

ESG Report

2024



Salthill Capital Corporation
salthillcapital.com



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About This Report

This ESG report aims to showcase the initiatives we've started or furthered in 2024. We are committed to transparent and accurate disclosures. Our actions are rooted in our core values and beliefs - these are part of everything we do.

This report was produced by Salthill Capital with support from its third-party climate consultant, Mantle Developments. Mantle is working with us to advance our sustainability objectives, providing industry expertise on ESG disclosure, Greenhouse gas emissions, and building certifications.

Reporting Boundaries

Included are all of our existing assets, including those sold and acquired during the reporting period. Separate attention is given to Salthill Capital's Fund 5 properties.

Reporting Period

This report encompasses the period between January 1, 2024 - December 31, 2024

Reporting Frameworks

We work to align our reporting and disclosure practices with leading ESG reporting frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and Global Reporting Initiative (GRI).

Data Considerations

Data is collected and managed at the site level at all our properties. Salthill is using the Brightly platform to collect energy, water, and waste data for its Fund 5 properties.



Message from the CEO



Dear Stakeholders,

I am pleased to present Salthill Capital's 2024 ESG Report. This report highlights our unwavering commitment to environmental, social, and governance (ESG) principles, which are integral to our mission and values.

In 2024, we made significant strides in enhancing our digital presence and improving stakeholder engagement. Our efforts included the development of a new website, the implementation of a customer relationship management (CRM) system. These initiatives are designed to provide a better user experience and manage customer interactions more effectively.

We are proud of our achievements in ESG, including the implementation of utilities tracking software, submission of properties for BOMA Certification, and development of reduction targets for energy, emissions, and water consumption. Our commitment to sustainability is reflected in our alignment with the United Nations Sustainable Development Goals (UN SDGs) and our focus on reducing our environmental impact.

At Salthill Capital, we believe in the power of inclusion and diversity, and we have organized various activities to promote health and wellness among our employees and tenants. Our corporate governance practices are aligned with leading ESG frameworks, ensuring transparency and accountability throughout our organization.

As we look to the future, we remain dedicated to driving progress and supporting our communities through innovative and sustainable practices. We will continue to invest, listen, and learn, with a commitment to creating better and stronger neighbourhoods and relationships.

Thank you for your continued support.

Sincerely,

Cathal O'Connor

Principal, Chief Executive Officer

ESG Focus & Commitment



Vision

We strive to be among Environmental, Social, and Governance leaders, with sustainable business strategies adding meaningful value to all Stakeholders and empowering team members to act as positive agents for change within their respective Communities.

Mission

Our ESG mission aligns with our corporate mission and enhances our commitment to our Investors and all Stakeholders. We are committed to creating and adopting innovative ideas and business practices to improve our Communities, the Natural Environment, and operational efficiencies, while enhancing Stakeholder experiences.

Focus

At Salthill, we are committed to operating and growing our business sustainability and are conscious of the impact we have on our Stakeholders. We work hard to reduce the environmental impact of our operations while simultaneously dedicating ourselves to our Stakeholders: Our Investors, Our People, Our Tenants and Community, and the Natural Environment.

Sustainable Development Goals

Salthill is proud to align its ESG strategy and goals to the United Nations Sustainable Development Goals (UN SDGs). Our commitment aligns with 10 SDGs where we believe we can make a significant impact. Our team is continuously working towards each of these goals.

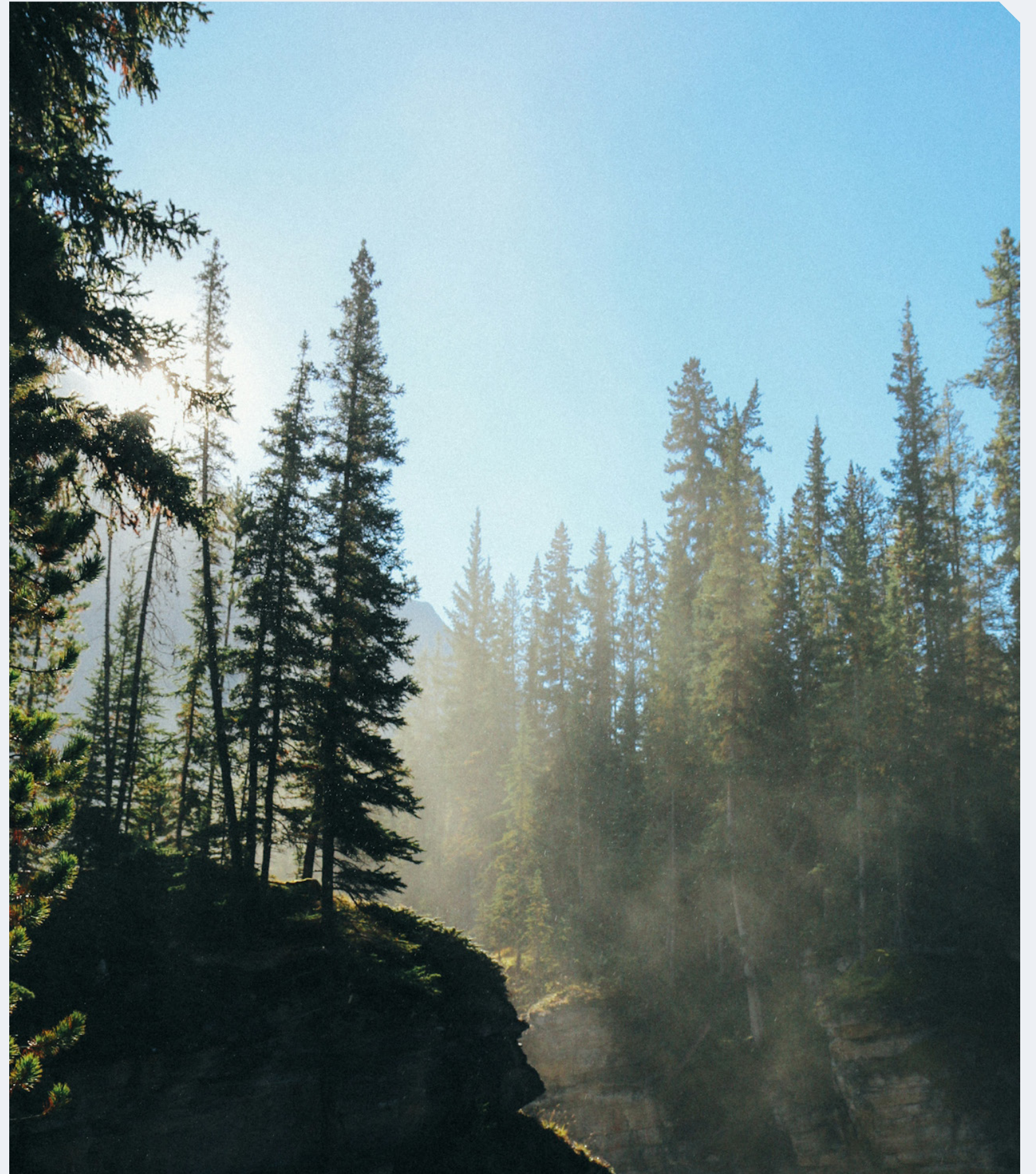


Environment

We care deeply about reducing our impact on the environment. As property managers, we know that to make a real impact, we can't work alone. This is why we take very seriously our responsibility to work together with our Tenants and across the supply chain to enact substantive change.

Our environmental policy and three-year roadmap aims to tackle several environmental challenges, including resource efficiency, greenhouse gas emissions, renewable energy, climate resilience, and biodiversity. In 2024, we introduced a number of policies to align with our environmental objectives, focused on sustainable procurement, waste reduction and diversion, hazardous chemicals and materials, and construction management.

We know that the first step to reducing emissions is to better understand the status quo. Therefore, our goal is to expand data coverage of waste diversion, water, and energy at our properties every year. This year we started collecting and tabulating data with a dedicated software platform for all our Fund 5 properties. Tracking energy, water and waste is a challenge for the retail sector where many utilities are paid directly by Tenants. Our goal is to improve data coverage and accuracy of utility bills by engaging directly with our Tenants and reporting on whole-building data through the integration of green leases.



Environment Energy & GHG Emissions

Salthill started and furthered several initiatives in 2024 aimed at increasing energy efficiency and reducing operational greenhouse gas emissions. For our Fund 5 properties, we started working with the utilities tracking software platform Brightly. With this tool, we were able to better capture electricity, fuel, and water consumption. In 2025, we aim to expand our data collection efforts to include all our owned properties and our head office location, and use this data to inform new efficiency measures and energy reduction targets.

Across our portfolio, we are constantly looking for ways to improve. We are installing EV chargers for our tenants and consumers. We're also performing energy audits on new acquisitions to better understand what new initiatives would be valuable.

Salthill believes that in order to progress towards our climate goals, we need the whole team behind us. This is why we have biannual Insight Hours, where we bring in experts to talk about important environmental topics, such as resource efficiency and management, and achieving net-zero emissions. We also regularly solicit feedback from tenants and employees on how we can improve.

Consumption Figures*

Natural Gas	98,328 m3
Electricity	1,308,736 kwh
Water	66,400 m3

GHG Emissions*

Scope 1	193 tCO2e
Scope 2	492 tCO2e

* Figures do not include tenant-managed spaces

Three-Year Roadmap

	2025	2026	2027
Energy	Increase natural gas and electricity data coverage to all tenant spaces (Fund 5 properties) Develop reduction targets for landlord-managed spaces at Fund 5 properties	Develop program/guide to assist tenants with managing their energy, consumption Implement energy reduction plan	Continue implementing energy reduction plan
GHG Emissions	Create first operational GHG emissions inventory Develop GHG emissions reduction targets for landlord-managed spaces at Fund 5 properties	Complete company-wide GHG emissions inventory covering all assets under management. Develop whole-building emission reduction targets for Fund 5 properties	Develop company-wide GHG emissions reduction plan Implement Fund 5 emissions reduction plan

Case Study Fund 5 - BMO Sunfish

BMO is demonstrating its commitment to sustainability with the opening of its **first net-zero branch at Sunfish Shopping Centre**. Opening on June 24, 2024, the ~5,000-sf branch is designed using energy efficient construction methods and low carbon materials, including recyclable content, structural wood, and low-carbon concrete. Solar panels have also been implemented at the branch, ensuring that any energy consumed is offset by energy produced.

Energy Efficiency Highlights include:

Increased insulation

Airtight

Low-carbon building materials

Energy Recovery Ventilation (ERV)

Window positioning and sunshade canopies

Sustainable Certifications



Environment Water & Waste

Water

Salthill aims to be a responsible steward of our shared water resources. As climate change makes our world a more volatile place, we need to work together to protect what we have. While often taken for granted, access to clean water is a right, but it's not guaranteed if we do nothing to protect it. We aim to do our part, starting with water audits to better understand how our buildings use water and where it is being wasted. These audits will inform efficiency improvements in 2025.

Waste

Removing waste from landfills makes sense for everyone. By diverting our waste to recycling, composting, or hazardous materials, we reduce potential environmental pollution and create new useful materials. In 2024, we worked with our waste management services to get waste audits for select properties. These audits highlighted substantive and realistic changes that we could make to increase waste diversion rates. We also encourage tenants and customers to put their garbage in the right bin with helpful signage.

Fund 5 Figures

Water Consumption	66,400 m3
Waste Diversion Rate	36%

Three-Year Roadmap

	2025	2026	2027
	Increase utility data coverage of water and waste to all tenant spaces (Fund 5 properties)	Develop program/guide to assist tenants with managing their water and waste consumption	Continue implementing water and waste reduction plans
	Develop reduction targets for landlord-managed spaces at Fund 5 properties	Implement water and waste reduction plans	

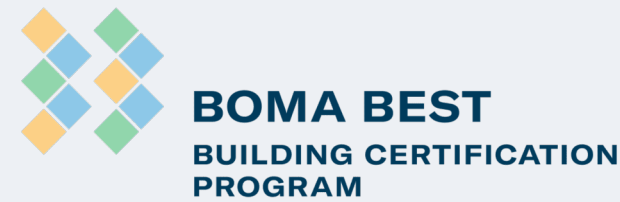
Environment Green Building Certifications

Salthill is committed to operating our buildings sustainably, by aligning our management practices with notable operational green building certifications such as LEED and BOMA BEST.

In 2024, we certified 9 buildings BOMA BEST Bronze by the BOMA BEST Sustainable program, with all of them targeting the BOMA Bronze. We also aim to purchase certified buildings, where possible. The process of getting a building certified is always illuminating, showing areas to improve and highlighting positive efforts.

Figures

BOMA Certified Properties	18
LEED Certified Property	1



The **BOMA BEST Sustainable Certification** is one of Canada's premier environmental assessments for existing buildings, focusing on operational sustainability. Managed by **BOMA Canada**, it evaluates buildings across key performance areas, including **energy use, water efficiency, waste management, greenhouse gas emissions, indoor air quality, and occupant well-being.**

To achieve certification, buildings must meet specific criteria, including compliance with **Baseline (Best) Practices**, which are minimum operational standards for environmental performance.

These practices include conducting energy and water assessments, implementing waste diversion programs, and maintaining high indoor air quality. Beyond the baseline, buildings earn points by demonstrating advanced sustainability measures, such as renewable energy integration, efficient lighting systems, and tenant engagement programs.

Each application is verified by a third-party professional to ensure accuracy and alignment with BOMA BEST standards. This rigorous process helps buildings reduce environmental impact and enhance operational efficiency.

Case Study The Offices at Pickering City Centre

1340 Pickering Parkway is a prime example of Salthill's commitment to sustainability and excellence in property management. This 10-storey building, conveniently located beside the Shops at Pickering City Centre and linked to the Go Transit System, has earned the prestigious LEED Gold certification. This certification highlights the building's advanced energy amenities, including a low voltage lighting system, high-efficiency boilers, and a Building Automation System (BAS) that optimizes energy use.



Environment Climate Risk and Resilience

Climate Risk and Resilience

According to the Intergovernmental Panel on Climate Change, even if we limit warming to 1.5 degrees Celsius by 2050, the likelihood and intensity of extreme weather events will still increase. We recognize the importance, therefore, of understanding what risks our assets will face. In 2023, we performed a climate risk assessment on our Fund 5 properties at the time, which highlighted potential flooding and landslide hazards.

Going forward, we aim to perform climate risk assessments for all properties and develop a comprehensive mitigation plan.

Biodiversity

Biodiversity offers many services that are often taken for granted. From increasing resilience to general well-being, biodiversity is difficult to quantify, yet critical. Salthill tries to minimize, where possible, its impact on the local ecosystem.

To this end, we are working to develop a biodiversity strategy for increasing the amount of green space, vegetation, and wildlife on our properties.

Three-Year Roadmap

2025	2026	2027
Develop a company-wide climate transition risk mitigation strategy	Implement climate transition risk mitigation strategy	Re-assess climate transition risk management strategy and/or continue implementation
Develop physical climate risk mitigation strategies for Fund 5 properties	Implement mitigation measures for high-risk assets	Continue implementing mitigation measures for high-risk assets



Social

Inclusion & Diversity

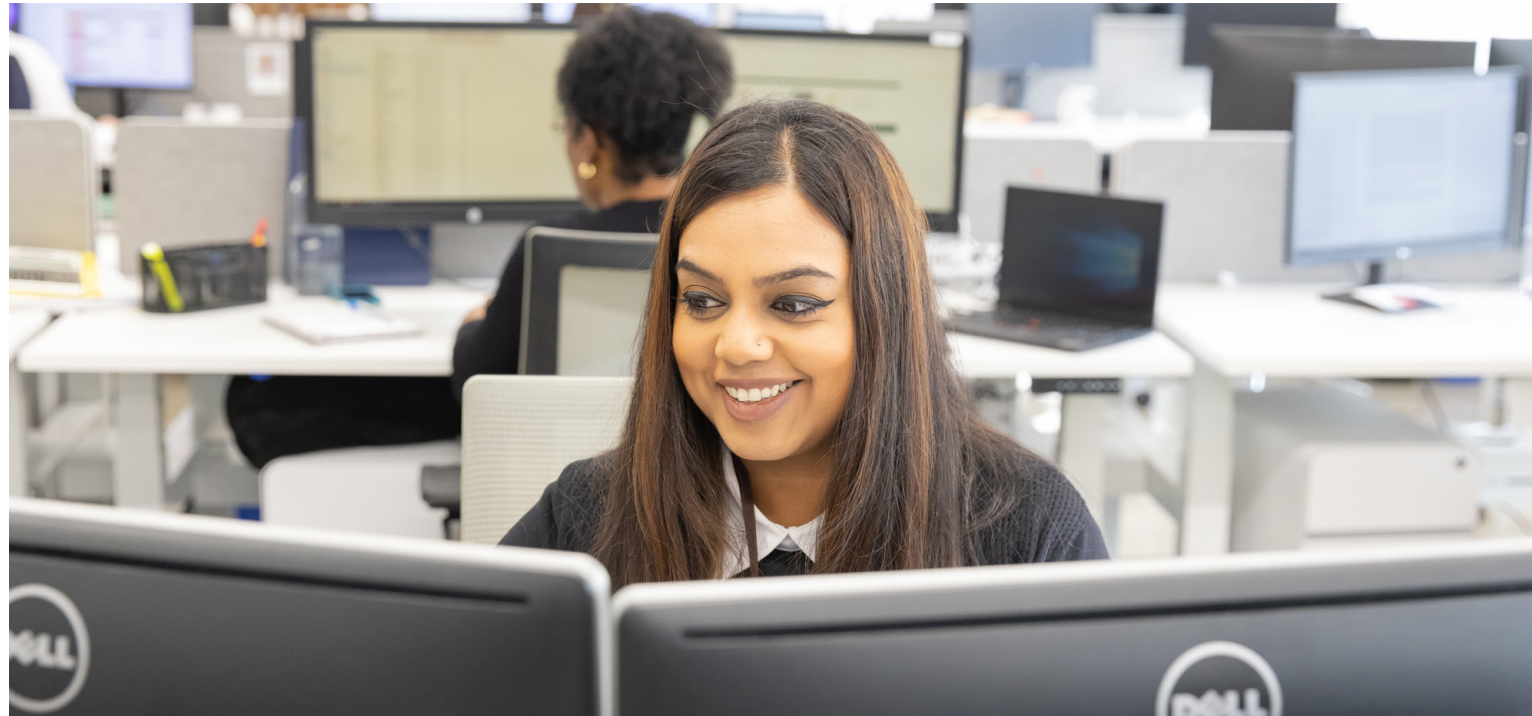
- At Salthill, we are deeply committed to fostering an inclusive and equitable workplace. To this end, we have implemented comprehensive DEI (Diversity, Equity, and Inclusion) training for all staff members. Utilizing the advanced Citation platform, our DEI (Diversity, Equity, and Inclusion) training is seamlessly integrated into the onboarding process for new hires, ensuring that every employee is equipped with the knowledge and skills to contribute to a diverse and inclusive environment from day one.
- Our dedication to this initiative is reflected in our impressive training figures, with 100% of our full-time and part-time employees having successfully completed the DEI training. This achievement underscores our ongoing commitment to creating a workplace where everyone feels valued and respected.
- Additionally, Salthill supports team members' inclusion in different diversity-focused organizations.

Health & Wellness

- In May 2024, Salthill team members actively participated in Health Week, which featured five days of health and wellness-focused activities. These included a steps competition, smoothie day, salad bar lunch, and a Naturapath lunch and learn session.
- In June 2024, all Salthill team members took part in the Heart & Stroke Ride for Heart walk in their respective cities, demonstrating our commitment to community health and well-being.
- In September 2024, Salthill team members were granted three hours of volunteer time during working hours to support charitable organizations of their choice. This initiative resulted in a collective contribution of over 200 hours across the organization.



Social Employee Engagement



At Salthill, we prioritize the well-being of our employees through a variety of health and wellness programs:

- **Health and Wellness Programs** available through our group benefit provider.
- **Employer and Family Assistance Program** through Telus Health, offering a wide range of health and wellness programs to employees and their families.
- **Annual Wellness Benefit** for full-time employees, which can be used towards gym memberships, fitness classes, sports lessons, and wellness devices like FitBit and iWatch.
- **Corporate Discount** on memberships at fitness facilities nationwide.
- **Paid Personal Days** for full-time employees that can be used as “mental health days.”
- **Six Paid Sick Days** for full-time employees, which can be used for their own health needs or to care for a family member.
- **Extensive Benefit Plan** including coverage for LTD, STD, dental, vision, chiropractic, naturopathic, massage, osteopath, and physiotherapy services.
- **Team-based Events** throughout the year, such as the Sick Kids Volleyball tournament and Ride for Heart.

Social Tenants & Communities Engagement

- In 2024, our teams achieved an impressive milestone by visiting 1,629 of our 1,636 tenants, representing 99.5% of all tenants.
- We strive to meet with all tenants in person at least annually. Being approachable, available, and providing excellent customer service builds strong relationships and a sense of community at our centres. Our goal is to create a workplace environment that enhances a tenant's business, energizes its employees, and welcomes the community.
- These meetings provide the opportunity to address tenant and community concerns before they become problems, allowing our teams to adapt to ever-changing markets, communities, and tenant priorities. They remind us of the impact we have and inspire us to always give our best to the communities we operate from.
- Salthill distributed a tailored survey to all properties within our portfolio, focusing on property management services and their effectiveness. The feedback we receive enables us to ensure we are exceeding tenant satisfaction, enhancing our operating systems, and serves as a valuable tool for continuous year-over-year improvement.
- All Salthill-managed properties offer a Community Spaces program in which tenants and community groups can utilize common area spaces within our centres for non-profit initiatives and events. We have seen upwards of 800 bookings across the portfolio in 2024.
- All enclosed shopping centres within the Salthill portfolio have a dedicated community room, The Spot, which is offered to community groups and tenants alike for meetings, private events, public events, and other non-profit initiatives.
- Corporately, Salthill has donated to several charitable organizations, including the ICSC Foundation, Canadian Cancer Society, Canadian Mental Health Association, Heart & Stroke Foundation, Black Opportunity Fund, CREED, Star Pack Lunch Program, and more.



Governance

Salthill is committed to operating our business and our properties with honesty and integrity by applying the highest standards of business conduct. We strive to not only meet regulatory requirements but to be proactive and stay ahead of disruption by upholding excellent corporate governance practices.

As our physical and business climate evolves, we are continuously reviewing our existing policies and adapting new policies, processes and systems to mitigate against business risks.

Three-Year Roadmap

2025	2026	2027
Incorporate Global Report Initiative (GRI) standards into annual sustainability reporting	Align sustainability reporting with Canadian Sustainability Standards Board (CSSB) Framework	Align sustainability reporting with Taskforce on Nature-related Financial Disclosures (TNFD) reporting standards
Develop a company-wide climate transition risk mitigation strategy	Implement climate transition risk mitigation strategy	Re-assess climate transition risk management strategy and/or continue implementation
Develop physical climate risk mitigation strategies for Fund 5 properties	Implement mitigation measures for high-risk assets	Continue implementing mitigation measures for high-risk assets



Governance Corporate Governance

Ethics and Integrity

We strive to be among Environmental, Social and Governance (ESG) leaders, with sustainable business strategy adding meaningful value to all Stakeholders, and empowering employees to act as a positive agent for change within their respective Communities.

Whistleblower Policy

The Whistleblower Policy encourages Salthill People to raise concerns about inappropriate conduct, ensuring high standards of business and personal ethics. It promotes open communication with ownership, allowing for the reporting of violations without fear of retaliation. This policy supports Salthill's commitment to ethical practices and compliance with laws and regulations.

Data Privacy and Cyber Security

At Salthill, we prioritize Data Privacy and Cyber Security as fundamental components of our operations. We are committed to safeguarding the sensitive information of our stakeholders through robust security measures and protocols. To ensure our team is well-equipped to handle these responsibilities, we provide regular training sessions on data privacy and cyber security. These training programs are designed to keep our employees informed about the latest threats and best practices, reinforcing our dedication to maintaining a secure and trustworthy environment for our clients and partners.

ESG reporting and disclosure

In order to align with industry standard reporting, Salthill's reports make use of frameworks including Sustainability Accounting Standards Board (SASB), Task Force for Climate-related Disclosures (TCFD), and the Global Reporting Initiative (GRI). We aim to align closer with these reporting frameworks in future reports, and are actively monitoring ESG reporting and disclosure developments in Canada to ensure that we meet all reporting requirements.

Governance Risk Management & Responsible Procurement

Risk Management

Salthill is engaged in several environmental, social and governance initiatives. To ensure that nothing gets missed, we hold monthly ESG committee meetings with our sustainability consultants Mantle Developments, to discuss climate risk considerations.

Given its importance to current and future operations, along with the health and safety of our employees and neighboring communities, climate risks and opportunities are given special consideration and focused attention. In 2025, we will complete a company-wide transition risk assessment to inform future decision-making.

Sustainable Procurement

Salthill is committed to sustainable procurement practices that minimize environmental, social, and economic impacts across the entire life cycle of goods and services. In 2024, we introduced a sustainable procurement policy to guide our purchasing decisions. Our policy emphasizes waste reduction, responsible material selection, and supporting local communities.

All employees utilize the Sustainable Procurement Toolkit for contracts and purchases which integrates life-cycle costing, waste reduction, and social equity into procurement decisions. Salthill will prioritize products and services that:

- Use recycled, renewable, or low-impact materials.
- Support reuse and recycling.
- Minimize waste and environmental harm during production, use, and disposal.
- Incorporate take-back or closed-loop systems.



Salthill Capital Specific Reporting for Fund 5

Fund 5 is Salthill Capital's GRESB ESG-focused offering, including retail centers in British Columbia, Alberta, Ontario, and Quebec. In 2024, we continued to build our Fund 5 portfolio assets.

To ensure that our Fund 5 buildings have a focus on ESG, we place a strong emphasis on improving our energy and water efficiency, reducing our carbon footprint, and implementing best practices in waste management.

Consumption Figures*

Natural Gas	98,328 m3
Electricity	1,308,736 kwh
Water	66,400 m3

GHG Emissions*

Scope 1	193 tCO2e
Scope 2	492 tCO2e

* Figures do not include tenant-managed spaces

2024 Highlights

- Implementation of utilities tracking software platform Brightly to better capture electricity, fuel, and water consumption data.
- Achieving BOMA BEST Bronze Certification for all Fund 5 Properties under ownership as at September 2024.
- Continued submission to the GRESB Benchmarking Assessment.
- Developing reduction targets for energy, Scope 1+2 emissions, and water consumption.
- Added 5 more buildings to bring the portfolio to 13.

2025 Goals and Targets

- Advance efforts to collect tenant utility data and benchmark whole-building GHG emissions.
- Obtain BOMA BEST Sustainable certifications for all newly acquired properties.
- Finalize short-term and long-term reduction targets for energy, emissions, water, and waste.
- Conduct physical climate risk assessments for all properties and develop risk mitigation strategies.

Final Message

Our Experience Is Your Advantage

As we look to the future, Salthill will deliver on our ESG commitment to all our Stakeholders. We are excited to continue driving progress locally, regionally, and nationally, supporting our Communities and developing assets in innovative and sustainable ways. At Salthill, we continue to seek a deeper understanding of our impact as key members of our Communities, with a commitment to creating better and stronger neighbourhoods and relationships.

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