

Environmental, Social and Governance Report

The Path To A Greener Future



PIER 4

Forward Looking Statement

Securities legislation in certain provinces of Canada provides purchasers with rights of rescission or damages, or both, where an offering memorandum or any amendment to it contains a misrepresentation. A “misrepresentation” is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading or false in the light of the circumstances in which it was made. These remedies must be commenced by the purchaser within the time limits prescribed and are subject to the defences contained in the applicable securities legislation. Each purchaser should refer to the provisions of the applicable securities laws in their province or territory along with the regulations, rules and policy statements thereunder for the particulars of these rights or consult with a legal advisor. Such rights apply to a purchaser of securities of Pier 4 pursuant to applicable securities legislation in certain provinces of Canada and are in addition to and without derogation from any other right or remedy which purchasers may have at law and are subject to the defences contained therein. Please also refer to Item 13 – Purchaser’s Rights of Action in the Offering Memorandum.



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A Message from the Founders

When we founded our organization in 2020, we set out to build a real estate investment platform and property management company that could deliver strong, sustainable performance in a world defined by rapid change. From the outset, we understood that long-term value creation requires more than financial discipline. It requires a commitment to responsible growth, thoughtful stewardship, and a culture grounded in our core values of **Professionalism, Integrity, Excellence, and Respect.**

This inaugural ESG report represents an important milestone in that journey. As a young and growing organization, we have experienced firsthand the challenges of integrating sustainable practices into our operations, investment decisions, and corporate culture.

Embedding ESG principles is not a one-time initiative—it is an ongoing process that demands transparency, adaptability, and a willingness to evolve. We have learned that progress is built through consistent action, honest reflection, and a shared belief that doing what is right strengthens both our business and the communities we serve.

Our values have guided us through this work. **Professionalism** shapes how we engage with partners and stakeholders.

Integrity ensures that our commitments are backed by action. **Excellence** drives us to continually raise our standards. And **Respect** informs how we treat our people, our residents, our investors, and the environments in which we operate. **These principles are not just statements—they are the foundation of how we approach sustainability and long-term success.**

We are equally committed to giving back and making a positive impact in the communities where we operate. Real estate is inherently local, and we recognize our responsibility to contribute to the well-being, resilience, and vibrancy of the neighborhoods that support our assets. Whether through community partnerships, environmental initiatives, or social programs, we view this work as an essential part of who we are and the legacy we aim to build.

This report reflects the progress we have made so far, as well as our determination to do more. We are committed to deepening our efforts, expanding our impact, and holding ourselves accountable as we continue to grow. We are proud of the foundation we have built—and even more inspired by the opportunities ahead.

Darrell, Adam & Michael Ashby



Darrell Ashby

Chairman & Co-Founder

A handwritten signature in blue ink, appearing to read "Darrell".



Adam Ashby

CEO & Co-Founder

A handwritten signature in blue ink, appearing to read "Adam".



Michael Ashby

CFO & Co-Founder

A handwritten signature in blue ink, appearing to read "Michael".



**Enriching
Communities.
Enhancing
Returns.**

About Pier 4

At Pier 4, we believe **real estate is more than buildings—it's about creating spaces where people and communities thrive.**

With 3 offices across Canada - Toronto, Cambridge, Moncton - we invest in multi-family apartments across Canada with a clear purpose: to **deliver consistent, long-term returns for our investors while enhancing the quality of life for our residents.**

With a portfolio of over 2,000 units and a trusted network of more than 4,000 investors, Pier 4 is committed to revitalizing properties and reimagining neighborhoods through sustainable redevelopment. Every acquisition reflects **our dedication to environmental stewardship, social responsibility, and strong governance**—principles that guide us as we build brighter, more resilient communities.

Our vision is simple yet powerful: unlock opportunities, foster connection, and create lasting impact.

By purchasing and transforming existing buildings responsibly, we aim to shape a future where value and purpose go hand in hand.



Our Mission

At Pier 4, our mission is to **ensure consistent returns for our investors, while providing the best living experience for our residents.** This mission drives every aspect of our operations, from rigorous property management practices that maximize asset performance to maintaining high standards of tenant satisfaction through responsive service and well-maintained living spaces.

We understand that success in real estate relies on our **harmonious relationship with our investors and tenants.** Our unwavering dedication to this mission is what sets us apart.



+\$267M

Total AUM Growth

Our Values

At Pier 4, our core values serve as the foundation of our commitment. We believe in building relationships based on trust and transparency, treating every client with the utmost respect, and maintaining the highest standards of professional conduct.

“Excellence is not just a goal; it's our standard, pushing us to continuously improve in order to deliver the best possible service.”



Our Values



Professionalism

We carry out our work and conduct our business relationships with skill, competence and ethics



Integrity

We build trust with one another and our clients by creating substantial relationships, acting with strong character and honesty.



Excellence

We share ideas, knowledge and resources to achieve a common objective striving for superiority and exceptionalism in all we do.



Respect

We treat each other and conduct our business with consideration, courtesy and dignity.





**Guided by Purpose.
Driven by Impact.**

Our ESG Highlights

Pier 4 continued to advance its **environmental, social, and governance** priorities throughout the year. Through targeted building improvements, responsible operational practices, and ongoing engagement with residents, employees, and community partners, we made **meaningful progress toward strengthening the sustainability and resilience** of our residential portfolio. While many ESG initiatives deliver impact over the long term, the progress achieved this year reflects **our commitment to continuous improvement and responsible growth**.

- Continued expanding our residential portfolio through **strategic acquisitions and investment activity**
- Invested in **property improvements and capital upgrades** across the portfolio to enhance building performance and resident experience
- Advanced **sustainability initiatives** focused on improving water and energy efficiency across residential communities
- Completed upgrades to building systems and infrastructure to **support long-term operational resilience**
- Expanded in-suite and building-level monitoring initiatives to **encourage responsible resource consumption**
- **Strengthened resident engagement** through community initiatives, events, and ongoing service improvements
- Continued to **prioritize resident satisfaction and quality of living** across our communities
- **Invested in employee** development, training, and workplace initiatives that support a strong and inclusive culture
- Expanded **partnerships** with organizations and initiatives that contribute to community wellbeing
- Continued **strengthening governance** practices and operational oversight across the organization
- Maintained a **disciplined approach** to responsible property management and long-term portfolio stewardship

Our Commitment to ESG



01 Environmental Stewardship



02 Social Responsibility



03 Governance Excellence

At Pier 4, Environmental, Social, and Governance principles are the foundation of how we operate and grow. This inaugural ESG report marks the beginning of our journey—a commitment to transparency, accountability, and continuous improvement.

We recognize that real estate plays a critical role in shaping sustainable cities and resilient communities, and we embrace that responsibility with intention and integrity. While we do not yet have formal ESG targets, this report establishes the principles and priorities that will guide us forward. In the years ahead, we will define measurable goals and report on our progress, ensuring that our actions reflect both our values and stakeholder expectations.

01

Environmental Stewardship



We are focused on reducing our environmental footprint by prioritizing energy efficiency, water conservation, and waste reduction across our portfolio. By revitalizing existing buildings, we extend asset life while minimizing resource consumption and carbon impact.

02

Social Responsibility



Our communities are at the heart of everything we do. We strive to create safe, inclusive, and vibrant living environments for residents, while fostering trust and transparency with our investors.

03

Governance Excellence



Strong governance is the backbone of sustainable growth. We uphold rigorous standards of accountability, ethical decision-making, and compliance to ensure that every action aligns with our values and stakeholder interests.

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Environment



We manage our environmental impact with the same Professionalism, Integrity, Excellence, and Respect that guide our business.

This includes monitoring our carbon footprint, improving energy and water efficiency, strengthening waste-management practices, and maintaining full regulatory compliance.

As we grow, we remain committed to reducing our footprint and contributing positively to the communities where we operate.

Water Retrofits



***REDUCED WATER USAGE**

BY 28%

per unit in 2025

**Source: Internal Data*



Reducing consumption not only supports our efficiency goals, but lowers costs across our portfolio. In 2025, we invested \$310,000 into water conservation upgrades, replacing 253 toilets (14L → 3L) and installing 506 low-flow fixtures across our residential portfolio. These targeted improvements delivered a 27% reduction in overall portfolio water consumption - well above our internal targets - and reflect our continued commitment to identifying and acting on opportunities to reduce environmental impact.

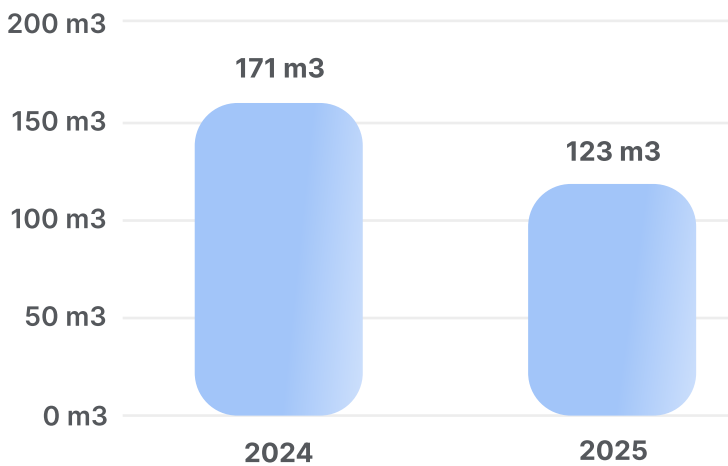


Water Retrofits

*Water Management

Management implemented targeted water conservation upgrades across the residential portfolio in 2025, achieving a 27% reduction in overall portfolio water consumption — significantly exceeding our reduction target.

WATER USAGE INTENSITY (m³/unit)



Reduction in overall portfolio water consumption

27% Y/Y

Reduction in water usage per unit

28% Y/Y

Highlights

- Replaced 253 high-flow toilets (14L flush) with ultra-low-flow 3L models
- Installed 506 low-flow fixtures across residential units
- Total capital investment of \$310,000 in water conservation upgrades
- Total portfolio consumption reduced from 34,644 m³ to 25,285 m³

*Source: Internal Data

Why We're Doing It

*Financial Rationale

- Water is one of the **highest controllable expenses** in multifamily assets
- **Average payback: 0.3–1.8 years**
- Running and leaky toilets are the **#1 source of residential water loss**
- **NOI uplift** translates directly into property valuation gains at **4% cap rates**
- Reduced **maintenance time** spent on leak checks
- Reduced **flood incidents** in elevators and mechanical areas
- Fewer repetitive **toilet-related work orders**
- Improved **resident experience** through fewer outages and emergencies
- Positions portfolio for **ESG compliance**
- Standardizes **asset quality** across regions
- Improves **resilience to 2026–2030** water-rate escalation in major cities
- Strengthens **long-term utility cost stability**
- Typical consumption **reduction: 30%–60%**

Hydro Efficiency



***Reduced hydro usage**

BY 18%

per unit in 2025

**Source: Internal Data*



Reducing energy consumption not only supports our efficiency goals, but lowers costs across our portfolio. In 2025, we invested \$471,000 into building improvements - installing 506 Energy Star appliances, 1,265 LED fixtures, and completing envelope upgrades - achieving an 18% reduction in hydro usage per unit and a 22% reduction in total portfolio hydro consumption.

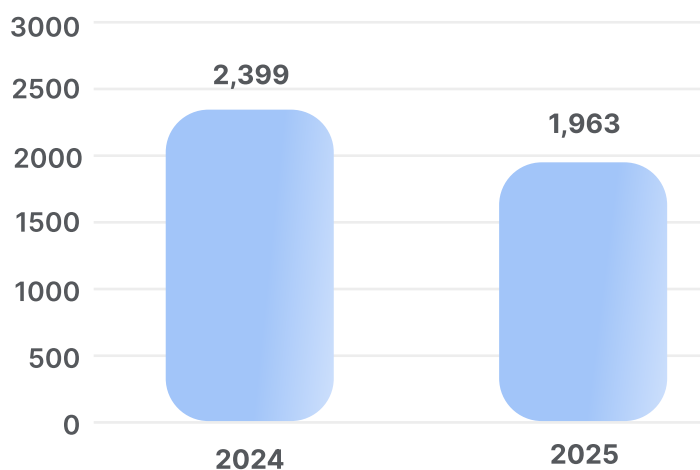


Hydro Efficiency

*Hydro Management

Management implemented targeted energy efficiency upgrades across the residential portfolio in 2025, achieving a 22% reduction in overall portfolio hydro consumption — significantly exceeding our reduction target.

HYDRO USAGE INTENSITY (kWh/unit)



Reduction total portfolio

18% Y/Y

Reduction per unit

22% Y/Y

Highlights

- Installed 506 Energy Star-rated appliances across the portfolio
- Installed 1,265 LED lighting fixtures
- Total capital investment of \$471,000 in energy upgrades
- Portfolio hydro consumption reduced by 98,517 kWh year-over-year

*Source: Internal Data

Natural Gas Efficiency



***Reduced gas consumption**

BY 11%

per unit in 2025

**Source: Internal Data*



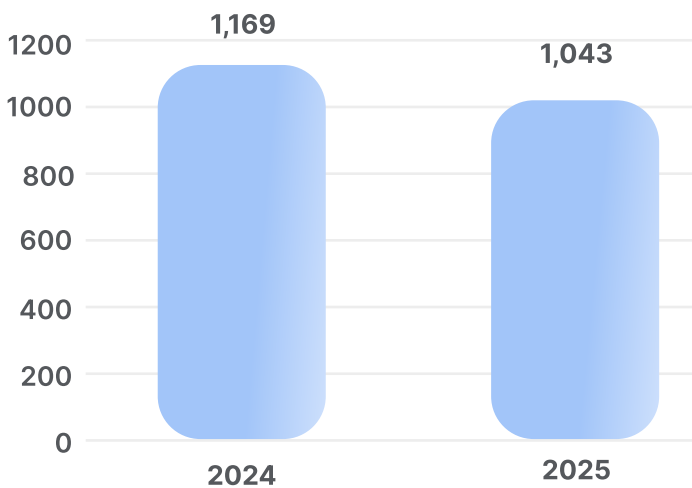
Reducing natural gas consumption is a key component of our broader energy management strategy. Through 19 ECNG program enrollments, building envelope improvements, and heating system optimizations, we achieved an 11% reduction in both total and per-unit gas consumption in 2025 - reflecting the cumulative impact of targeted capital investments across the portfolio.

Natural Gas Efficiency

*Gas Management

Management implemented targeted water conservation upgrades across the residential portfolio in 2025, achieving a 27% reduction in overall portfolio water consumption — significantly exceeding our reduction target.

GAS USAGE INTENSITY (m³/unit)



Reduction total portfolio

11% Y/Y

Reduction per unit

11% Y/Y

Highlights

- 19 properties enrolled in the ECNG program
- Window and building envelope replacements at 2 properties
- Heating system optimizations driving portfolio-wide reductions
- Total gas reduced from 244,388 m³ to 217,927 m³

*Source: Internal Data

*Pier 4 Building-by-Building Performance



116 Second Avenue

Investment: \$6,794

Annual Savings: \$11,721

Payback: 0.58 yrs

Potential Value Increase: \$293,047



96 Second Avenue

Investment: \$5,879

Annual Savings: \$3,432

Payback: 1.71 yrs

Potential Value Increase: \$85,820



194 Heiman Street

Investment: \$10,038

Annual Savings: \$5,609

Payback: 1.79 yrs

Potential Value Increase: \$140,238



309 Garden Street

Investment: \$7,619

Annual Savings: \$13,808

Payback: 0.55 yrs

Potential Value Increase: \$345,209

*Pier 4 Building-by-Building Performance



68 Breckenridge Drive

Investment: \$8,874

Annual Savings: \$6,421

Payback: 1.38 yrs

Potential Value Increase: \$160,538



36 Talbot Street

Investment: \$17,178

Annual Savings: \$18,016

Payback: 0.95 yrs

Potential Value Increase: \$450,401



294 Lorne Avenue

Investment: \$13,768

Annual Savings: \$6,599

Payback: 2.09 yrs

Potential Value Increase: \$164,999



105-117 Onward Avenue

Investment: \$17,637

Annual Savings: \$18,570

Payback: 0.95 yrs

Potential Value Increase: \$464,261

Creating a Legacy of Performance and Purpose



1000

New trees planted

In 2025, Pier 4 deepened its commitment to **environmental stewardship** through a meaningful partnership with **Tree Canada**, contributing to the planting of **1,000 new trees** in communities across the country. This initiative reflects our belief that strong performance and strong values go hand in hand—and that the impact we create should extend well beyond our walls.

To honour the people who shape our success, we dedicated each tree to our **Top Performers** and to the **external advisors** who help guide our growth. These individuals embody the professionalism, integrity, excellence, and respect that define Pier 4. By linking their achievements to a living, growing legacy, we created a symbol of long-term impact—one that will benefit ecosystems, communities, and future generations.

This initiative not only supports reforestation and biodiversity but also reinforces our commitment to responsible, sustainable growth. Each tree stands as a reminder that when we invest in people and the planet, we build a stronger foundation for the future.

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Social

Our success is built on people - our team, our residents, and the communities we serve.

We prioritize a culture of respect, safety, and inclusion, and we invest in initiatives that support local needs and strengthen community well-being.

Giving back is a core part of who we are and how we measure our impact.



Employee Engagement

**Empowering People.
Strengthening Community.**

At Pier 4, our people are the heart of our impact.

When employees are supported, heard, and inspired, they create **exceptional outcomes** for residents, investors, and communities.

Our **approach to employee engagement** is rooted in clarity of values, transparency of communication, and a commitment to continuous improvement.

113% Year-Over-Year Increase



Employee Engagement

Core Values

“Our values guide how we work, lead, and make decisions. They shape the employee experience and are embedded into performance expectations and leadership practices.”

-Janet Bray
Vice President, Human Resources



Professionalism



Integrity



Excellence



Respect



Employee Engagement

Our team - Skilled. Diverse. Purpose-Driven.



Pier 4 is a team of dedicated professionals with deep expertise across acquisitions, asset management, operations, finance, marketing, human resources, sales and resident experience.

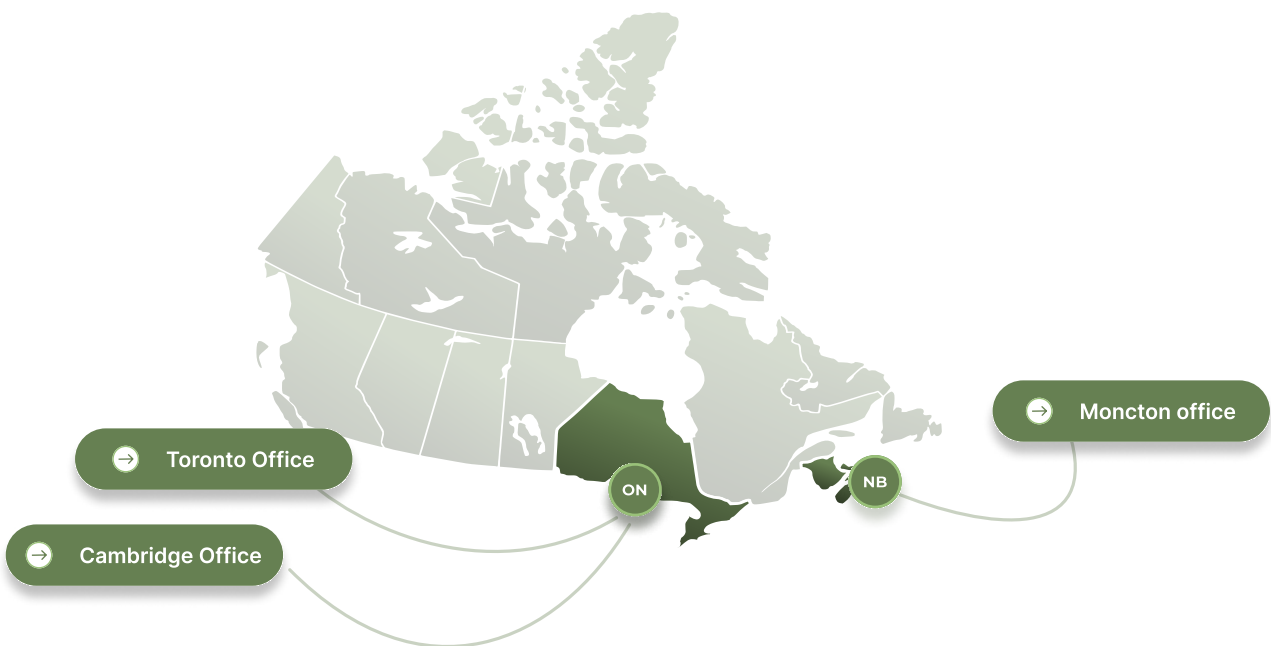
We thrive on collaboration and accountability, bringing together multidisciplinary perspectives to responsibly manage and elevate existing properties across Canada.

As we grow, we continue to prioritize hiring that strengthens our culture and reflects the communities where we operate.

A Year of Remarkable Growth

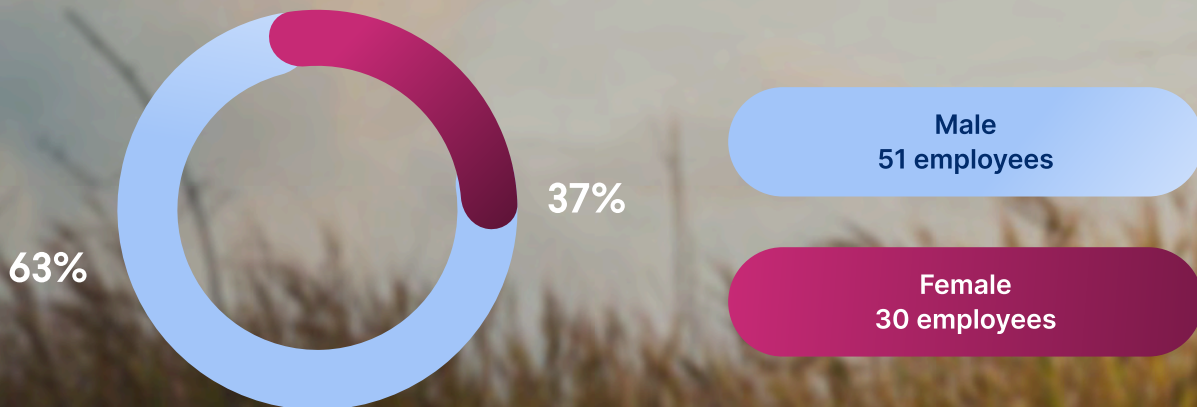
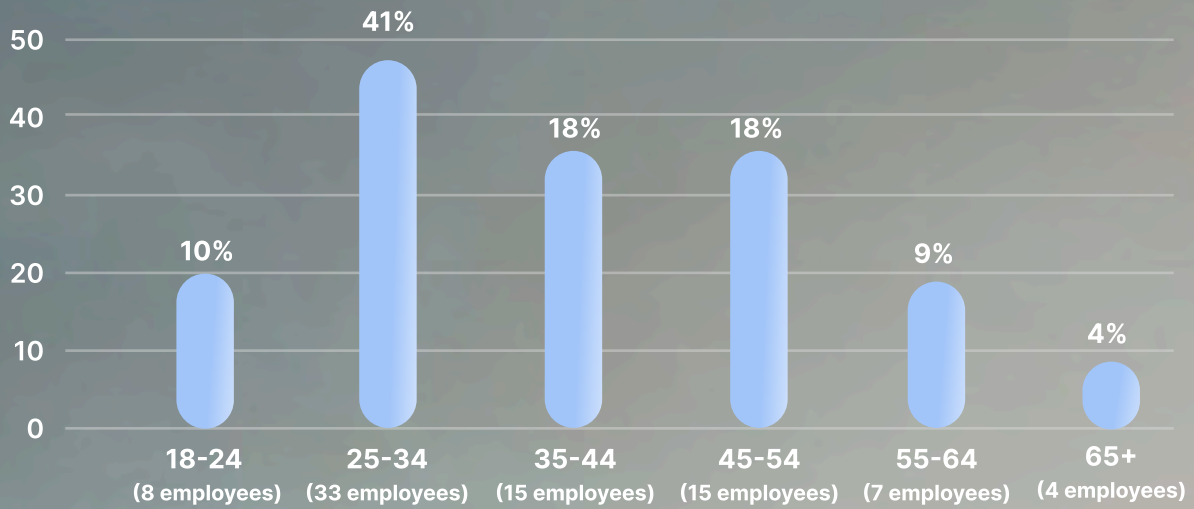
In 2025, Pier 4 grew from 38 employees to 81 employees—a 113% year-over-year increase. This expansion reflects more than numbers; it represents the strength of our culture, the trust of our people, and the opportunities created by our continued success.

As we scale, we remain committed to preserving what makes Pier 4 unique: a values-driven workplace where collaboration, inclusion, and purpose guide every decision.



Our Team Profile

Our team - Skilled. Diverse. Purpose-Driven.



Listening to Our People

Surveys & Insights

We measure what matters by regularly listening to our employees. Our **Well-Being Survey** helps us understand mental, physical, and workplace health needs—informing programs and policies that support holistic wellness.

Our eNPS (Employee Net Promoter Score) gives us clear feedback on engagement and advocacy, guiding improvements in communication, leadership accessibility, and career pathways.



"All management seems to have a clear commitment to all of our wellbeing here by promoting personal growth and merit-based bonuses. While the work can be challenging, the outcomes are extremely rewarding and are truly beneficial to everyone throughout our community."



"Pier 4 consistently upholds its values and demonstrates a genuine commitment to the well-being of its employees."




"This is a place of continuous learners and proactive people. I feel motivated amongst such like-minded people!"

Listening to Our People

Well Being Survey - 5 point scale



 **Happiness** - I feel inspired in my job

 **Personal Motivators** - I feel personal achievement in my role

 **Company Motivators** - I have access to someone who can help me when I'm stuck

 **Relationships** - I enjoy being with my co-workers



Employee Engagement

Celebrating Our People & Culture

We believe engagement thrives when people feel connected and valued. Throughout the year, we host initiatives that **celebrate diversity, foster inclusion, and strengthen team bonds:**

- **Cultural & Community Celebrations:** Lunar New Year, Cultural Potluck, Pride Month, International Women's Day, National Day for Truth & Reconciliation, Mental Health Awareness, Anti-Bullying Pink Shirt Day
- **Team Events:** Summer Party & 5-Year Anniversary Celebration, Holiday Party
- **Employee Recognition:** Employee Awards, Employee of the Quarter
- **Wellness & Fun:** Steps Challenge, Year-in-Review Trivia Contest

These initiatives reflect our **commitment to creating a workplace where people feel respected, supported, and inspired to bring their best selves to work.**



Building a Stronger Workforce

Employee Development & Training

Growth with Intent. Learning with Impact.

We invest in professional development and leadership capacity—offering role-specific training, mentorship, and opportunities to stretch into new responsibilities. Our focus is on building skills that drive performance today while empowering long-term career mobility.

Diversity, Equity & Inclusion

Inclusive by Design. Respect in Action.

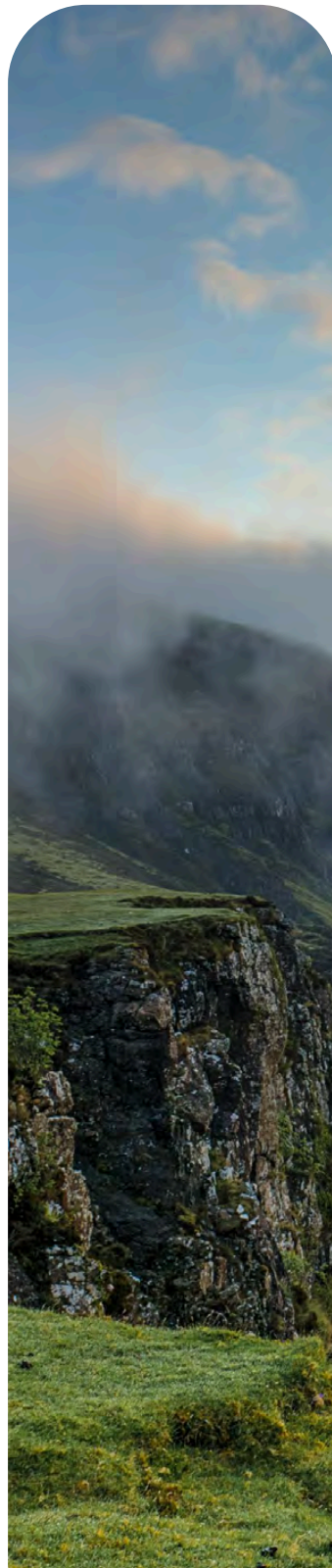
We are committed to a workplace where every voice is heard and every person has the opportunity to succeed. Our DEI approach emphasizes equitable practices in hiring and advancement, inclusive team norms, and continuous learning. As an evolving priority, we are laying the groundwork for future DEI metrics and programs.

Health, Safety & Well-Being

People-First Policies. Safe, Supportive Workplaces.

We prioritize employee health and safety through clear policies, training, and incident prevention measures. Our well-being initiatives support mental health, work-life balance, and access to resources—recognizing that resilient teams build resilient communities.

Recognition & Looking Ahead



Proud of Our Culture. Honored by Our People.

This year, we were Certified a Great Place to Work—a milestone that reflects the strength of our culture and the trust of our team.

We also won Leading HR Team, underscoring our commitment to building a people-centered organization that aligns strategy with care, consistency, and excellence.



Recognition & Looking Ahead



Accountability in Action. Commitment to Progress.

As this is our inaugural ESG report, we are laying the foundation for measurable employee engagement goals.

In the year ahead, we will expand development initiatives, enhance well-being programming, increase DEI capabilities, and publish annual updates to track progress. Our promise is simple: listen, learn, and lead with purpose—so our people can do their best work and our communities can thrive.

Sponsorship & Community Involvement

“Our commitment to community is more than a statement—it’s action.”

This year, we proudly launched the inaugural Pier 4 Golf Tournament, raising over \$50,000 for SickKids, helping advance life-changing care and research. Across our offices, we came together to sponsor “On the Move” kits, providing essential items for youth transitioning from shelters into new homes. We also rolled up our sleeves to paint and decorate a room at Youth Without Shelter, creating a welcoming space for those who need it most.

Our team showed incredible spirit by participating in the CIBC Run for the Cure and the Terry Fox Run, standing united in support of cancer research. And through Pink Shirt Fridays, we turned small acts into meaningful contributions, donating on behalf of individuals to fund breast cancer research.

These efforts reflect who we are—a team that believes in giving back, creating opportunities, and building stronger communities together. Every initiative, big or small, is a step toward a future where hope and support are always within reach.



What Our Residents Say About Us

"I've lived at this residence for 8 years and whenever there was a maintenance issue Wade was here to fix it. He is the most professional and polite technician I've known. Once he's here he gets the job done quickly and tidily."

- Resident at 111 Onward Avenue, Kitchener | a year ago

"I have had a great experience all around with pier 4 residential, specifically with John. He has been working so diligently around my building to make sure that any maintenance issues are taken care of right away whenever I have needed a minor repair or anything inspected, he is through and shows up promptly with no miscommunication."

- Resident at 388 Dufferin Avenue, London | 9 months ago

"Pradeep demonstrated exceptional professionalism, he takes pride in his work. Thanks for the stress-free experience!"

- Resident at 110 Onward Avenue, Kitchener | 9 months ago

"I made a request for extra access keys and my expectation was exceeded when the same were received before the expected day. John was also kind enough to ensure that our buzz codes were set up. Thank John."

- Resident at 470 Maitland Street, London | a year ago

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Reporting

Despite Pier 4 being a private company with minimal formal reporting obligations, we are committed to an enhanced reporting framework that reflects our dedication to **transparency, governance, and respect for our stakeholders.**

Our approach includes oversight from an **independent review committee**, which provides objective guidance and ensures our practices align with industry expectations.

A comprehensive report of their work is circulated annually to keep stakeholders informed of key findings and recommendations.

We believe this framework provides meaningful insight into investment performance, market conditions, and the broader environment in which we operate.



Reporting

In addition, Pier 4's senior leadership team regularly shares their perspectives and observations through independent publications, offering further context and clarity.

To safeguard our operations and protect stakeholder information, we maintain a robust **cyber awareness and training program**. All team members complete mandatory training as part of onboarding, complemented by ongoing education through weekly bulletins that reinforce best practices and emerging risks.

Our commitment to **transparency and continuous improvement** is reflected in the materials we make available to stakeholders, including:

- Unitholder reports
- Investor presentations
- Fund fact sheets



Commitment to Performance Information



Expanding on our enhanced reporting framework, we are committed to mitigating bias regarding key investment information and valuation policies.

Since inception, **Pier 4 has engaged BDO Canada LLP** for a complete financial statement and operational audit, involving a detailed assessment of Pier 4's financial reporting policies and internal controls. Beginning in 2024, Pier 4 adopted a **revised valuation policy** which requires all properties are appraised quarterly, removing the risk and bias of internal valuations and ensuring the fund's NAV is appropriately priced throughout the fiscal year.

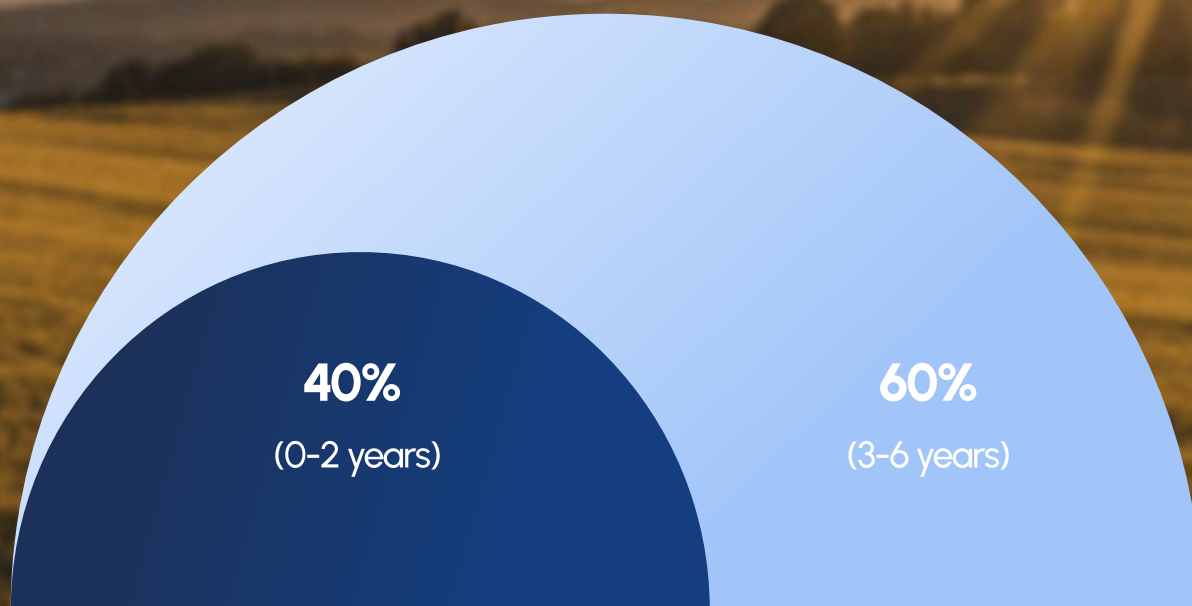
On each acquisition, **Pier 4 executes an exhaustive due diligence process** prior to waiving conditions – from third party engineer reports to 10-year proformas – **the strategy is established and aligned ahead of waiving conditions.**

All due diligence reports require **sign-off from the leadership team**, including the Chairman, CEO, CFO, and certain department leads such as Asset Management, Property Operations, Investments, and Finance.

Trustee Composition

Pier 4's oversight is provided by a majority-independent **Board of Trustees**, and **Independent Review Committee**, assuring commitment to a rigorous conflict of interest policy and value-add strategy of the fund.

Pier 4 is overseen by **Darrell Ashby, Ian Stewart, Michele McCarthy, Dennis Kalish, and Steve Prest** – a group of individuals with exhaustive experience and knowledge of the real estate industry and guiding organizations.



Creating Long-Term Value Through Responsible Real Estate



Learn more on our website

www.pier4reit.com



PIER 4