

**Bentall Kennedy**  
**Responsible Contracting Policy**  
May 1, 2017

**Introduction**

The Bentall Kennedy group of companies (“Bentall Kennedy”) promotes fair, responsible and sustainable working conditions for those who provide services at properties owned by Bentall Kennedy’s clients and funds (“Clients”). Through the Responsible Contracting Policy outlined herein (the “Policy”) we support and encourage fair wages, fair benefits and appropriate working conditions for workers employed by contractors and their subcontractors, and service providers retained by Bentall Kennedy (“Contractors”). As such, this Policy is designed to promote the selection of Responsible Contractors (as defined below) to provide services at Client properties. We believe that appropriately compensated and trained workers deliver higher quality products and services. As is the case with everything we do, we must be mindful of the fiduciary duties we owe our Clients, and this Policy must be administered within that context.

**Definition of Responsible Contractor**

A “Responsible Contractor” is a Contractor who pays workers fair wages and provides fair benefits, and respects fundamental worker rights. What constitute “fair wages” and “fair benefits” will depend on the wages and benefits paid in connection with comparable real estate projects, based upon local market factors, that include the nature of the project (e.g., residential or commercial; public or private), comparable job or trade classifications, local wage practices, employment laws and the scope and complexity of services provided.

**Fair Wages, Fair Benefits and Appropriate Working Conditions**

Given the variations among international and domestic markets, we believe that the best way to define what constitute fair wages, fair benefits and appropriate working conditions is by offering basic principles and guidelines. Responsible Contractors are those that adhere to the following basic principles and guidelines while considering and taking into account local wage practices, employment laws, labor market conditions, and other factors:

Compliance with Applicable Laws: It is imperative that our Contractors comply with all applicable national, state, provincial and local laws. Contractors must fully familiarize themselves with such laws and conform their behavior to such laws prior to providing any services. Contractors should take similar measures to ensure that their subcontractors and others who perform services on their behalf do the same.

Respect for Worker Rights: Applicable laws define worker rights and offer basic protections that are critical to ensure fair, responsible, and sustainable working conditions. Contractors should take measures to conform their behavior to respect basic

worker rights as outlined and defined under applicable laws. This can be done through the establishment and enforcement of effective policies and practices.

Wages and Benefits: As described above, what constitute “fair wages” and “fair benefits” will depend on the wages and benefits paid in connection with comparable real estate projects, based upon local market factors, that include the nature of the project (e.g., residential or commercial; public or private), comparable job or trade classifications, and the scope and complexity of services provided. Contractors are strongly encouraged to offer certain benefits, such as health insurance coverage, pension, holiday pay and similar benefits, even where not required by law.

Training: We believe that offering training and other programs to employees present tremendous advantages to a workforce. Enhancement of skills not only improves the performance of services but it also provides opportunities for participants to advance in their careers and in life generally. Contractors should offer training to their workforce, even where not required by law or collective agreement.

Health and Safety: Maintenance of a healthy and safe workplace is very important to us. This is particularly the case with respect to construction, maintenance and security. Contractors must comply with all applicable health and safety laws and should establishing robust health and safety programs when appropriate even where not required by law or collective agreement.

### **Requirements of Responsible Contracting Policy**

Notwithstanding any other considerations, properties shall be managed in accordance with specific Client requirements and policies and in keeping with the terms of any agreements between Bentall Kennedy and its Clients.

The requirements of this Policy are as follows:

1. Bentall Kennedy shall select Contractors through a competitive bidding and selection process to encourage fair competition. The process is defined in Bentall Kennedy’s authorization policies.
2. The Policy shall apply to all contracts undertaken by Bentall Kennedy on behalf of a Client of a minimum size of \$100,000.00, individually or annually as applicable for construction projects and operational service contracts (such as cleaning and security) where the contracting of such services is under the direct control of Bentall Kennedy. This Policy does not apply to professional services contracts, such as architect, legal, property management (except as it relates to a property manager selecting a Contractor on behalf of Bentall Kennedy) or engineering services, nor does it apply to contractors and service providers engaged by a tenant at Client properties.

3. All Contractors shall observe all applicable local, provincial or state and federal employment regulations or laws (including by way of illustration those pertaining to insurance, withholding taxes, minimum wage, labour relations and occupational health & safety).

### **Enforcement, Monitoring and Administration**

1. All requests for proposals or invitations to bid shall include the Policy. Contractors shall be required to confirm in their bid response that they have communicated this Policy to any subcontractors.
2. All contracts to which the Policy applies, including any renewals of such contracts, shall include the Policy.
3. Each Contractor shall agree with respect to each applicable contract:
  - a. Upon request, to affirm to Bentall Kennedy its, and to its knowledge its subcontractors', compliance with the Policy;
  - b. To provide Bentall Kennedy with the right to conduct a review of its compliance with the Policy;
  - c. To cooperate with Bentall Kennedy in achieving the objectives of this Policy; and
  - d. That Bentall Kennedy shall have the right to terminate the contract at any time if the Contractor violates the Policy in any material respect.
4. Bentall Kennedy recognizes the obligation it owes to act in its Clients' best interest, including, where it provides investment management services, to manage those investments in a manner that seeks to maximize returns. As such, any action it may contemplate taking with respect to application of this Policy shall be done within the context of, and will be guided by, those obligations.
5. Bentall Kennedy believes that addressing issues through dialogue is an important component of fulfilling its commitment to establishing fair, responsible and sustainable working conditions. As such, to the extent a Contractor believes there may be a situation which may impact its ability to fulfill a requirement of this Policy, the Contractor is encouraged to seek to engage in a dialogue with Bentall Kennedy as soon as practicable.