

ESG2022

ENVIRONMENTAL SOCIAL GOVERNANCE



EQUITON®



EQUITON®

ENVIRONMENTAL SOCIAL GOVERNANCE

2022

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FORWARD-LOOKING INFORMATION



Certain information in this communication contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information may relate to future events and includes, but is not limited to, information regarding strategies to achieve objectives, beliefs, plans, estimates, projections, and intentions; and similar statements concerning anticipated future events, results, circumstances, performance or expectations and other statements that are not historical facts. These statements are based upon assumptions that Management believes are reasonable, but there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking information involves numerous assumptions, known and unknown risks, and uncertainties that contribute to the possibility that the forward-looking statements will not occur and may cause actual results to differ materially from those anticipated in such forward-looking statements. These forward-looking statements are made as of the date of this communication and Equiton is not under any duty to update any of the forward-looking statements after the date of this communication other than as otherwise required by applicable legislation.



FROM OUR LEADERSHIP

As a company, Equiton prides itself on standing up for what is right and embracing the Environmental, Social, and Governance (ESG) framework. It is our belief that this framework will contribute to long-term societal and environmental benefits, as well as improve our business performance. We are committed to aligning our sustainability efforts with areas that are strategically relevant to our business, so that we can maximize our impact, resilience, performance, and success.

While we are proud to be at the early stages of our ESG journey, we recognize that a focused and organized dedication to these principles is more critical than ever before. Equiton focuses on positively impacting the environment, communities, employees, and properties in which we operate. Our commitment to ESG principles is constant and continuous, and we hold ourselves accountable every day to ensure we are making the right decisions.

As you will also see in the following pages, Equiton remains dedicated to our team members, responsible corporate governance, a strong compliance culture, and making a positive contribution to the communities where we do business. We are committed to upholding the highest standards in all of these areas and are proud of the progress we have made in this regard.

Equiton is committed to providing our Stakeholders with the best living and operating environment. We are dedicated to delivering strong returns to our Investors while also upholding our commitment to ESG. We are pleased to have the opportunity to share our progress to date as well as our vision for the future. Thank you for taking the time to learn more about Equiton and our commitment to a better tomorrow.



Helen Hurlbut, CFO
Jason Roque, CEO

We see what others don't.

Established in 2015, Equiton has become a leader in private equity investments. Our remarkable growth is a result of our leadership team's expertise in the industry and their ability to generate long-term wealth through real estate investments. We know that finding the right opportunities involves time, experience, and discipline. Our strategy is always forward looking, anticipating trends and adapting our approach to strengthen our market position. We focus on capitalizing on value creation opportunities and building the most robust portfolio possible for our Investors. We create value by investing in real estate and leveraging opportunities for improvement, optimization, and redevelopment. At Equiton, we make private equity real estate investments more accessible to all Canadians and believe everyone should be able to build their wealth through these solutions.

MISSION

Equiton believes in creating lasting value by investing in people and communities. We strive to deliver superior real estate investment solutions so our customers can build their wealth and financial security.

VISION

To be a leading force in making high-quality private real estate investing accessible to all Canadians while building lasting relationships with our Stakeholders.

CORE VALUES

INTEGRITY Rigorous adherence to a set of moral and ethical standards focused on respect, honesty and fairness.

ACCOUNTABILITY Individual responsibility for delivering on our commitments and being accountable for our decisions, actions and results.

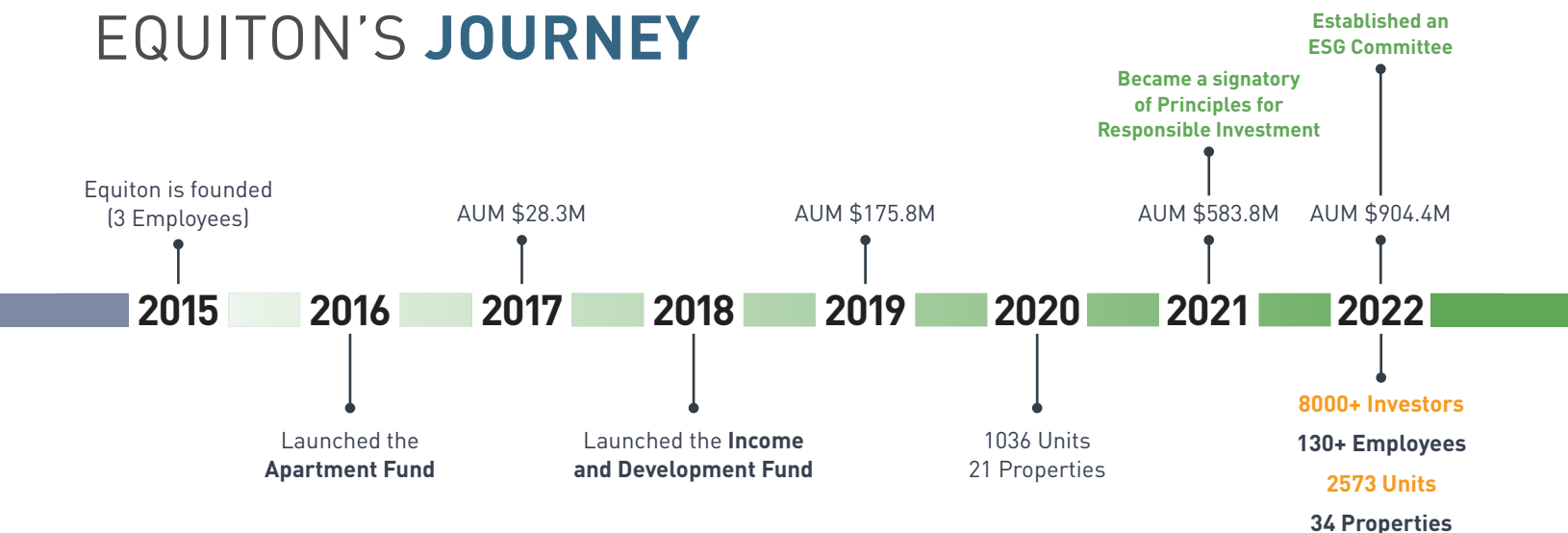
EXPERTISE Offering the highest level of professional expertise, quality service and knowledgeable insights.

CUSTOMER FOCUSED We recognize our customers are the reason for our success and know by putting their needs first, we foster trusting, long-term relationships.

ENTREPRENEURIAL SPIRIT Focusing on a growth mindset, continuous improvement, embracing change, and recognizing that goals are achieved through dedication and hard work.



EQUITON'S JOURNEY



EQUITON'S APPROACH TO ESG

We understand our commitment to ESG helps us attract and retain the best people in the industry while better serving our Residents, Investors, and other key Stakeholders within the communities in which we operate. By investing in technology, innovation, and our people, we will continue to strengthen and enhance our operations to ensure we are achieving the highest possible returns for our Investors.

Equiton's approach to ESG integration is one that is comprehensive and holistic in its approach. We consider the environmental, social and governance factors that are associated with our industry and use this information to create an investment strategy that is tailored to the individual investor's needs. This approach is beneficial as it allows for a more informed and effective decision-making process, leading to greater returns.



OUR ESG STRATEGY IS DRIVEN BY FORWARD THINKING

Our Residents, Employees and Investors can remain confident in our delivery of a clear ESG disclosure, now and in the years to come. This year we will be submitting our first assessment to Global Real Estate Sustainability Benchmark (GRESB), an industry-leading global assessor of the ESG performance of real estate assets and their managers. This will help us identify the most material issues affecting our key Stakeholders. Through time, experience, and discipline, we've spent years mastering our approach. All Equiton investment opportunities are carefully viewed with an ESG perspective and evaluated, researched and analyzed to minimize risk and maximize returns.



Taking a forward-looking approach is always part of our strategy, we do this by:



- Responding and adapting to trends that strengthen our market position
- Capitalizing on value creation opportunities
- Increasing the value of communities by leveraging opportunities for improvement and redevelopment
- Building the most robust portfolio possible for our Investors

We will also look to evolve our understanding and commitment to demonstrating alignment on matters such as climate-related risks and opportunities, which are increasingly relevant to our Residents, Employees, Investors, and the communities we serve. We will continue to prioritize resident satisfaction to maintain our high occupancies and Resident comfort.

Taking this vision forward and continuing to build on all that we have achieved energizes us and our team. We are excited about Equiton's future. As we look ahead, we remain dedicated to advancing our ESG initiatives and reporting our progress. In the spirit of our commitment to be the premier place to work, live and invest, we are excited to showcase what Equiton's success looks like throughout our 2022 ESG Report.

FORMALIZING OUR **CORPORATE ESG POLICY**



The ESG Committee and Corporate ESG Policy were formalized in 2022, consolidating our commitment to integrating ESG factors into all aspects of our decision-making processes. We recognize our achievements to date, but we also acknowledge that we have more to achieve until we are fully integrated. Additionally, as part of our ESG strategy, we are developing cross-departmental Stakeholder engagement initiatives that will align our goals with our supply chain partners, Employees, Residents, and Investors.



GOVERNANCE



We value transparency in our governance structure as well as our decision-making process. Our open

Funds maintain a board of trustees with a majority being independent, ensuring a high level of governance over our Fund's activities. The Apartment Fund Board of Trustees includes David Hamilton (Trustee), Scot Caithness (Trustee) and Aida Tammer (Trustee). Our Income and Development Fund also has Independent Board Members: Bill Zigomanis (Trustee), William Woods (Trustee), and Robert Mongeau (Trustee). Jason Roque and Helen Hurlbut hold Trustee roles for both Funds. Equiton incorporates ESG matters in our investment decisions, together with other relevant and material considerations.

The integration of ESG into our investment process sits primarily with Equiton's Investment Committee and Equiton's Operations team. The Investment Committee is responsible for creating an ESG scorecard to formalize our approach to assessing and evaluating new property acquisitions. This scorecard will provide an expansive analysis of ESG factors that, when combined with other factors, aids us in understanding our property investments. With support from the ESG Committee, Equiton's Operations team seeks ways to use our understanding of ESG factors to manage building operations and improve our relationships with Residents and community Stakeholders.



Jason Roque
(Trustee, CEO)



Helen Hurlbut
(Trustee, CFO)



David Hamilton
(Trustee)



Bill Zigomanis
(Trustee)



Scot Caithness
(Trustee)



William Woods
(Trustee)



Aida Tammer
(Trustee)



Robert Mongeau
(Trustee)



ACQUISITIONS AND DEVELOPMENT

We identify and assess ESG-related factors to assist in addressing risks and maximizing opportunities. We are committed to evaluating every investment based on its specific opportunities and risks, including the asset's location, neighbourhood amenities, features, and potential for growth. Equiton's acquisition due diligence checklist assesses the qualitative and quantitative risks of every investment, including:

- Property walkthroughs are conducted with the aim of assessing the conditions of the properties in order to reduce risk and identify potential value-adding opportunities.
- Engages expert consultants and contractors to review environmental factors, evaluate structural components, and assess building systems, in addition to personally inspecting units.
- Reviews operational history of utilities, leases, and contracts to gain an understanding of the operations.
- Appoints an independent, non-biased appraiser to assess asset value, considering physical condition, location, market sales and other factors.
 - Develops a comprehensive report that details demographics of the market and compares the target property with similar ones within the area.

DEVELOPMENT

Equiton is proud to be part of several development projects that will contribute to Canada's economy while also taking into account ESG considerations. Our Riverain District development project in Ottawa, Ontario has a current estimated value at completion of approximately \$559 million and broke ground in October 2022. It is anticipated to begin occupancy in 2024 and will feature green spaces and energy-efficient buildings.

We have also made significant progress on our joint venture, Marquis Modern Towns, in Guelph, Ontario. This is a two-phase development that includes 96 upscale stacked townhomes across four buildings and a modern retail store. Phase one broke ground in Q1'22 and is estimated to be completed by Q2'23, with a current estimated total completion value of \$63 million.

Our Sandstones Condo project is a 12-storey mid-rise located near downtown Toronto with a total completion value estimated at \$285 million and is predicted to be ready for occupancy in Q3'27.

At Equiton we are committed to aligning our projects with leading industry standards for long-term hold assets. This includes ensuring that all projects are built with quality construction that complies with applicable regulations. We strive to create residential properties that are energy efficient and offer amenities that cater to the needs of their Residents. As we progress through our development projects, Equiton is eager to promote responsible property investment and develop best practices that are in line with leading industry standards.



FORWARD THINKING



It is with great enthusiasm that we announce our commitment to further integrating our ESG-related measures as part of our due diligence and decision-making process for all new acquisitions and developments in 2023. This is an important step in our commitment to sustainability and climate-related resilience and adaptation.

We recognize the importance of strengthening our due diligence process to ensure key risks are uncovered and addressed. To that end, we are prioritizing the following actions:

- Identifying and defining the ESG-related limits of our due diligence process.
- Performing an analysis of the available documentation, including an ESG checklist throughout the due diligence process, in order to identify ESG-related risks and opportunities.
- Preparing documentation with key findings, including ESG risks, opportunities, and corrective actions.

As we create value and future asset growth through our developments, we will ensure that resilient and adaptive climate and socio-economic related design factors are incorporated by adopting inclusive and innovative development design approaches, such as:

- Community engagement
- Internal Stakeholder consultation plan
- Updated development design standards

MAKING POSITIVE CHANGES



We are committed to managing risks prudently and creating value - both as a company and as a real estate service provider. To achieve our vision of sustainability, we work diligently to create communities where people can thrive and live fulfilling lives. As part of our improvement philosophy, we continuously innovate within our dynamic portfolio, act ethically and transparently, and make positive changes to the environment and society where we operate. By focusing on all aspects of sustainability, as well as fostering the long-term development of our team members, communities, and properties, we can uncover more opportunities for accretive real estate investments.

As part of our commitment to the community, Equiton is excited to announce the addition of affordable housing to our portfolio in the Apartment Fund. This move is a necessary step in our mission to provide quality housing solutions to our Residents. We believe that everyone should have access to safe and secure housing, regardless of their financial situation. Equiton is committed to providing quality and affordable housing options for all members of our community. We are confident that this addition to our portfolio will benefit our community as a whole, and we look forward to making a positive impact.

[We work diligently to create communities where people can thrive and live fulfilling lives.]

COMMITMENT TO ENERGY CONSERVATION

As part of Equiton's ongoing commitment to sustainability, we have integrated environmentally responsible strategies and practices throughout our business. By optimizing energy consumption at our buildings, providing Employees and Residents with water conservation and waste diversion tools, and implementing sustainability practices across our portfolio, we seek to not only do our part in reducing adverse impacts on the environment but to also deliver sustainable returns to our Investors. Equiton continuously audits and benchmarks properties to identify energy conservation opportunities for existing buildings, upcoming acquisitions, and potential developments. We partner with industry experts to design, evaluate and execute projects using both proven and leading-edge technologies.

2022 ESG INITIATIVES



Launched a pilot program with two monthly events that engage Residents and the community



Installed 800+ Energy Star certified in-suite appliances



Retrofitted LED lighting in 174 Suites, all corridors, stairwells, and garage area and 850 windows and 290 patio doors at 125 Wellington Street North

Staff raised and donated \$5,000 to United Way Halton & Hamilton



Fitted 174 Suites with low-flow toilets



Secured 18 Electric Vehicle Charging Stations

Once we purchase properties, we commit to the following efficiency measures, when appropriate

- High-Efficiency Central Boiler Retrofits
- Building Automation System (“BAS”) with Remote Monitoring & Performance Analytics
- In-Suite Radiator Heat Reflectors
- Heated Garage Carbon Monoxide (CO) Monitoring Systems
- Mid- And High-Efficiency Make-Up Air and Air Handling
- Sub-Metering
- LED Lighting Retrofits
- In-Suite Smart Thermostats
- Heat-Recovery Technologies

Future Energy Conservation Measures

- Chiller Replacements
- Combined Heat and Power



SOURCING **SUSTAINABLE SUPPLIES**



Eco-Conscious Cleaning Products

Eco-conscious cleaning products are becoming increasingly important. Equiton uses them to reduce our carbon footprint. They are biodegradable, non-toxic, made from natural or organic ingredients, and often more cost-effective than traditional cleaning products.

Low-Volatile Organic Compound Paint

Equiton uses low-volatile organic compound (VOC) paint which is free of harmful chemicals, making it a much safer option than traditional paints. It is also much more environmentally friendly, as it does not contain the toxic compounds found in regular paint. Furthermore, it is more durable and resistant to fading, making it an ideal choice for our high-traffic multi-residential properties. The benefits of VOC paint are clear.



Energy Efficient Appliances

We purchase new Energy Star certified appliances for our properties. Using these appliances reduces our Residents' utility costs and greenhouse gas emissions without compromising performance. Energy efficient appliances can maximize small amounts of energy into the required energy needed to complete a task. Many of our appliances can operate under lower temperature and energy settings, which sustain their functionality until the task is completed.



With the growing awareness of the environmental impact of our daily activities, it is essential that we make a conscious effort to reduce our carbon footprint.



DRIVING ESG INITIATIVES THROUGH **SMART PROCUREMENT**

Waste Management

The need to reduce waste contamination and minimize waste production is of paramount importance. Engaging both municipal and private waste handlers in this effort is essential to achieving a cleaner and healthier environment. Equiton provides recycling bins, educates Residents on proper waste disposal, and enforces regulations on waste management. Furthermore, we work with private waste handlers to ensure that they are compliant with local regulations and that we are properly disposing of waste.



Going Digital

Striving to be paperless has been an important step for Equiton to become more efficient and environmentally conscious. By reducing the need for paper documents, we have saved money on printing costs, reduced our carbon footprint, and streamlined our operations. Additionally, going paperless will help improve collaboration between Employees, as documents can be shared electronically and accessed from anywhere.

Appliances and Fixtures

As energy and water consumption continue to be major issues in the world today, it is important that Equiton purchases high-efficiency and low-flow appliances and fixtures that can help reduce consumption across our portfolio. These appliances and fixtures help save money on energy bills, conserve natural resources, and protect the environment by reducing emissions. By making smart decisions when purchasing appliances and fixtures, we can make a positive impact on our environment.



Landscaping

Equiton takes pride in creating and enhancing green spaces for recreational enjoyment, as well as to promote stormwater infiltration which is highly beneficial to our communities. Equiton reduces water requirements by using native species and habitats thus ensuring the preservation of our local ecosystems. Additionally, many of our properties have the inclusion of pet-friendly spaces that further encourages Residents to take advantage of the outdoors.



HVAC/Plumbing

The HVAC and plumbing systems in our buildings are essential for providing comfort and convenience to Residents. However, if these systems are not properly maintained and upgraded, they can become inefficient and costly. Equiton repairs and upgrades our HVAC and plumbing systems when appropriate to help us improve energy and water efficiency, as well as improve Resident comfort. One way to repair and upgrade our HVAC and plumbing systems is to replace old, inefficient equipment with newer, more efficient models. This helps reduce energy and water costs, as well as improve air quality and Resident comfort. Additionally, Equiton regularly provides maintenance and inspections that help identify any potential problems before they become major issues. This can help prevent costly repairs and ensure that the systems are running as efficiently as possible.

Elevator Maintenance

Our elevators are an important part of our multi-residential buildings, providing convenient access to all levels. As technology advances, Equiton actively keeps our elevators up to date to ensure their safety, reliability, and energy efficiency.



Resident Safety and Security

The decision for Equiton to install monitoring cameras in our properties was a wise one that benefits our Residents. Monitoring cameras help Equiton create a sense of security and peace of mind for our Residents.

MAKING A SOCIAL IMPACT WITH FEED SCARBOROUGH

2257 KINGSTON
ROAD, TORONTO

Equiton is proud to provide rent-free space at our Kingston Road property to Feed Scarborough, a not-for-profit community organization that provides free groceries to the community. Choice is an essential concept in this “grocery store model.”

It is very important that people in need have the option to choose what they want to bring home to their families. Each visitor is given a shopping card that is loaded with points based on their household size. The consumer shops at the grocery store based on their household point budget and presents their shopping card at the register. It is common for food banks to offer pre-packaged bags that do not take cultural tastes, allergies, or likes and dislikes into account. The grocery store model respects everyone’s dignity and allows for an appointment system eliminating long lineups.

The food bank is a great asset to the local area, providing food and other essential items to those who may not have access to them. We are delighted to be able to offer this service to the community and are confident that it will make a positive difference. Equiton is committed to helping those in need and is proud to be able to provide this service to the local community. We look forward to seeing the positive impact this initiative will have on the lives of people in our community.



We are delighted to be able to offer this service to the community
and are confident that it will make a positive difference.
Equiton is committed to helping those in need.

MAKING A DIFFERENCE DURING THE HOLIDAYS

This year, the management team at Treeview Manor and Treeview Towers in Guelph, Ontario took part in a community-driven effort to deliver food and toys to their local firehall. The team worked hard to organize a food and toy drive and were very proud to be able to contribute towards the cause. With the help of donations from Residents, they were able to collect enough goods that would make a difference in the lives of those who need it most.

The team was overwhelmed by the response from Residents and community members who showed their support for this initiative. This act of kindness has shown that even small gestures can have a big impact on people's lives.



TAKING THE PLEDGE TO CONSERVE WATER



Water is a precious resource that we should strive to conserve. As population and development increase, the demand for water is also rising. It is essential that we take steps to reduce our water consumption and be mindful of how much water we use.

At a pilot program at Gertrude Suites (787 Vaughan Road, Toronto, Ontario), we accomplished an annual reduction in water consumption from 6,659/m³ to 4,775/m³.

How We Conserved Water

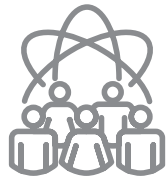
- We replaced all showerheads with a 1.5 gallons per minute (GPM) showerhead regulator. A standard showerhead has a flow rate of 2.5 GPM. By replacing the showerhead with a 1.5 GPM flow rate, each unit would reduce water consumption by 40%.
- Installed flow management devices (FMDs) which are designed to reduce turbulent flow in the water line. FMDs translate water flow from turbulent to laminar by removing the air in the water line before it's metered as water. This increases the accuracy of the meter and ensures Residents are being charged by the utility company for the water they use and not inefficient delivery.



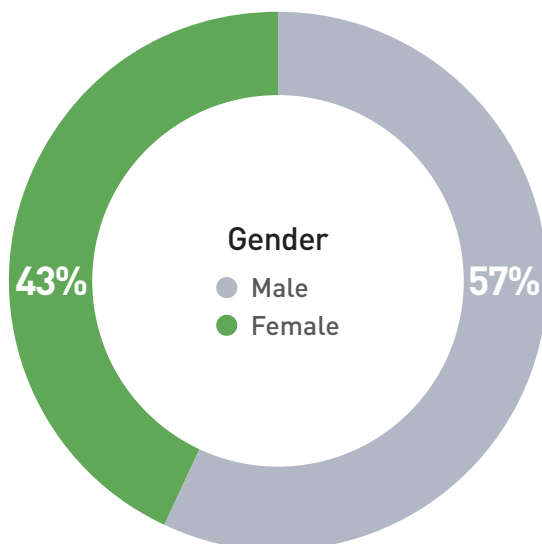
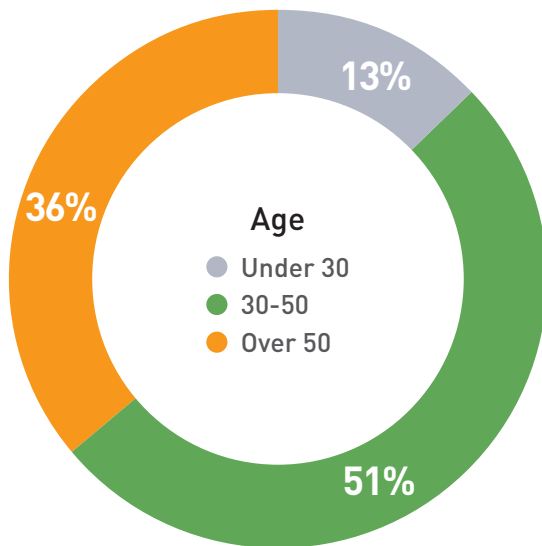


DIVERSITY, EQUITY, INCLUSION & BELONGING

Equiton is dedicated to promoting a culture of diversity, equity, inclusion and belonging (DEIB). We celebrate and welcome the diversity of all Employees and Stakeholders. Our core values uphold a culture which fosters a professional environment where Employees feel a sense of belonging and where their dignity, beliefs, and identity are respected. Equiton will continue to focus on achieving diversity representation, across all departments and leadership levels, aligned to the broader Canadian society. We recognize DEIB is a never-ending journey, one that requires continuous and deliberate stewardship. We also understand that DEIB is not only the right ethical thing to do but also makes excellent business sense; the diversity of thought that we achieve is ultimately a winning competitive advantage.



OUR TEAM



L to R: Helen Hurlbut, CFO; Kathy Gjamovska, VP, Marketing and Communications; Martha Varinsky, VP, Human Resources

OCCUPATIONAL HEALTH & SAFETY



At Equiton, we are committed to upholding a culture of safety within the organization and in the communities in

which we operate. We work hard to ensure our Employees have a safe and healthy work environment and are committed to providing the necessary resources and training to ensure that this is possible. Our health and safety policies are best practices and are updated regularly to ensure that they remain current, effective, and meet all legislative requirements. As we continue to expand our business, we will maintain our unwavering pledge to meet the highest standards of health and safety in all of our workplaces.

EMPLOYEE PROGRAM AND BENEFITS

Our Benefits Program includes:

- Health, Vision, Dental and Life Insurance
- Employee and Family Assistance Program (EFAP)
- Group Registered Retirement Savings Plan (GRRSP)
- Travel Insurance
- Teladoc Service
- Paid Time Off (including vacation, sick and personal days)
- Bereavement, Emergency, Family Medical and Parental Leave
- Performance-Based Bonuses



FORWARD THINKING LEARNING CULTURE



We are pleased to announce that in 2023, our Equiton team will attend comprehensive customer service development workshops designed to further engrain a customer-focused mindset across the entire organization. This investment in our talent will enable Equiton to further differentiate itself in the industry by providing stand-out services to all Investors, Stakeholders and Employees. Customer service training will be our inaugural company-wide development program in which Employees from across the company will come together and learn from experts and shared experiences.

Equiton will endeavor to promote the professional growth of Employees in order to continually improve the effectiveness and efficiency of the company and to promote a culture of continuous development. Investment in our talent will be achieved by providing opportunities, learning resources, and financial assistance for approved programs that are aligned with Equiton's business needs and will develop the skills, knowledge, and expertise necessary to maximize the potential of Employees.

Our new Employee development initiatives demonstrate our ongoing commitment to a learning culture while also enabling Equiton to maximize the potential of our human capital to meet future business requirements.



WHAT LIES AHEAD FOR EQUITON

Our commitment to sustainability remains a top priority as we enter 2023. Through our strategies, we strive to make a lasting impact and achieve our future goals. The benefits of our investments extend beyond our company to the environment and society as a whole. We are committed to ensuring that our investments are sustainable and bring benefits to our Stakeholders and Investors.

In order to achieve this goal, we are incorporating sustainability commitments into all aspects of our investment solutions, from the strategies we choose, to the way we manage and deliver them. We are confident that these measures will help us to meet our sustainability goals and have a positive impact on the environment.

We are committed to creating a better future for our Employees, Residents, Investors and Stakeholders. Through our sustainability initiatives, we are ensuring that our investments are beneficial to all Stakeholders and that we are doing our part to make a lasting difference. In the coming years, we strive to continue to make progress and are proud of our accomplishments thus far.

