



Bentall
Kennedy

P.01

CEO MESSAGE

P.03

REDUCING RISK

P.05

INCREASING
NET OPERATING
INCOME

P.09

INCREASING
TENANT
LOYALTY

Simply Better Business

2015 Corporate Responsibility Summary



CEO's Message

Our environmental, social and governance practices enhance long-term value for investors by reducing risks, reducing operating costs and increasing tenant loyalty.



Sustainability is a tremendous motivator. It inspires people to excel and, as a broad catalyst to innovation, it drives teams to outperform not just in sustainability-specific initiatives but more broadly in all areas of their work related to property investment and management.

Our sustainability leadership helps us to attract and retain top talent. To be ranked among the top firms worldwide by the Global Real Estate Sustainability Benchmark (GRESB) for four years in a row is more than an honor; it is a testament to the drive and the inspiration of our people and of the people we work with as clients, tenants and partners.

Our shared vision recognizes sustainability as a communal responsibility. As one of the core drivers of excellence in our real estate management practice, this vision helps us manage risks related to building obsolescence while reducing utility consumption and strengthening relationships with our tenants and residents.

REDUCING RISK: BUILDING OBSOLESCENCE

We are a fiduciary, first and foremost, and to best serve the interests of our clients over the long term

it is important that we reduce the risks associated with building obsolescence across the portfolios we manage.

When making decisions on asset acquisition, we must consider sustainability-related factors, among others. We assess a building's exposure to climate risk along with the potential impact on future cash flow of a building's energy and water-related performance, while also reviewing factors that could affect locational obsolescence such as Walk Score and proximity to public transit. We look at whether a building has what it takes to attract and retain tenants, such as building certifications or strong energy performance, and if not, we factor this into our investment decision.

INCREASING NET OPERATING INCOME: REDUCED UTILITY EXPENSES

To ensure our buildings are positioned competitively in the marketplace, we strive continually to lower operating costs. One way we do this is through superior energy management programs that lead to reduced utility expenses. By making smart and timely upgrades to our existing buildings, we reduce environmental impacts and improve efficiency.

We have demonstrated that these efforts deliver strong results across all asset types, not just in our downtown office portfolios. For example, operational improvements at Memorial Hermann Sugar Land Hospital, a medical office center in Sugar Land, Texas, resulted in a 26% decrease in annual electricity use in 2014, compared to 2013. Another example is the irrigation retrofit performed at Western Business Park, an industrial facility in Mississauga, Ontario. As a result of the initiative, the property is saving 1,735,510 liters of water per year along with more than \$3,300 per year on utilities and maintenance, achieving a payback of 3.9 years.

INCREASING TENANT AND RESIDENT LOYALTY: CREATING COMMUNITIES

The expectations of our tenants continue to evolve and we ask for their views regularly through our tenant survey process. In addition to looking for functional work space, tenants want to entice prospective employees with a workplace

Above: Gary Whitelaw
Group Chief Executive Officer, Bentall Kennedy



that provides a healthy environment while also being part of a vibrant community. Our effort to increase the number of buildings with LEED and BOMA BEST certifications is part of our response to this trend.

Above and beyond certification, our property teams work hard to create a sense of community within our buildings and in the surrounding neighborhoods. At Bentall Kennedy, we strive to deliver this sense of community through tenant engagement initiatives, environmental and social programming and the work of Property Management teams that thrive on innovation and exceeding the expectations of our clients and tenants alike.

PROPRIETARY SUSTAINABILITY RESEARCH

To help assess the results of our work over more than ten years to certify the buildings we manage,

Left: Sun Life Building, Montreal, QC,
 Owner: Sun Life Assurance Company of Canada and
 1155 Metcalfe Complex L.P.
 Right: Eastgate Square, Stoney Creek, ON,
 Owner: Bentall Kennedy Prime Canadian Fund

we have taken action to document the case for sustainability as a driver of long-term value for investors. In 2014, we compiled global research on the topic and ran workshops with our investment management teams across the organization. Further, we undertook a research study with leading global academics to correlate 10 years of operational, leasing and financial data with fundamental aspects of our sustainability program such as LEED certification and energy efficiency. Initial findings are very encouraging and we expect to be able to share the final results of this research in 2015.

We have reaffirmed our belief that a core commitment to sustainability is simply better business. I look forward to hearing your feedback and to driving forward more innovation and collaboration in 2015.

Gary Whitelaw
 Group Chief Executive Officer, Bentall Kennedy
 May 15, 2015

OUR SUSTAINABILITY VALUE DRIVERS



Reducing Risk

First and foremost we are a fiduciary, bringing exceptional knowledge and experience to the responsible, long-term investment and management of real estate assets.

As a fiduciary, we are responsible for reducing risk across our portfolio and managing it in a sustainable fashion. When considering the acquisition of a new building, we look at a number of sustainability factors including climate risk and energy performance. Also very important are factors that reduce locational obsolescence such as proximity to public transit.

TRANSIT-ORIENTED DEVELOPMENT & WALKABILITY

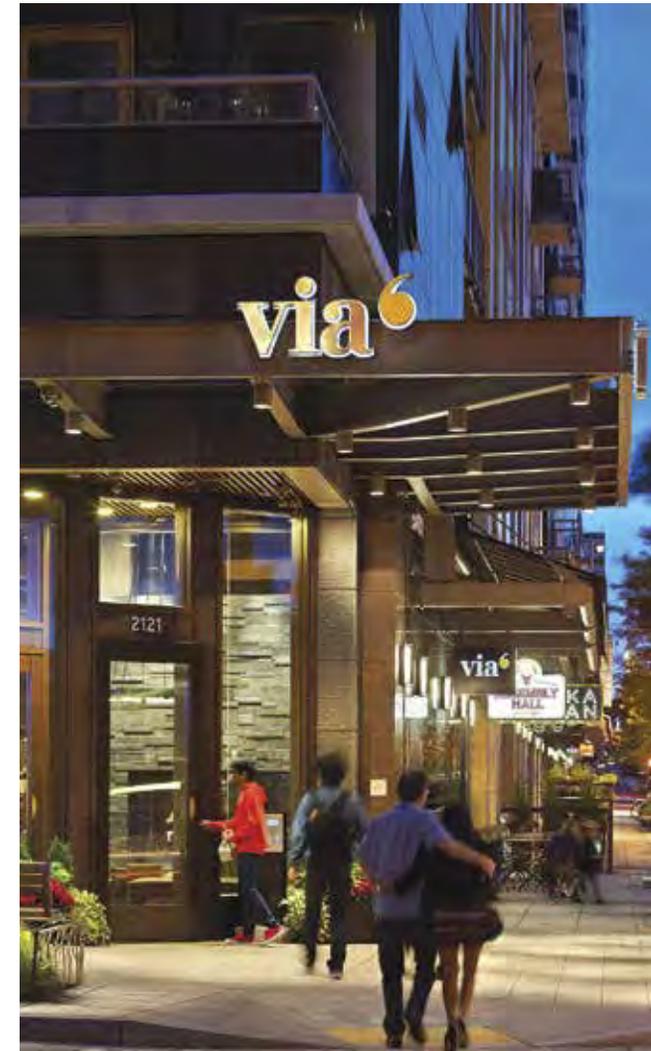
Urbanization is increasing – over 80% of North Americans now live in cities. Buildings located near a transit hub or with a higher walkability score reduce market risk by ensuring that the location remains relevant. In part this is because the pool of tenants interested in leasing will be kept broad.

In our acquisitions and developments, we carefully consider transit-oriented and central business district (CBD) real estate. For example, our strategy in recent years across our U.S. office portfolio has been to shift away from suburban

locations in favor of downtown centres in cities such as Boston and New York. In 2014, 72.8% of our MEPT office portfolio in the U.S. and 84% of our Bentall Kennedy Prime Canadian office portfolio were transit-oriented or CBD real estate.

Our own experience indicates that tenants value access to transit and walkability. Broadway Tech Centre, a recent development in Vancouver, is a great example of this. Access to light rail transit has been critical for expansion of the property. Construction of the light rail began after several large leases were signed, and large tenants indicated that proximity to transit was a key factor in their decision to locate there.

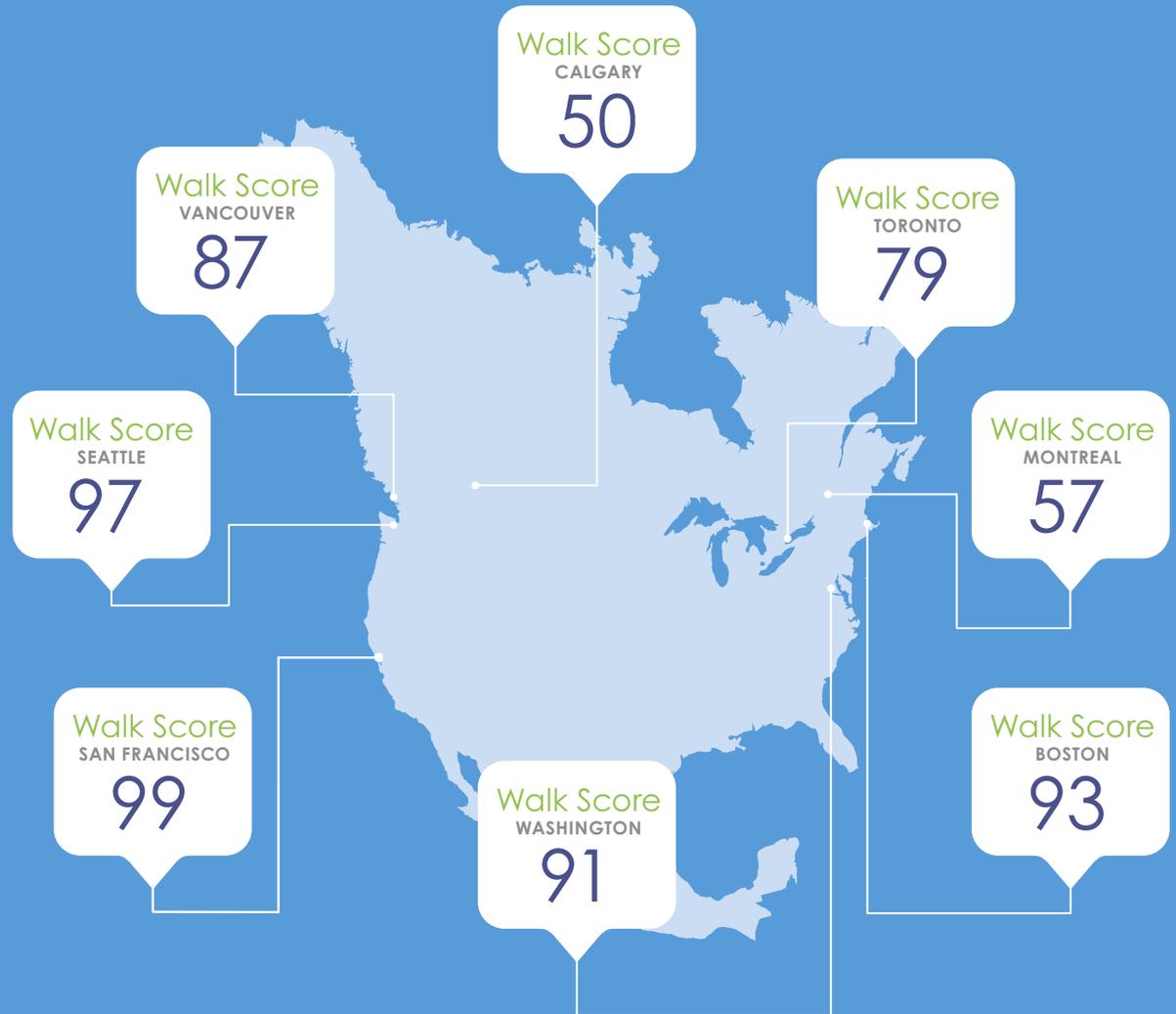
Via 6, a multi-family development in Seattle, caters to individuals looking for an urban lifestyle where owning a car is unnecessary. An important piece of the marketing for the project has been focused on walkability and transit scores of 100, and the access to amenities. For Via 6, the leasing has been much faster than anticipated.



Walk Score[®]

The map to the right shows the average Walk Score of our office and multi-family properties, for the cities listed.

Walk Score is a number between 0 and 100 that measures the walkability of an address. It is available for any address in the United States, Canada, and Australia. A high Walk Score indicates a walkable neighborhood with access to amenities and public transit. For more information visit www.walkscore.com.



OPPOSITE PAGE

Top: Deanna Rea, Tenant Services & Sustainability Coordinator & Tony Hunniford, Chief Engineer, Vancouver, BC
Bottom: Via6, Seattle, WA, Owner: MEPT & Canada Pension Plan Investment Board



For more information, please visit cr.bentallkennedy.com

73%

Of our MEPT office portfolio that is transit-oriented or CBD.

84%

Of our Bentall Kennedy Prime Canadian office portfolio that is transit-oriented or CBD.

83

The average Transit Score of our properties in the 8 cities listed above.

84

The average Walk Score of our multi-family North American portfolio.

Increasing Net Operating Income

Reducing energy use is a key strategy in managing the operating costs across our portfolio, for the benefit of our clients, tenants and the environment.

We strive to reduce operating expenses from utility use and waste generation while at the same time improving environmental performance and efficiency. We take a proactive approach to utility and resource management that establishes annual and long-term goals and objectives, tracks and reports key performance indicators and uses best management practices.

ENERGY AND GREENHOUSE GASES

In order to drive down energy costs we focus on reducing the energy intensity (the energy used in a building on a per square foot basis, normalized to remove variances for weather and occupancy), enabling us to highlight the impact that management practices have on energy reduction goals. An example of a recent success is in our U.S. office and medical assets. In 2013, we focused on increasing the number of ENERGY STAR benchmarked buildings and had them actively participating in Eco Tracker (our proprietary energy management software). As a result, the normalized energy intensity in our U.S. office and medical portfolios has decreased in 2014 by 2.3% and 11.7% respectively, compared to 2013.

The most material environmental impact from real estate is greenhouse gas (GHG) emissions associated with the energy use in buildings over their lifetimes. As a manager, we monitor performance on a like-for-like basis. Across our portfolio we've experienced a 5-year trend of 1% reduction per year average in normalized GHG emissions. The current year normalized data accounts for the purchase of renewable energy credits and only reflects properties that have been in the portfolio for each of the past 5 years or have been newly developed during that time. Data for historical years is adjusted to reflect 2014 weather, occupancy, and exceptional tenant loads.

Looking forward, we will continue our best-in-class management practices to reduce energy intensities, provide energy efficiency training to Property Management staff and increase active participation in Eco Tracker.



OPPOSITE PAGE

Top: Constante Buado, Maintenance Technician at multi-family building in Toronto, ON
Bottom: 200 King Street West, Toronto, ON

We're proud to have provided strong financial as well as environmental performance for our investors, including a decrease in greenhouse gas emissions over the past five years.

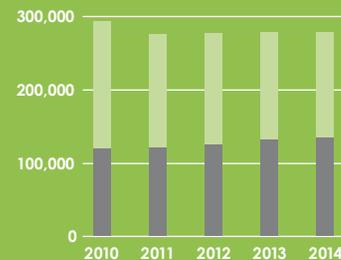
Remco Daal, President & Chief Operating Officer, Bentall Kennedy (Canada)

REDUCING OPERATING COSTS

\$10.3M

TOTAL UTILITY COSTS AVOIDED SINCE 2010, DUE TO EFFICIENCY IMPROVEMENTS

Normalized Net Annual Greenhouse Gas Emissions (tCO₂e)



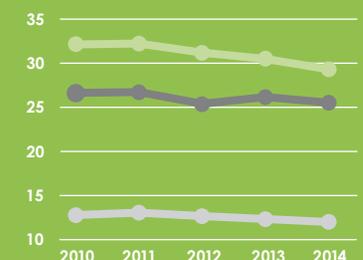
● Canada
● U.S.

U.S.: Normalized Energy Intensity by Asset Type (ekWh/sqft/yr)



● Medical
● Multi-family
● Office

Canada: Normalized Energy Intensity by Asset Type (ekWh/sqft/yr)



● Enclosed Retail
● Multi-family
● Office

↓ 5%

Reduction in normalized GHG emissions since 2010

↓ 11.7%

Year-over-year improvement for U.S. Medical Office in normalized energy intensity

↓ 8.8%

Improvement in normalized energy intensity in the Canadian office portfolio since 2010



For more detailed environmental data please visit: cr.bentallkennedy.com/environment

With a 5-year decrease in water consumption across our portfolio, we are one step ahead of states and cities which are now mandating water reduction targets.

Amy Price, Chief Operating Officer, Bentall Kennedy (U.S.)



WATER

Water conservation is gaining importance. This is due to rising costs in a number of municipalities and climate change impacts on water supplies in some geographies. Since 2010, we have averaged a 1.5% decrease in normalized water consumption per year across North America.

A water intensity metric tracks the water used in a building on a per square foot basis. Since 2010, our Canadian office portfolio has improved normalized water intensity by 18.7%, as shown in the graph on page 8. These improvements have been largely driven by an increase in building certifications such as LEED and BOMA BEST, each of which have a strong focus on water efficiency.

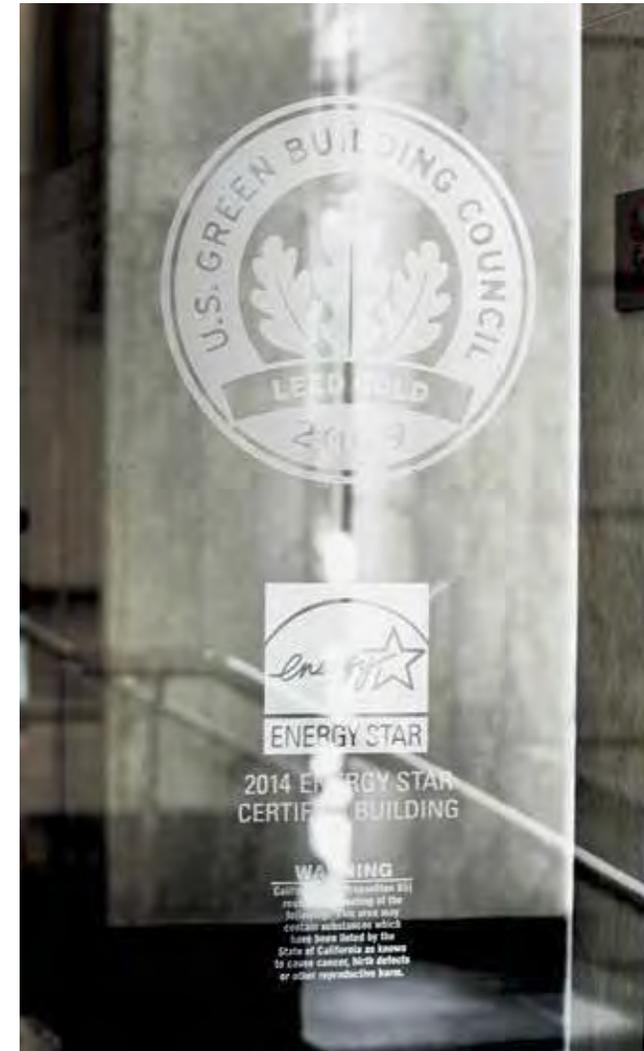
Looking forward, we believe that water efficiency will become a key factor in reducing utility costs and increasing net operating income at our properties across North America.

WASTE

When it comes to waste management our main focus is on reducing the amount that is sent to landfill. Since 2010, waste to landfill has decreased by 7%, showing a 5 year trend of 1.4% improvement per year. As seen in the graph on page 8 there has been a steady increase in the amount of waste diverted from landfill.

Diversion rates measure how much waste is diverted to recycling compared to how much of the waste goes to landfill. In 2014, waste diversion rates in office were 52% and in enclosed retail were 45%, showing strong improvements over the 2010 diversion rates.

Looking forward, we will continue to work with our partners in the waste industry to improve our processes, and increase our zero waste options for tenants. Another metric that will be important to report on in the future is the percent capture rate of recyclable materials. For example, if only 10% of all recyclable material (e.g. paper, cans, etc.) ends up in the waste stream then the capture rate is 90%.



OPPOSITE PAGE

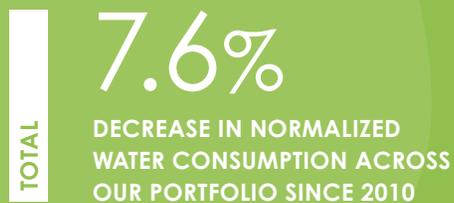
Top: Taylor Brown, Administrative Assistant & Betsy Kunec, Administrative Assistant, Washington, D.C.

Bottom: 600 California St, San Francisco, CA, Owner: MEPT

We continue to work proactively with our waste service providers to improve data and analytics so that we may drive better waste diversion across our portfolio.

Keith Major, Executive Vice-President, Real Estate Services, Bentall Kennedy

BUILDING WATER INTENSITIES



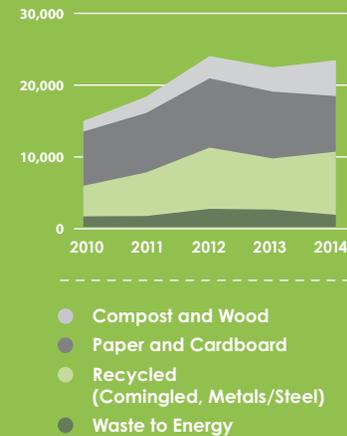
WASTE INTENSITY IN MULTI-FAMILY HAS BEEN IMPROVING SINCE 2010:



Canada: Normalized Building Water Intensity (L/sqft/yr)



Waste Diverted from Landfill, by Material (MT)



52%

WASTE DIVERSION RATE

— IN OUR —
OFFICE PORTFOLIO

UP FROM
40% IN 2010

Increasing Tenant Loyalty

We strive to exceed tenant and resident expectations by creating a sense of community within our buildings and surrounding neighborhoods.

Tenant expectations continue to change and evolve. One way we can enhance the long-term value of our portfolio is by going above and beyond. We achieve this through tenant engagement initiatives, environmental and social programming and Property Management teams that thrive on innovation and exceeding the expectations of our clients and tenants alike.

FOREVERGREEN TENANT ENGAGEMENT

Tenant survey results from 2012 regarding sustainability had suggested that a deeper approach to implementing environmental practices would be welcome. In 2013, we re-launched our ForeverGreen brand and piloted a tenant engagement program aimed at creating collaboration among Property Managers and tenants, resulting in a cleaner, greener and more enjoyable workplace. After a successful pilot, in 2014 we launched the program across North America in all asset types.

Engaging resources such as posters, newsletters and Green Team Packs provide both Property Managers and tenants with actionable content around monthly environmental themes.

BUILDING CERTIFICATIONS

Certifying or labelling buildings under established industry programs reassures our teams and our stakeholders that our practices and programs are achieving results and exceeding benchmarks. Both LEED and BOMA BEST rate the environmental performance of a building including energy, water and waste metrics and sustainability best practices. BOMA BEST is available only for Canadian buildings, while LEED is available in both the U.S. and Canada. ENERGY STAR focuses specifically on energy consumption and intensity and labelling is currently only available in the U.S.

Looking forward, in 2015 we are launching a LEED for Existing Buildings: Operations & Maintenance Volume Program for office properties and a BOMA BEST Volume Program for our Canadian retail, industrial and multi-family properties. This will enable us to increase the coverage of building certifications across our portfolio more efficiently and at a reduced cost.



Opposite page:

Top: Rod Olsen, Director Property Management, Simona Berneanu, Tenant Relations Manager & Marius Berneanu, Shipping & Receiving Supervisor at community fundraising event in Calgary, AB
Bottom: Customer appreciation event at retail mall in Toronto, ON

At a minimum, certifying buildings makes sense because it ensures that the building will be attractive to the widest pool of tenants.

Chuck Burd, Chief Investment Officer, Bentall Kennedy (U.S.)

LEED

\$10b

in assets, across 24 million square feet are LEED certified

70%

of the U.S. office portfolio is LEED certified (based on asset value)

52%

of the Canadian office portfolio is LEED certified (based on asset value)

ENERGY
STAR

\$3.1b

in assets in the U.S. have an ENERGY STAR label indicating that they are top performers

TENANT SURVEY RESULTS

In our 2014 survey of our Canadian tenants, we gathered data on the importance of environmental building certification programs (such as LEED and BOMA BEST) for the first time. Overall, the majority of tenants feel they are either somewhat or very important.

Importance of building certification

OFFICE

- Very – 39%
- Somewhat – 44%
- Not at all – 9%
- Don't know – 9%



Importance of building certification

INDUSTRIAL

- Very – 15%
- Somewhat – 50%
- Not at all – 27%
- Don't know – 8%



Importance of building certification

RETAIL

- Very – 33%
- Somewhat – 43%
- Not at all – 13%
- Don't know – 10%



BOMA BEST

\$11.4b

in assets in Canada are BOMA BEST certified

50%

of total portfolio in Canada is BOMA BEST certified (including office, industrial and retail, based on asset value)

16.5%

increase in BOMA BEST certified assets, compared to 2013 (based on square feet)

Listening to Our People

People are our greatest asset. We strive to recruit, develop and inspire an engaged and talented workforce.

We promote a corporate culture that attracts and retains the highest caliber people. We encourage growth and development by providing our employees with the resources to work effectively and perform better. We are committed to a sustainable work environment and we enable our employees to give back to the communities in which they live and work. In 2014 we continued to improve the quality of engagement with employees.

EMPLOYEE FEEDBACK

An employee engagement survey was conducted in the spring of 2014 by Burke, a leading research and consulting firm.

89% of our employees participated in the survey. Overall, survey results were very strong, placing Bentall Kennedy in the top 10-15% of employers in Burke's comparative database. Almost all categories of results (21 of 25) were above typical levels for peer companies.

To provide a forum for two-way dialogue and direct feedback, in 2013 we launched Employee Feedback Sessions. These sessions are conducted by members of senior management and attended by small groups of employees from a cross-section of departments in each city. In 2014, over 200 employees participated, contributing valuable ideas and observations. Employees particularly celebrated the high quality of people that work at Bentall Kennedy, our strong fiduciary and service-oriented culture, which enables us to do the right things for clients and tenants, and the 'little things' that make our company a great place to work, like days off to volunteer and our strong focus on sustainability.

There were also many great ideas for improvements in areas such as IT and internal processes, which in combination with the engagement survey results, became the basis of our 2014 Top 10 To-Do List.



Opposite page:
Top: Resident Manager at multi-family building in Vancouver, BC
Bottom: Leona Bradshaw, Property Administrator, Stefanie De Adder, Manager Sustainability & Tenant Engagement & Mendy Vuong, Property Administrator, Toronto, ON

Community giving and a focus on sustainability are two of the 'little things' that employees feel make our company a great place to work.

Jonas Bordo, Senior Vice-President, Corporate Resources, Bentall Kennedy

INVESTING IN OUR EMPLOYEES

150+

BENTALL KENNEDY LEADERS PARTICIPATED IN A 3 HOUR SUSTAINABILITY TRAINING SESSION, FOCUSED ON CREATING A COMMON UNDERSTANDING AND LANGUAGE ACROSS THE COMPANY



For more information about our team please visit: cr.bentallkenedy.com/employees

In 2014, 89% of our employees participated in our employee engagement survey. Here is what they had to say...



92%

agreed that Bentall Kennedy is a socially and environmentally responsible organization



83%

would recommend employment at Bentall Kennedy



81%

were satisfied with communication by leadership on the organization's plans and developments

592

The number of employee volunteer hours spent in 2014 at Union Gospel Mission in Vancouver and Good Neighbours' Club in Toronto

\$584k

Expenditures on employee education in 2014 (courses and seminars, excluding conferences)

\$209k

Total corporate donations in 2014

— OUR —
BLUE TEAM NETWORK
— SPANS —

13

CITIES ACROSS NORTH AMERICA

Our Blue Teams play an important role within our offices by recruiting volunteers, implementing initiatives and spreading the sustainability message to all Bentall Kennedy employees.

Vision and Values

Our vision is to be in the top echelon of real estate advisory and services platforms in North America offering comprehensive, strategic property skills.



OUR VALUES

- 1 We always put our **clients' interests first.**
- 2 We aspire to be one of the **global leaders** of the real estate industry in responsible property investing and environmental social and governance practices.
- 3 We value our tenants and strive to establish **long-term relationships.**
- 4 We are committed to creating a culture within Bentall Kennedy that attracts, engages, advances, and retains the **highest calibre** people.

ABOUT BENTALL KENNEDY

Bentall Kennedy is one of North America's largest real estate investment advisors and one of its foremost providers of real estate services. We serve the interests of more than 550 institutional clients and investors across over 132 million square feet of office, retail, industrial and residential properties totaling over \$32 billion in value throughout Canada and the United States. Bentall Kennedy provides real estate investment management services across North America, and our real estate services business, which includes property management, leasing and development, operates primarily in Canada.

Opposite page:
Max Feely, Financial Analyst & Matthew O'Neill,
Senior Financial Analyst, San Francisco, CA

About the Report

View the full report and send us your feedback at <http://cr.bentallkennedy.com>.

We have used the GRI 3.1 Reporting Framework and the CRESS guidelines to develop our report, and we self-declare to a GRI Level B.

All data contained in this report is presented as of December 31, 2014. Published July 2015. Unless otherwise noted, all references to dollars are in Canadian dollars.

Bentall Kennedy includes Bentall Kennedy (Canada) Limited Partnership and Bentall Kennedy (U.S.) Limited Partnership. Nothing in these materials is (or should be considered to be) financial, investment or other advice on which reliance should be placed.

The materials also are not intended to, and do not, constitute an offer to buy or sell any securities noted or referenced herein, as any such securities will only be offered and sold in compliance with all applicable securities laws. Non-ESG questions

relating to MEPT/MEPT Edgemoor LP should be directed to Edgemoor Partners LLC.

Bentall Kennedy reports on both actual and normalized environmental data. The CR Summary Report includes normalized data only for energy, greenhouse gases and water. Please refer to our Corporate Responsibility Report, located online at cr.bentallkennedy.com for actual environmental data.

Bentall Kennedy has engaged KPMG LLP (KPMG) to provide limited assurance over selected performance indicators in our Corporate Responsibility Report, including actual environmental data, for the year ended December 31, 2014, located online at cr.bentallkennedy.com. Normalized environmental data, as presented in the CR Summary Report, has been excluded from KPMG's assurance scope. The full scope of KPMG's engagement and their assurance report can be found at cr.bentallkennedy.com/assurance.



Printed on Rolland Enviro100 Print, which contains 100% post-consumer fiber, is EcoLogo, Processed Chlorine Free and FSC® certified, and is manufactured using renewable biogas energy.

A series of posters from our ForeverGreen Tenant Engagement program. For more information see page 9 or visit www.bkforevergreen.com.





www.bentallkennedy.com

Bentall Kennedy ranked 1st globally by GRESB among diversified portfolios.

Other sustainability highlights include:

LEED

\$10 BILLION IN
LEED CERTIFIED ASSETS

BOMA BEST

\$11.4 BILLION
IN BOMA BEST
CERTIFIED ASSETS

UN PRI

RECEIVED AN "A"
GRADE ON OUR PRI
SIGNATORY REPORT

WWF- CANADA

LIVING PLANET @
WORK COMPANY
OF THE YEAR FROM
WWF-CANADA

ENERGY STAR

ENERGY STAR
SUSTAINED
EXCELLENCE
WINNER 2011-2015

Cover image:
Broadway Tech Centre,
Vancouver, BC