



# Alignvest Student Housing

2023 Environment, Social and  
Governance Report

# ASH REIT Overview

Alignvest Student Housing REIT ("ASH REIT") is Canada's largest university-focused student housing owner/operator, with 5,208 beds across twelve properties.



## Message from Management

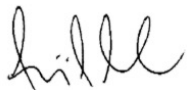
This past year, we were focused on achieving stabilization across our portfolio. Our results demonstrate the strength and prospects for growth in the Canadian student housing industry and we would like to thank our residents, our team and our valued business partners for their contributions to a successful year.

Our ESG activities over the past year reflect a focus on growth and the future as we prioritized activities that demand our investments and attention. Executing ESG initiatives is the right thing to do, but also has many benefits for our business in terms of performance and shareholder returns and confidence.

This year, we aligned our ESG activities based on strategies that were determined in 2021. We started to fill the gaps in our ESG plans and implemented projects to achieve success. We continued to develop our Environment plans in terms of reducing the impact our buildings make on the environment, and measuring the GHG impacts of our activities. We also confirmed all ESG metrics we will measure going forward and ensured we were aligned with recognized SASB standards. We believe our Environment, Social and Governance objectives will benefit all constituents from our investors, to staff and residents.

As you read our third annual ESG report, we welcome your questions and comments to ensure that what you expect of ASH is indeed what we deliver.

Sincerely



Sanjil Shah  
Managing Partner



Trish MacPherson  
Partner and Chair ESG Committee

## Message from Board of Trustees

We are writing to update you on the progress ASH REIT is making to integrate ESG strategy into all areas of the business from environmental consciousness to social responsibility and good business practices. Each member of the board acknowledges the importance of this initiative and commends the efforts being made by the company in this regard.

Over the past year, significant strides have been made in data collection, benchmarking, strategy and GHG measurement. This formative year has provided ASH REIT with an excellent foundation to track progress in the coming years. Decisions being made in the areas of ESG are prudent and business-oriented with the goal of achieving applicable standards and investor returns.

The board and ESG committee are properly informed of the activities of the REIT and continue to enhance our knowledge in the area of ESG governance. We are pleased with the direction that Management is proceeding in and the future looks bright for ESG within the organization.

To our unitholders and all our stakeholders, we thank-you for your ongoing trust and for your continued support. We welcome you to follow us on our ESG journey and all the success that lies ahead.

Sincerely



Nancy Lockhart  
Chair of the Board of Trustees



Rajiv Silgado  
Trustee and  
ESG Committee Member

# ASH REIT Overview

Focused predominantly on purchasing operating assets in Canadian university markets at attractive valuations

Open / continuous REIT that has successfully raised ~C\$335 million<sup>(1)</sup> of equity capital since inception.



5,208 beds<sup>(1)</sup>



C\$832.9 Million  
Appraised Value<sup>(1)</sup>



C\$124.25 Class F Unit<sup>(1)</sup>



4.82%  
Distribution Yield<sup>(1)</sup>



~54%  
Loan-to-Value<sup>(1)</sup>



60.9%  
Total Return Since Inception<sup>(1)</sup>  
10.5%  
Annualized Return<sup>(1)</sup>



C\$39.9 Million Founders, management and trustees invested on same terms as external investors<sup>(1)</sup>

<sup>(1)</sup> As at March 31, 2023

# ASH REIT's Portfolio

## 1. myREZ on Lester



Acquisition Date:  
August 2018

Location:  
Waterloo, ON

School:  
Waterloo, Laurier

Beds:  
455

Drive / Walk to Campus:  
3 min / 8 min

## 2. 1ELEVEN



Acquisition Date:  
November 2018

Location:  
Ottawa, ON

School:  
uOttawa, Carleton

Beds:  
357

Drive / Walk to Campus:  
5 min / 14 min

## 3. The Annex



Acquisition Date:  
March 2019

Location:  
Ottawa, ON

School:  
uOttawa

Beds:  
518

Drive / Walk to Campus:  
2 min / 7 min

## 4. King Street Towers I



Acquisition Date:  
April 2019

Location:  
Waterloo, ON

School:  
Waterloo, Laurier

Beds:  
536

Drive / Walk to Campus:  
3 min / 11 min

# ASH REIT's Portfolio

## 5. King Street Towers II



Acquisition Date:  
April 2019  
Location:  
Waterloo, ON  
School:  
Waterloo, Laurier  
Beds:  
419  
Drive / Walk to Campus:  
3 min / 11 min

## 6. West Village Suites



Acquisition Date:  
April 2019  
Location:  
Hamilton, ON  
School:  
McMaster  
Beds:  
449  
Drive / Walk to Campus:  
3 min / 14 min

## 7. 17Hundred



Acquisition Date:  
April 2019  
Location:  
Oshawa, ON  
School:  
UOIT, Durham  
Beds:  
588  
Drive / Walk to Campus:  
1 min / 14 min

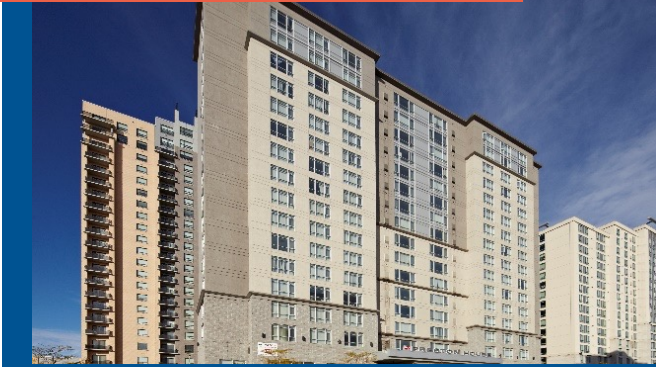
## 8. 1Ten on Whyte



Acquisition Date:  
August 2020  
Location:  
Edmonton, AB  
School:  
UoA, MacEwan  
Beds:  
72  
Drive / Walk to Campus:  
2 min / 8 min

# ASH REIT's Portfolio

## 9. Preston House



Acquisition Date:  
March 2021

Location:  
Waterloo, ON

School:  
Waterloo, Laurier

Beds:  
310

Drive / Walk to Campus:  
2 min / 10 min

## 10. Bridgeport House



Acquisition Date:  
March 2021

Location:  
Waterloo, ON

School:  
Waterloo, Laurier

Beds:  
485

Drive / Walk to Campus:  
3 min / 11 min

## 11. THEO



Acquisition Date:  
July 2021

Location:  
Ottawa, ON

School:  
uOttawa, Carleton

Beds:  
528

Drive / Walk to Campus:  
4 min / 10 min

## 12. See-More



Acquisition Date:  
January 2023

Location:  
Halifax, NS

School:  
Dalhousie

Beds:  
491

Drive / Walk to Campus:  
0 min / 1 min

# Background

Since the release of our inaugural ESG report in 2021, we have continued to refine our ESG strategy to ensure continued alignment and growth over the coming years.

Our 2023 report:

- Defines ASH REIT's ESG Materiality and demonstrates a commitment to reporting according to SASB Standards.
- Celebrates the many ESG related achievements in 2022.
- Prioritizes our activities and investments for the upcoming year.

This report provides an overview of ASH REIT's material environment, social and governance ("ESG") factors and activities in 2022, as well as activities planned for 2023. Reporting has been prepared in accordance with the Sustainability Accounting Standards Board ("SASB") Real Estate Standard, along with the United Nations Sustainable Development Goals ("SDGs").

This report covers the current portfolio of ASH REIT and includes the activities of ASH REIT, Canadian Student Living Group LP ("CSL"), and Campus Living Centres ("CLC"), our third-party property manager (for all sites except for The Annex, which is managed by the University of Ottawa). The report was compiled in collaboration between ASH REIT, CSL and CLC.

For more information about this report, please contact ASH REIT at [ashinfo@alignvest.com](mailto:ashinfo@alignvest.com).





# Position Statement

In 2022, ASH REIT developed an official position statement to share our rationale and approach to managing ESG commitments:

*ASH REIT is committed to building a diversified Canadian investment portfolio comprised of superior student accommodation. Our goal is to provide our student residents with a home away from home. A commitment to strong environment, social and governance (“ESG”) principles and practices is part of the DNA of our business. And, integrating ESG into our business strategy and operations enables us to deliver on our commitment to provide reliable, low-risk financial returns to our investors and to build long-term value in the business.*



# Our Approach to ESG

In 2022, we refined our ESG framework and completed a comprehensive strategy assessment to identify risks and opportunities that may impact financial performance or long-term value. Our strategy and materiality factors are reviewed regularly, allowing for the assessment of internal and external elements that may impact our ESG goals. Material items are grouped into 3 defining categories:

## Environment

Environmental sustainability and efficient operations.

- Energy Use
- GHG Emissions
- Climate Strategy
- Water and Waste Management

## Social

Creating safe living spaces for our residents and a rewarding working environment for our employees.

- Tenant Engagement & Satisfaction
- Tenant Health, Safety & Wellness
- Building Location and Condition
- Partnerships
- Human Capital Management

## Governance

Maintaining investor trust through superior oversight.

- ESG Governance
- Business Ethics & Transparency
- Data Privacy & Cyber Security
- ESG Integration
- Supply Chain

# United Nations Sustainable Development Goals

In 2015, the United Nations adopted the Sustainable Development Goals (“SDGs”), which provides 17 goals which act as a blueprint on issues that support the welfare of the people and the planet. Through our business activities, we are committed to positively contribute to the relevant SDGs.



## Our Commitments

**Item 5 Gender Equality**

We are committed to reporting on and fostering female representation and contributions both at the corporate level and through our partnerships.

**Item 7 Affordable and Clean Energy**

We are committed to reducing energy use and exploring clean sources of energy for our portfolio.

**Item 8 Decent Work and Economic Growth**

We are committed to report annually on our progress with respect to employee engagement and satisfaction, including relevant training and job opportunities.

**Item 9 Industry, Innovation and Infrastructure**

We are committed to assessing and implementing new and innovative technology to enhance building performance and resident experience.

**Item 10 Reduce Inequalities**

We are committed to reporting and fostering diversity, equity and inclusion metrics within our organization and those of our operating partners.

**Item 11 Sustainable Cities and Communities**

We are committed to providing safe and secure homes for our student residents.

**Item 12 Responsible Consumption and Production**

We are committed to reduce and report on our operational footprint through reduction and conservation efforts.

**Item 13 Climate Action**

We are committed to measuring our impact on climate change through GHG monitoring and working to reduce our emissions.

# Our 2022 Highlights

## Environment

Environmental sustainability and efficient operations.

- Improved the tracking of utility and other ESG benchmarks according to SASB metrics.
- Calculated Greenhouse Gas Scope 1, Scope 2 and Intensity Emissions.
- Completed numerous LED and Water savings projects.
- Incorporated enhanced Environment factors into due diligence process.



## Social

Creating safe living spaces for our residents and a rewarding working environment for our employees.

- Completed move-in and annual satisfaction resident surveys.
- Enhanced building security for residents.
- Renovated numerous amenity spaces for student community building.
- Reinitiated resident events and engagement opportunities post pandemic restrictions.
- Completed employee engagement and diversity surveys.



## Governance

Maintaining investor trust through superior oversight.

- Increase in reporting and disclosures.
- Incorporated ESG factors into due diligence process.
- Assessed ESG related risk factors and developed contingency plans.
- Engaged expert consultants in ESG strategy, metrics and measurement.





# Environment

# Environment Highlights

- In 2022, ASH REIT made significant strides in **improving its utility tracking, data management and reporting practices**, which resulted in additional metrics **aligned with SASB standards**. This included the **development of a centralized database**, as well as monthly and annual tracking of key metrics.
- Began tracking refrigerants, diesel use and other carbon equivalents, which were used to **calculate GHG Scope 1, Scope 2 and Intensity emissions**.
- **Upgraded mechanical systems** at King Street Towers and 1Eleven, providing increased energy efficiency for boilers and pumps. The **purchasing process included enhanced consideration to environment factors**, resulting in more environmentally responsible purchasing.
- Continued numerous water reduction projects, including **installation of low flow toilets, showerheads, and faucet aerators**. A total of 3,373 water-conserving fixtures were installed.
- **ESG factors were heavily considered during the due diligence** of our new acquisition, See-More in Halifax. The process was successful at evaluating how the building aligned with our ESG expectations and provided insight for the post-closing operations.
- **Retained a refuse specialist to analyze waste diversion opportunities**, including a full audit of current contracts and facilities, as well as recommendations to align with best practices.
- **Analysed future projects** such as heat pumps and solar arrays for 2023.

# Mechanical upgrades at 1Eleven in Ottawa

In 2022, the initial components of a major mechanical retrofit began at 1Eleven, Ottawa. This re-purposed hotel, built in the early 1970s, was converted to a student residence in 2014 and was purchased by ASH REIT in 2018 with the knowledge that the mechanicals required an energy efficient upgrade. Numerous upgrades were completed throughout 2022 and the early efficiency results are encouraging:

- **Potable Water Booster Pumps** – Replaced with variable drive pumps that provide service on demand, reducing electricity consumption.
- **Potable Water Heating** – Natural gas heating costs were reduced by installing tanks to store on-demand hot water, as opposed to a continuous cycle of hot water.
- **Heating Boilers** – Atmospheric natural gas boilers were replaced with condensing systems to reduce natural gas consumption.
- **Makeup Air Units** – New units were installed as previous units were supplying more circulation than required, drawing electricity unnecessarily and malfunctioning.

	2019*	2022**	% Reduction
Gas (m3)	498,267	449,494	<b>-9.79%</b>
Electricity (kWh)	1,536,000	1,503,937	<b>-2.09%</b>

\* Comparing to 2019 as a stabilized year due to COVID-19 related occupancy fluctuations in 2020 and 2021.

\*\*Upgrades completed over the 2022 year; with full year savings to be assessed in 2023.



# Greenhouse Gas Emissions

In 2022, ASH REIT calculated its Greenhouse Gas emissions according to the Greenhouse Gas Protocol. Emissions are reported as either Scope 1 (Direct) or Scope 2 (Energy Indirect). The combined **Scope 1 and Scope 2 total emissions for the portfolio was 5,012 CO<sub>2</sub>e tonnes**. The weighted average **intensity emissions are 0.72 GJ/m<sup>2</sup>**. We are pleased these measures **fall well below** the industry benchmark of 0.84GJ/m<sup>2</sup> for rental buildings (MURB 2018).

The Greenhouse Gas inventory applies the operational control approach. Emissions from the combustion of natural gas and diesel, the release of refrigerants, and the consumption of electricity in CSL controlled building areas are included.

Throughout 2023, ASH REIT will be assessing opportunities to further reduce emissions and our operational impact on the environment.

Scope 1  
4,491 CO<sub>2</sub>e

Scope 2  
521 CO<sub>2</sub>e

Intensity  
0.72 GJ/m<sup>2</sup>



# Water Conservation

In Canada, our residents are fortunate to have ready access to clean sources of available water, and we practice water conservation as good stewards of the environment and for positive business benefit. Water conservation is a key material opportunity for our ESG commitments and as such, we regularly audit our water consumption, test flow rates, and review new water conservation products to assess alignment with our student population and buildings.

**In 2022, we continued our various water savings initiatives** including the installation of new 3L high-efficiency toilets, low-flow shower head and faucet aerators at 3 properties.

The projected annual energy savings for these projects results in a **reduction of 17,286m<sup>3</sup> of water**, and annual savings estimates of \$75,372.

In our post-installation review process for completed projects, we found that water conservation projects completed in 2021 provided **a reduction in total water volume of 46.62%**. It is clear these projects are successful at not only reducing operating expenses but protecting our water supply.

In 2023, the team will continue to review water conservation projects across the portfolio by evaluating previously completed installations to measure resulting efficiencies.



1,058 toilets  
retrofit to 3L



994 low-flow  
showerheads installed



1,321 low-flow  
faucets installed



17,286 m<sup>3</sup>  
annual estimated  
savings

# Green Building Certification

We are proud to report that two of our buildings are LEED certified.

1. West Village Suites, a 449-bedroom site in Hamilton, Ontario, is **Gold certified**.
2. 17Hundred in Oshawa, Ontario, with 588 beds, has **Platinum LEED** status.

Through their rooftop solar panels, these two buildings **contributed a total of 360,815 kWh of energy back to the grid in 2022**.

West Village Suites



17Hundred





# Social

# Social Highlights

- In 2022, ASH REIT invested in **numerous amenity and study area renovation projects** to better align our spaces with student needs. This work continues in 2023 with a focus on our gyms and study spaces.
- We achieved a **100% adoption rate of our software systems for online leasing, booking, and work order submission**. In 2023, we are analyzing our corporate software to determine alignment with current needs.
- **Improved safety measures** were implemented including new cameras and key systems. Additional investigations are in progress for 2023 to improve the safety and security at our locations.
- **Return to in-person programming for numerous community building events**, including therapy dog socials, homecoming events, cooking programs, and surprise breakfast/coffee events.
- **Inaugural employee engagement survey** completed to establish a baseline for employee experience with our property management partner. Results were overwhelmingly positive with above-industry standard response rates.
- Our property management partner completed a self-report **Diversity Equity and Inclusion survey** to better understand the level of representation we have achieved throughout our property teams.
- **Annual resident satisfaction surveys** were completed to identify areas for continuous improvement.

\*Activities/data do not include The Annex, managed by uOttawa

# Tenant Wellness

Numerous initiatives were completed to improve our residence experience, including:

- **Amenity spaces were redesigned** in Oshawa and Waterloo to provide increased collaboration spaces for students. Students were surveyed to determine priorities and renovations incorporated their feedback to include more electrical outlets, moveable furniture, designated group and individual study spaces and new furniture.
- **100% of leases**, including lease transfers and renewals, were **completed online** through our resident portal (up from 40% in 2021). **8,914 work orders were submitted online, as well as 8,329 amenity bookings** (up from 6,662 work orders and 2,171 amenity bookings in 2021).
- Over **\$46,000 was awarded** in prizes and competitions for community programming.

\*Activities/data do not include The Annex, managed by uOttawa



See-More in Halifax, NS features two art installations by local artists, including this one pictured which was designed and painted by award-winning Mi'kmaw artist Jordan Bennett.

# Safety and Security

Maintaining a safe, secure and aesthetically pleasing home with student focused programming not only leads to retention of students, but also solidifies ASH REIT's place as the premier off-campus student housing provider in the markets we serve. Safety and security is high on the list of family and student concerns.

In 2022, we **completed security upgrades** at our Waterloo buildings, including installing **140 new cameras** and **1,113 fob based locks**. We've entered contracts to upgrade an additional 954 locks in 2023.

On-site staff were provided with additional one-on-one **proactive training** on dealing with complex situations, including de-escalation strategies.

In Ottawa, numerous investigations have been conducted to improve safety and security at our downtown location. Additional locks and cameras, new elevator key fobs and gated access to the parking lot are all being considered for installation in 2023.



1,113 upgraded locks installed



787 cameras portfolio wide



Enhanced security measures planned for 2023

\*Activities/data do not include The Annex, managed by uOttawa

# Tenant Engagement

Engaging our residents and ensuring their needs are met is critical to our success. Not only do engaged residents contribute more to the community, but they also treat their space like a home and create meaningful relationships with one another, and our staff teams.

Emerging from COVID-19, we **developed a plan to transition from virtual programming back to on-site traditional delivery**. Additional factors were considered to ensure appropriate attendance size and sanitization efforts. Residents were thrilled to see the **return of their favourite events**, including therapy dog socials, homecoming events, cooking programs, and surprise breakfast/coffee events.

In 2022, we **continued our annual surveys** – including a move-in survey for new residents, a resident satisfaction survey, and a work order completion survey. These surveys are reviewed, and action plans are created when areas for improvement were identified.

\*Activities/data do not include The Annex, managed by uOttawa



17hundredsimcoe

17Hundred

Justin Bieber · Yummy



Liked by nesreen2312 and others

17hundredsimcoe Waffle Wednesday is back at #17hundredsimcoe #reslife #delicious 🤤 ... more

March 15

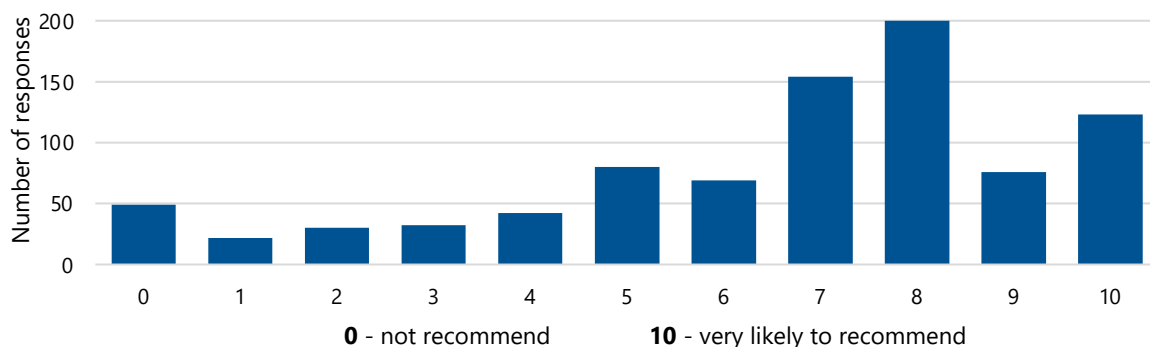
# Tenant Satisfaction

In 2022, **we conducted move-in and satisfaction surveys** to enhance our understanding of our residents' experience. These surveys serve as a means of **continuous improvement**, enabling us to identify the areas that matter most to our residents and make investments accordingly. Subsequently, action plans are developed for each site based on the findings.

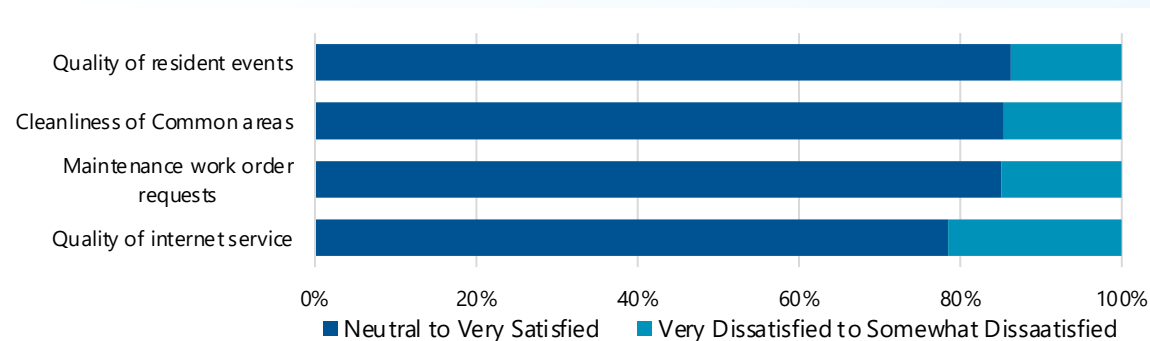
## Key survey findings from our 2022 annual resident survey\*:

- ~37% of our new residents are in their second year of university or college, with 70% being 21 years of age or younger.
- 25% of our residents identify as international students, with the majority from India and China.
- The top reasons students live in our buildings were proximity to campus (71%) and site cleanliness/appearance (42%).
- 63% of residents rated their likelihood of recommending their residence to a friend as 7 or higher out of 10.
- For the first time, we asked students what influenced their decision to live in the building, incorporating specific ESG factors into the options. We were pleased to identify safety and security, as well as building condition ranked high.

**Likelihood to recommend building to a friend**



**Satisfaction with Operations Components**



\*Activities/data do not include The Annex, managed by uOttawa



# Employee Experience

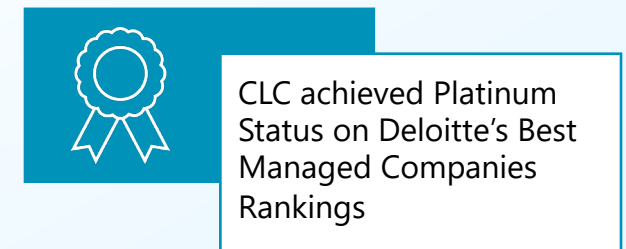
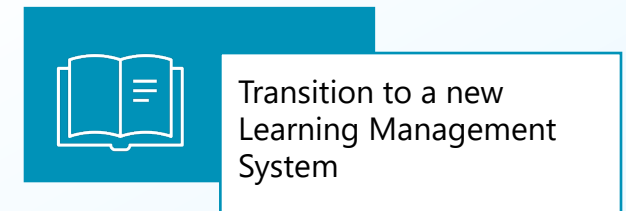
Providing a positive workplace culture is a key objective for ASH REIT. We want our employees to feel valued and supported and offer numerous training and team development opportunities throughout the year.

**Property staff completed an inaugural Engagement Survey.** McLean & Company facilitated and grouped responses together to assess company success scores. A score greater than 60% indicates a High Performing Driver. The highest scored Drivers were **Inclusion (94%)** and **Department Leadership (94%)**. Employees reported feeling **empowered to make decisions (88%)** and having a **positive working environment (84%)**. **Overall, 95% of employees were identified as engaged, or highly engaged.** These results provide an excellent baseline metric for future assessment.

**A new Learning Management System for property management staff was implemented** in 2022, improving the functionality for online mandatory training. On average, employees received approximately **15 hours of training on the job**, and **11 hours of online training annually**.

In 2022 our property management partner, CLC, **maintained their Platinum status on Deloitte's Best Managed Companies.**

\*Activities/data do not include The Annex, managed by uOttawa



# Employee Diversity, Equity and Inclusion

We support our employees and value practices of diversity, equity and inclusion. These values are shared by our property management partner, and we are grateful for this alignment.

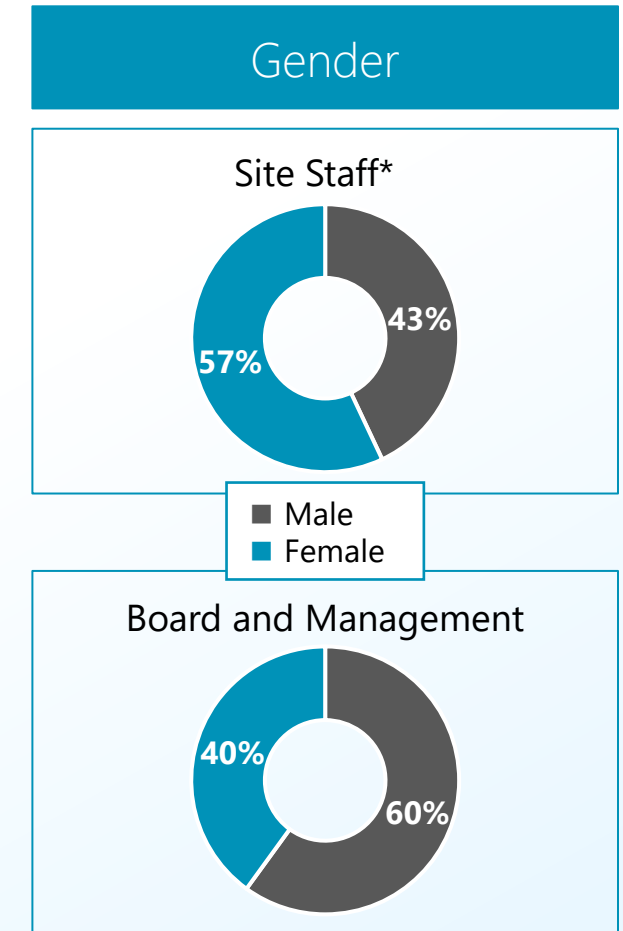
**Our site staff is comprised of 57% female**, which has maintained consistent from past years.

**We provide employment for young people** with 39% of property management staff being current students and 21 of those students also being residents in our buildings. Not only does it help provide a true understanding of the building experience, but it also provides much needed work experience to help build better futures.

**40% of the senior management team and Board of Trustees are female.**

Many of our team also identify as ethnically diverse, and self identification reporting is being considered for the future.

\*Data does not include The Annex, managed by uOttawa





# Governance

# Governance Highlights

- In 2022, clear goals were set and accomplished to improve the **tracking of all ESG metrics**, resulting in over 160 annual data points, with all Environment, Social and Governance factors **maintained in a central database**.
- We **reviewed our ESG Materiality Assessment** to identify the risks and opportunities that may impact company financial performance or long-term value. This will be assessed each year to ensure continued alignment with business strategy.
- Formal ESG charter documents were created, including an ESG position statement and ESG policy.
- In 2022, ASH REIT reviewed both operational and corporate related **risks**. These are updated regularly to adjust likelihoods, impacts, and mitigation plans.
- ASH REIT **engaged with a Greenhouse Gas consultant** to advise on industry best practices as it pertains to tracking carbon equivalents, evaluating building retrofits, and calculating Scope 1, Scope 2, and Intensity emissions. This provided invaluable guidance and forms the baseline for future analysis.
- We implemented enhanced operational metric reporting in our quarterly management reports and more robust financial reporting, as we begin providing quarterly financial reporting in Q1 2023.
- Our Board of Trustees met regularly to review strategy, approve financial disclosures and fair market value, and approve acquisition and growth plans.

# ESG Governance

There are multiple layers of ESG governance at ASH REIT. The Board of Trustees provides oversight and maintains an ESG Committee consisting of two board members, a Partner of ASH REIT and a Director at Canadian Student Living. The ESG Committee meets quarterly to discuss strategy and risk factors. With direction from the ESG Committee, the ESG Operations working-group meets to discuss and implement key priorities in the ESG strategy. This committee manages the implementation of new projects, validates the data according to SASB Standards, and maintains ESG metrics.



# Board of Trustees

Responsible governance was a key tenet of the foundation of ASH REIT and continues to drive our policies and disclosures. In order to build trust amongst all our stakeholders, we maintain comprehensive governance and disclosure practices beyond what is required by regulatory bodies.

- Our Board of Trustees is comprised of five members, three of whom are independent from management.
- The Board meets to review and approve our fair market value and annually to approve the financial statements (audited by Ernst & Young LLP).
- Committees of the Board, such as Investment Committee and ESG Committee, meet for discussion and approvals as required.

# Materiality Assessment - Annual Review

We reviewed our Materiality Assessment to identify the risks and opportunities that may impact company financial performance or long-term value. The results are graphed according to likelihood and impact:



- Environment**
- A Energy Use & GHG Emissions
  - B Climate Strategy
  - C Water and Waste Management

- Social**
- D Tenant Engagement and Satisfaction
  - E Tenant Health, Safety, and Wellness
  - F Building Location and Condition
  - G Partnerships
  - H Human Capital Management

- Governance**
- I ESG Governance
  - J Business Ethics & Transparency
  - K Data Privacy & Cyber Security
  - L ESG Integration
  - M Supply Chain

**Core** – financially material in short term, remain material over the long term and significantly impact investor decision making.

**Enhanced** – financially material within 1-3 years and may impact investor decision making.

**Emerging** – important for real estate industry and could grow in overall importance in longer term.

# Due Diligence

Incorporating ESG factors into our due diligence process allows for intentional alignment with the portfolio’s ESG policy as the REIT continues to grow. Factors considered at due diligence include building structure, utility consumption, student demographic alignment, as well as safety and security.

**An ESG assessment list was developed** and utilized in the 2023 acquisition, See-More. Numerous investigations were completed to evaluate the utility consumption, solar panel installation, finishes quality, surveillance camera mapping and more. Opportunities for enhancement were identified and funds are being allocated.

Factor	Considerations
Building Structure	<ul style="list-style-type: none"> <li>• Current condition</li> <li>• Threats to good stewardship (site conditions, ESAs)</li> <li>• Building mechanicals (infrastructure, date, energy consumption, solar panels, etc.)</li> <li>• Appliances (type, energy use, energy ratings)</li> </ul>
Utility Composition	<ul style="list-style-type: none"> <li>• Historical consumption patterns</li> <li>• Electrical Conservation Opportunities</li> <li>• Water Conservation Opportunities</li> </ul>
Student Alignment	<ul style="list-style-type: none"> <li>• Amenity spaces – quantity and current condition, potential for improvement</li> <li>• Suite floorplans aligned for student housing</li> <li>• Furniture provided and condition</li> </ul>
Safety and Security	<ul style="list-style-type: none"> <li>• Location, including neighbourhood and walk score</li> <li>• Review of existing surveillance cameras, locks and overall secure environment</li> </ul>

# Key Performance Metrics

	SASB Standard	2022	Portfolio Metrics	2022
<b>Water</b>				
Water Volume (m3) – Total water withdrawn by portfolio	IF-RE-140a.2	248,701	Number of beds (as at Dec 31, 2022)	4,717
Water Volume (m3) – Adjusted like-for-like	IF-RE-140a.3	181,779	Portfolio square footage	2,099,840
Water Volume (m3) – Adjusted like-for-like percentage change (y/y)	IF-RE-140a.3	89.04%	Number of buildings LEED certified	2
Water data coverage as percentage of floor area	IF-RE-140a.1	99.14%	<b>Resident Metrics</b>	
<b>Electricity</b>				
Electricity Volume (GJ) – Total volume consumed by portfolio	IF-RE-130a.2	54,680	Walk Score (average)	75
Electricity (GJ) – Adjusted like-for-like	IF-RE-130a.3	32,278	Distance to campus, meters (average)	506
Electricity (GJ) – Adjusted like-for-like percentage change (y/y)	IF-RE-130a.3	104.94%	Tenant satisfaction survey response rate (total responses portfolio wide) (1)	877
<b>Natural Gas</b>				
Gas Volume (GJ) – Total volume consumed by portfolio	IF-RE-130a.2	84,855	Tenant satisfaction survey responses as a percentage of total beds (1)	19%
Gas Volume (GJ) – Adjusted like-for-like	IF-RE-130a.3	64,597	<b>Human Capital Management Metrics (1)</b>	
Gas Volume (GJ) – Adjusted Like-for-like percentage change (y/y)	IF-RE-130a.3	108.14%	Online training through Learning Management System, hours (average)	11
<b>Combined Energy Consumption</b>				
Volume (GJ) – Total volume of energy consumed, combined sources	IF-RE-130a.2	139,535	On-the-job training, hours (average)	15
Volume (GJ) – Adjusted like-for-like	IF-RE-130a.3	101,875	Percentage of employees report being engaged or highly engaged	95%
Volume (GJ) – Adjusted like for like percentage change (y/y)	IF-RE-130a.3	106.95%	On-site staff, female representation (% of property staff)	57%
Energy data coverage as percentage of floor area	IF-RE-130a.1	98.33%	On-site staff, female in supervisory position (% of property staff)	57%
Percentage of energy consumed from grid electricity	IF-RE-130a.2	39.19%	Young people employed (% of property staff)	39%
<b>Greenhouse Gas</b>				
Scope 1 (CO2e tonnes)	GHG Protocol	4,491	<b>Governance</b>	
Scope 2 (CO2e tonnes)	GHG Protocol	521	Board of Trustees, amount independent	3/5
Scope 1 & 2 Combined (CO2e tonnes)	GHG Protocol	5,012	Board and Management, female representation	46%
Intensity Emissions (GJ/m2)	GHG Protocol	0.72 GJ/m2	<i>Utility metrics reported include data for which utility consumption can be obtained, roughly 98.3% of the property square footage for energy, and 99.1% for water. Consumption data was not obtained for commercial tenants with individual metered utilities.</i>	

All metrics are as at December 31, 2022.

(1) \*Activities/data do not include The Annex, managed by uOttawa





# Future Plans

# Future Plans

## Environment

Environmental sustainability and efficient operations.

- Continue tracking all key utility data according to SASB metrics.
- Continue regular GHG Scope 1, Scope 2 and Intensity Emissions.
- Complete building assessments to inform future opportunities.
- Stabilize new acquisitions and determine opportunities for energy savings.



## Social

Creating safe living spaces for our residents and a rewarding working environment for our employees.

- Continue move-in and annual satisfaction resident surveys.
- Improve building security where required.
- Continue amenity space renovation.
- Upgrade gym equipment based on student needs.
- Implement software solutions to improve resident communication and tracking.



## Governance

Maintaining investor trust through superior oversight.

- Begin issuance of quarterly financial statements and disclosures.
- Continue incorporating ESG factors into due diligence.
- Continue discussing ESG related risk factors and associated contingency plans.



# Looking Forward

**ASH REIT continues to develop its competencies in various areas of ESG and will continue to improve in terms of increasing energy efficiencies, developing social programs and maintaining good governance.**

In 2022, clear goals were set and accomplished to improve the tracking of all ESG metrics. Moving into 2023, we are paying particular attention to our ESG factors during and after acquisition. We will continue to monitor our disclosed metrics based on ESG standards and look for areas of improvement as it relates to running a business that benefits all stakeholders from employees, to students and investors.

We will also be cognizant of future ESG trends in disclosure in terms of consolidations, internationalization, and the pathway from voluntary to mandatory disclosures.

While proud of our commitments made to ESG, we believe this is only the beginning of an important journey. We look forward to sharing more in 2024.

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