



ENVIRONMENT

Energy

Energy Consumption

Actual energy consumption across the Bentall Kennedy portfolio decreased by 2.7% between 2014 and 2018. Notably, reductions were seen in both the Canadian (5.1%) and US portfolio (2.0%) in the amount of energy (i.e. electricity, hot water, chilled water and steam) consumed compared to 2014. Fuel consumption decreased slightly in Canada (0.5%) while it increased slightly in the US (0.5%). The breakdown of our portfolio wide energy consumption is as follows:

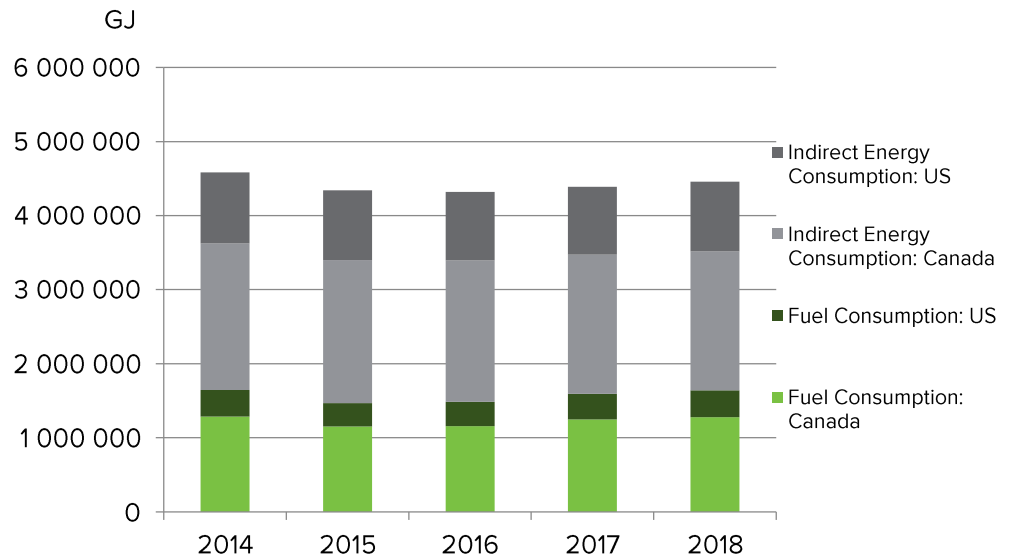
PAGE 1: Energy consumption

PAGE 2-3: Normalized energy intensity, about the data

Fuel (e.g. natural gas) Consumption	1,639,212 GJ [^]
Indirect Energy (e.g. electricity, heating, cooling, steam) Consumption	2,818,283 GJ [^]
Total Actual Energy Consumption	4,457,495 GJ[^]

[^] Indicates data assured by KPMG

Total Actual Annual Energy Consumption (GJ)



**Historical data has been adjusted to reflect any acquisitions (excluding developments) & dispositions in 2018.
 **Total Actual Annual Energy Consumption includes total combustion of fossil fuels and purchase of electricity, heating, cooling, and steam for consumption.*

[GRI 302-1]



Normalized Energy Intensity

In order to gain a clear sense of the performance of our portfolio, drive down energy and associated costs, we focus on reducing energy intensity. This metric tracks the energy used in a building on a per square foot basis, and we've normalized to remove variances for weather, occupancy, acquisitions/dispositions and exceptional loads (data centers). This enables us to highlight the impact of management practices to achieve energy reductions. For office buildings, industry benchmarks are increasingly available and reliable, which helps our entire industry measure performance.

- **Canada:** Since 2014, normalized **energy intensity has decreased by 11.2%** in the **office portfolio**, **10.0% in the multi-family portfolio** and **7.8% in the enclosed retail portfolio**.
- **U.S.:** Since 2014, normalized energy intensity has **decreased by 7.8%** in the **office portfolio**, **6.8% in the multi-family portfolio** and **3.5% in the medical office portfolio**.

For office buildings, we report the energy intensity based on both gross leasable area (GLA) and gross floor area (GFA). This allows for comparability to available industry benchmarks. Unless otherwise noted, values shown are based on GLA.

[GRI 302-4, CRE 1]

Benchmarking our Performance

Since ENERGY STAR Portfolio Manager was introduced to Canada in 2013, Bentall Kennedy expanded its ENERGY STAR tracking across North America to cover its entire portfolio. With automatic syncing capability for all Eco Tracker sites, our properties benefit from additional benchmarking and performance analysis without any added manual input.

In 2018, Bentall Kennedy continued to be a leader in the ENERGY STAR benchmarking program receiving recognition as both Partner of the Year (since 2009) and Sustained Excellence (since 2011). Bentall Kennedy has tracked an associated greenhouse gas emission reduction of over 157,030 tons of CO₂e through the ENERGY STAR program.

About the Data

To understand the data shown here, it's useful to understand the normalizations, and changes in the portfolio. The changes in size are shown in the table below.

- **Actual energy data:** The current year actual energy data is calculated in accordance with the Greenhouse Gas Protocol using the Operational Control approach and does not include normalization impacts. The historical data has been adjusted to reflect any acquisitions and dispositions in 2018 and new developments are added as completed.
- **Normalized energy data:** The current year normalized energy data are adjusted for the impact of weather, occupancy, and exceptional tenant loads and includes newly developed buildings but does not include buildings that have been acquired or disposed of in the past 5 years.
- **Estimates (GHG emissions, energy, water):** Reported data reflects office, retail, medical, multi-family and light industrial assets for which we track utilities on Eco Tracker. 98% of emissions data and 98% of Energy data on Eco Tracker, as well as 95% of water data, is based on actual utility consumption from utility bills. The balance is estimated using weather modeling and historical consumption. For properties not on Eco Tracker but under Bentall Kennedy's operational control, utility consumption and emissions are estimated to ensure completeness of portfolio GHG emissions.



	Canada	US
2016 Effective GLA	69,188,481	51,050,083
Net developments/demolitions (2017)	1,874,673	572,675
2017 Effective GLA	71,063,153	51,622,758
Net developments/demolitions (2018)	-305,539	752,015
2018 Effective GLA	70,757,614	52,374,772
Growth - 2017 vs. 2016	2.7%	1.1%
Growth - 2018 vs. 2017	-0.4%	1.5%

Detailed environmental performance data and graphs are available [here](#).