



ENVIRONMENT

Energy

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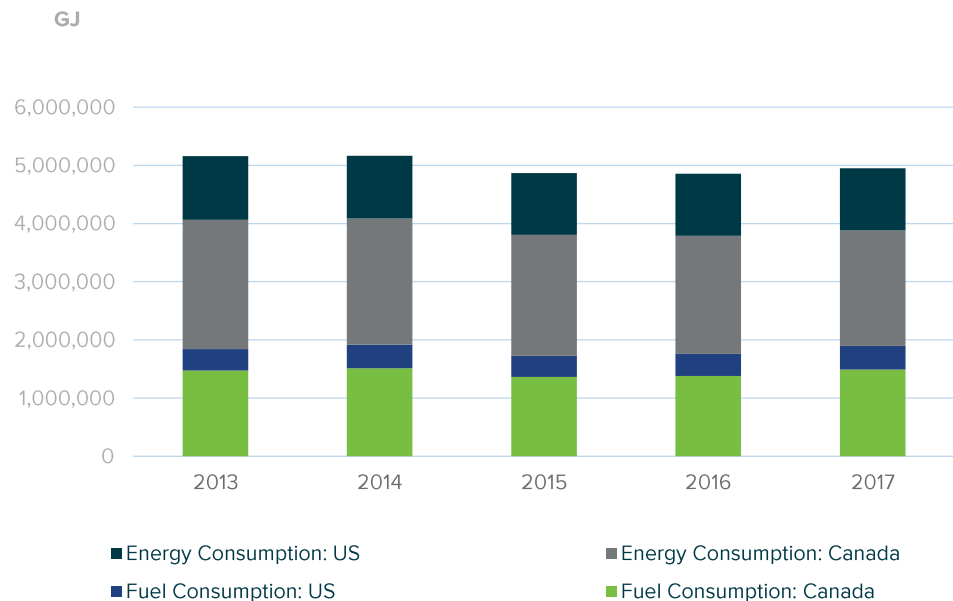
Energy Consumption

Actual energy consumption across the Bentall Kennedy portfolio decreased by 4.1% between 2013 and 2017. Notably, reductions were seen in both the Canadian (10.3%) and US portfolio (3.2%) in the amount of energy (i.e. electricity, hot water, chilled water and steam) consumed compared to 2013. On the other hand, fuel consumption increased across both portfolios, with a 1% increase in Canada and a 9.6% increase in the US. The breakdown of our portfolio wide energy consumption is as follows:

Total Fuel (e.g. natural gas) Consumption	1,894,426 GJ [^]
Total Energy (e.g. electricity, heating, cooling, steam) Consumption	3,052,051GJ [^]
Total Actual Energy Consumption	4,946,477 GJ[^]

[^] Indicates data assured by KPMG

Actual Annual Energy Consumption (GJ)



**Historical data has been adjusted to reflect any acquisitions (excluding developments) & dispositions in 2017.
 **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 2013, normalized energy intensity has decreased by **11.3%** in the **office portfolio**, **6.1%** in the **multi-family portfolio** and **3.7%** in the **enclosed retail portfolio**.
- **U.S.:** Since 2013, normalized energy intensity has decreased by **10.2%** in the **office portfolio**, **1.4%** in the **multi-family portfolio** and **13.5%** 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 2017, 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 226,000 metric 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 2017 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. 97% of emissions data and 98% of Energy data on Eco Tracker, as well as 94% 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
2015 Effective GLA	74,510,398	53,966,717
Net developments/demolitions (2016)	2,535,420	1,125,023
2016 Effective GLA	77,045,817	55,091,740
Net developments/demolitions (2017)	1,487,413	287,634
2017 Effective GLA	78,533,230	55,379,374
Growth - 2016 vs. 2015	3.4%	2.1%
Growth - 2017 vs. 2016	1.9%	0.5%

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