

CARBONLEO



Carbonleo Real Estate Inc. **E**nvironmental, **S**ocial and **G**overnance Policy

RESPONSIBLE ACTIONS FOR A SUSTAINABLE FUTURE

MARCH 2023

At Carbonleo, sustainable development is an integral component of our corporate DNA.

It is the foundation of everything we do as an investor, a property development and management company. In this document, we demonstrate our commitment to future generations and to the communities in which our properties come to life. We firmly believe that our real estate projects must be thoughtfully designed to evolve with respect for the natural environment and the people who live alongside them.

To accomplish this goal, we have adopted the Environmental, Social and Governance (ESG) policy. In the following pages, you will discover our commitments and dedicated team, as well as the initiatives we are undertaking to ensure a sustainable future.

COMMITMENTS

At Carbonleo, we are committed to:

- **Reducing our environmental impact and achieving carbon neutrality by 2025**
- **Being transparent about our environmental footprint**
- **Raising awareness among staff members, partners and clients about environmental issues**
- **Increasing our positive impact in the community**
- **Creating environments founded on respect, diversity, equity and inclusion**
- **Operating according to the values of equality, integrity and transparency**

STRUCTURE

The creation of a team dedicated to sustainable development within our organization demonstrates the significance of our commitments regarding this subject.

Our team, in collaboration with sustainable development, social and environmental responsibility specialists, is dedicated to examining our ways of doing things and their resulting impacts on a daily basis, as well as exploring local and international best practices and how to apply them in an optimal fashion.

Initiatives

ENVIRONMENTAL

A recap of our environmental commitments:

- **Reduce our environmental impact and achieve carbon neutrality by 2025**
- **Be transparent about our environmental footprint**
- **Raise awareness among staff members, partners and customers about environmental issues**

TO MEET THESE COMMITMENTS, WE HAVE ESTABLISHED THE FOLLOWING INITIATIVES:

Carbon footprint

Since 2021, we have been measuring the carbon footprint of our business activities and each of our projects, on an annual basis. We track, among other elements, the energy consumption of the premises, fugitive emissions, staff transportation, business travel and computer equipment. Details will be published in an annual report that will help us set targets to achieve carbon neutrality by 2025.

Water consumption

Every one of our real estate projects incorporates measures to preserve drinking water, for example, by installing low-flow devices and using reclaimed rainwater for irrigation when possible.

Energy efficiency

We aim to reduce our energy consumption as much as possible by planning to implement LED lighting in all our portfolio, including all our future initiatives, and by always choosing energy-efficient appliances for optimal energy reduction. In addition, we employ low-impact, non-fossil-fuel-energy sources for all our projects.

Waste management

We are committed to extending recycling and composting to all projects in which we are involved, in terms of property management and operations, in order to minimize our waste production.

Green spaces and biodiversity

We are committed to expanding the green spaces of our sites in order to promote biodiversity. Sectors under development and redevelopment will feature the addition of trees, shrubs and plants, as well as a larger section of green space, accessible to all users.

Responsible consumption

We have implemented a sustainable sourcing policy to address current social, environmental and economic issues.

Sustainable buildings

The sustainability of the buildings we design is the basis for the development of the projects we manage. That is why we aim to obtain LEED, WELL and BomaBest certifications for the vast majority of our facilities.

SOCIAL

A recap of our social commitments:

- **Increase our positive impact on the community**
- **Create environments founded on respect, diversity, equity and inclusion**

TO MEET THESE COMMITMENTS, WE HAVE ESTABLISHED THE FOLLOWING INITIATIVES:

Diversity, Equity and Inclusion

We adhere to the values of diversity and inclusion, and we value positive exchanges and the promotion of diversity at all levels. We are also aiming for gender parity in leadership positions by 2030.

The health and safety of staff members

We aim to create a work environment that makes physical, mental and emotional well-being a priority. In concrete terms, we have created an annual fund to facilitate access to physical activities, established a sports centre at our head office, at our head office and offer unlimited vacation. All these steps align with the company's human-centric values.

Community rapport

Making a positive impact on the communities in which we establish our projects is of great importance to us. It is thus essential for us to listen to the needs of the different communities, as well the the city, in order to optimize our offerings.

Social engagement

We have set ambitious goals for ourselves in terms of donations and volunteer work, with local and national organizations such as food banks and resources centres, in order to increase our involvement in, and positive impact on, the community.

Accessibility

We guarantee healthy, safe and accessible environments for all our staff members, partners and customers.

GOVERNANCE

A recap of our governance commitment:

- **Operate according to the values of equality, integrity and transparency**

TO ACHIEVE THIS, WE HAVE ESTABLISHED THE FOLLOWING INITIATIVES:

An independent management team

The executive team is committed to upholding the values of equality, integrity, transparency and independence, allowing the company to grow with respect for people and the environment.

Ethics

Management and staff are subject to a strict code of ethics concerning the protection of privacy, management of conflicts of interest, and corruption. Each person is expected to adhere to a professional conduct at work that demonstrates their integrity, competence, responsibility and trust.

This document is intended as a statement of our environmental, social and governance commitments regarding all the projects in which we are involved so that future generations and communities can benefit from projects that are thoughtfully designed to evolve with respect for natural environments and human beings among which they exist.



To ratify our commitments, we are also aiming to obtain our B-Corp certification in 2023. B-Corp is a certification granted to companies that meet the highest standards of social and environmental impact, ethical governance and public transparency.