholders. Secondary impacts are assessed based on peer reviewed research, and backed by applicable data over the long-term, which itself is selected based on its applicability to Dream's context.

Principle 5**Assess, address, monitor, and manage potential negative impacts of each investment.**

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (“ESG”) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees’ ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

Dream’s ESG risk management helps us continuously identify and mitigate risks that could impact our companies. It requires collaboration with teams across Dream and understanding of the potential risks that arise during acquisition, investments, developments, and operations. In the acquisition and development stages, ESG risk management includes evaluating risks and opportunities using due diligence checklists to review a comprehensive set of risks, tailored for each investment opportunity. Across Dream, risk management is overseen by the applicable governance committee of each company, with the Risk and Insurance team reporting annually to Board committees at each entity.

Since formalizing Dream’s ESG Strategy in 2021, we have integrated the ESG Strategy across Dream companies, aiming to generate intentional and measurable environmental and social returns, and further embedding ESG throughout our business. Dream’s ESG and Impact strategies reflect a similar strategy and approach which are both detailed in Dream’s annual Sustainability Report and Impact Report published on our website, www.dream.ca. Additionally, in 2023 Dream formally published our [Responsible Investment Policy](#) outlining our approach to incorporating ESG factors into the selection and management of our investments.

Established ESG processes are also utilized and integrated as part of the Impact Management System. This includes understanding the potential negative impacts of our business and develop mitigation strategies, where possible. We have identified three primary negative pathways, all of which overlap with ESG risks previously identified and reported on. These are: greenhouse gas emissions related to cement manufacturing; waste as a construction by-product; and the energy, water, and waste profile of buildings over their lifespans. The negative pathways are not yet formally integrated into our ESG due diligence and monitoring framework.

Principle 6**Monitor the progress of each investment in achieving impact against expectations and respond appropriately.**

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

Impact metrics are defined for all impact investments to capture the outputs and outcomes of our impact pathways. Dream collects and reports on data related to impact KPIs annually in our [Impact Reports](#). This process is collaborative and integrated with our ESG team as they simultaneously collect data for Dream's annual Sustainability Report.

For recurring income assets, expectations are set for each investment by measuring the investment's baseline at acquisition (e.g., by performing a baseline energy audit), and annual targets for improvement are set. For development projects, the baseline is zero, as developments go through the planning phase, targets for stabilization following construction completion are set. This is done by incorporating impact and ESG industry standards.

Impact objectives are considered during the annual business planning process for Dream assets and further described under Impact Principle 8. We continue to improve our systems to ensure that impact goals and objectives are reviewed and addressed during that time. If any impact scores, outputs, or outcomes differ from expectations, the Impact team will engage with the relevant asset manager to determine next steps to resolve the underperformance, and work to ensure any changes are reflected, where needed, through the Impact Management System and impact score.

During our formal reporting process, data is compiled at the request of the Impact team and is reviewed and disclosed on an annual basis in Dream's Impact Report. For each of our impact assets, the relevant team (e.g. the sustainability team) within Dream is responsible for providing all impact pathway-relevant performance data and trend analysis, where applicable.

We keep up to date with globally recognized standards and frameworks for sustainability and impact related KPIs, and ensure that our KPIs, while specific to real estate and the uniqueness of each asset, are documented and aligned with these standards and methodologies. Additionally, we continue to further integrate our impact KPIs with our Sustainability KPIs and reporting, increasing cohesion and consistency across Dream.

Principle 7

Conduct exits considering the effect on sustained impact.

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

Dream has a mix of assets under its portfolio, including those that are intended to be built to hold (i.e. multi-family rental, commercial) and built to sell (i.e. condominiums). Due to the nature of our portfolio, investments where we do propose to exit tend to have built-in impact-delivering features that will remain for the life of the structure. This could include energy efficiency and accessibility features.

For build-to-sell assets, we acknowledge that we may have very little control over impact attributes that will depend on the purchaser, which are primarily impact attributes related to our inclusive communities vertical. For assets where an exit may be considered, we are exploring opportunities to engage with local non-profit organizations and business improvement associations to support ongoing inclusion efforts where the physical real estate has the potential to remain a community-centered space.

Principle 8**Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.**

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

Dream is committed to reviewing and continuously improving our Impact Management System. This is a collaborative process that includes the portfolio and asset management teams, the sustainability team, the development teams, and senior management, and finance teams.

Dream undertakes a comprehensive review of its Impact Management System on an annual basis. This annual review covers the impact pathways for each investment, progress against relevant impact KPIs, secondary impacts, impact performance on a portfolio basis, and the Impact Management System itself.

The impact pathways will be reviewed for each recurring income and development asset. We will compare target impact outcomes and scores from the prior year pathways to actuals, in cases where pathways are complete. For pathways that are not yet complete, we will assess if we are still on track to achieve the target impact outcomes and scores. Discrepancies between expected and actual impact will be discussed, along with potential causes and remediations.

We monitor industry developments and incorporate changes, if relevant, into our Impact Management System for the following year. This includes capturing potential lessons learned from new initiatives, standardizing scoring across the portfolio, and the development and management of key metrics.

We continue to build-out our secondary impact evidence base by reviewing the research conducted and compiled by Dream throughout the year. This helps to confirm whether our existing impact pathways remain the best way to achieve our impact under our three verticals, or if they should be modified. Additionally, we seek to further develop our plans to measure our negative impacts and integrate them into our Impact Management System.

The Governance, Environmental and Nominating Committee oversees and receives applicable updates or material changes relating to any aspects of the review process noted above. The intention is that any necessary changes to our Impact Management System are proposed, discussed, and implemented promptly following the annual review and sign off. The Senior Manager, Impact Delivery is responsible for overseeing and implementing the Impact Management System, with oversight by the Chief Financial Officer, and overall strategy and direction from the Chief Responsible Officer.

As part of our commitment to continuous learning and integrating feedback, we have a regularly monitored email, 'impactfeedback@dream.ca', which is available to contact at any time.

Principle 9**Publicly disclose alignment with the Principles and provide regular independent verification of the alignment.**

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

This Disclosure Statement re-affirms the commitment and alignment of Dream's investment processes to the Impact Principles and is updated annually.

In April 2024, Dream engaged BlueMark to independently verify the alignment of Dream's impact management practices with the Operating Principles for Impact Management. BlueMark's assessment findings cover both areas of strength and areas for improvement, as reflected in the disclosed [Verifier Statement](#). The independent verification was conducted over Dream's assets that were in alignment with the Operating Principles for Impact Management as of December 31, 2023. Dream will continue to conduct verification every 3 years, unless there are significant changes to our practices that warrant a more frequent review. Therefore, Dream plans to conduct the next independent verification in alignment with our disclosure statement published in 2027.

[BlueMark](#) is the leading provider of independent impact verification and intelligence for the impact and sustainable investing market. BlueMark's verification methodologies draw on a range of industry standards, frameworks, and regulations, including the Impact Management Project, the Operating Principles for Impact Management, the Principles for Responsible Investment, UN SDG Impact, and the Sustainable Finance Disclosure Regulation. BlueMark has office locations in London, UK; New York, NY; and Portland, OR; and is headquartered at 154 W 14th St, 2nd Floor, New York, NY 10011.

Disclaimer

The information contained in this Disclosure Statement has not been verified or endorsed by the Global Impact Investing Network ("the GIIN") or the Secretariat or Advisory Board. All statements and/or opinions expressed in these materials are solely the responsibility of the person or entity providing such materials and do not reflect the opinion of the GIIN. The GIIN shall not be responsible for any loss, claim or liability that the person or entity publishing this Disclosure Statement or its investors, Affiliates (as defined below), advisers, employees or agents, or any other third party, may suffer or incur in relation to this Disclosure Statement or the impact investing principles to which it relates. For purposes hereof, "Affiliate" shall mean any individual, entity or other enterprise or organization controlling, controlled by, or under common control with the Signatory.

Forward-Looking Information

This disclosure statement may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding our objectives and strategies to achieve those objectives, including in respect of impact and ESG matters and our commitment to our core impact verticals; our ability to achieve our goal to align our impact verticals with UN SDGs; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events; our impact management system and our plans, targets, commitments, and initiatives in respect of such system, including our expectation that such system can be applied to all impact investments and our goal of improving such system; our development pipeline, including in respect of planning, zoning, pre-development work and other matters; our retrofit plans for existing assets; expectations regarding our partnerships with third parties; expectations regarding our impact pathways, including the benefits to be derived therefrom, their implementation in respect of recurring income assets and development projects, and our monitoring initiatives in respect of such pathways; our view that our investment strategy will deliver impact; our intention to conduct annual reviews in connection with our impact management system; our ability to implement our impact initiatives in respect of our investments and improve our systems in respect of impact matters; our ESG, impact and financial goals; our annual reporting of KPIs, and other reporting and remediation initiatives and commitments; our ability to identify and mitigate ESG risks; our ability to assess pathways that are not yet complete and achieve the target impact outcomes and scores; our commitment to review, mitigate and manage negative impacts; our intention to set certain improvement targets; our ability to keep up to date with standards and frameworks for impact-related KPIs and ensure that our KPIs are documented and aligned with such standards; our goal of integrating our impact KPIs with our sustainability metrics and reporting; our intended use for our assets; our ability to explore opportunities to engage with non-profit organizations and business associations to support ongoing inclusion efforts in respect of assets where we expect to divest where the physical real estate has the potential to remain a community-centered space; our goal of building our secondary impact evidence base and to measure negative impacts and integrate them into our Impact Management System; and our engagement of a third party to conduct verifications on the alignment of our impact management practices with the Operating Principles for Impact Management.

Forward-looking statements generally can be identified by words such as "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "could", "likely", "plan", "potential", "seek", "strategy", "project", "continue", "strive", "target", "forecast", "outlook" or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions, which may prove to be incorrect, include the various assumptions set forth herein as well as assumptions including, but not limited to: that the general economy remains stable, the nature of development lands held and the development potential of such lands, interest rates and inflation remaining in line with management expectations, that there will be no material change to regulations, including environmental regulations, that will impact our business, that we will meet our objective, priorities and growth targets, that we do not incur any material environmental liabilities, that the impact of the current economic climate and global financial conditions on our operations will remain consistent with our current expectations; that no duties, tariffs or other trade restrictions will negatively impact us, our ability to bring new developments to market, anticipated positive general economic and business conditions, including low unemployment and interest rates, positive net migration, oil and gas commodity prices, our business strategy, including geographic focus, anticipated sales volumes, performance of our underlying business segments and conditions in the Western Canada land and housing markets. Risks and uncertainties include, but are not limited to, general and local economic and business conditions, risks related to the imposition of duties, tariffs and other trade restrictions and their impacts, public health risks, risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions, inflation or stagflation, regulatory risks, mortgage and interest rates and regulations, the risk of changes in governmental laws and regulations, risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates, environmental



and climate change risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition.

All forward-looking information in this disclosure statement speaks as of May 31, 2025. Dream does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is disclosed in filings with securities regulators filed on SEDAR (www.sedar.com) under Dream's profile.