2017

ANNUAL REVIEW

Delivering Results

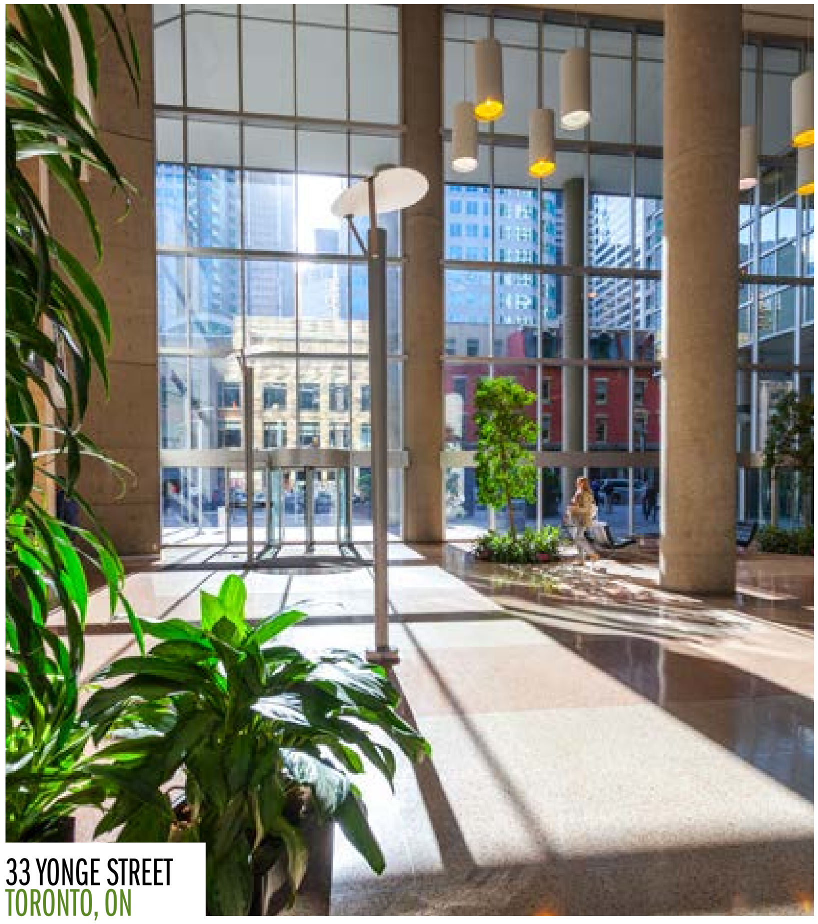
GWL REALTY ADVISORS

OUR APPROACH TO REPORTING

As a leading real estate investment advisor, we deliver stable, long-term returns for our clients, and we provide high-quality, comfortable and sustainable spaces for our tenants, residents and staff.

Headquartered in Toronto, we employ 783 people across Canada and are highly regarded for our disciplined approach to real estate investment, management and development in all asset classes.

This Annual Review is our fourth integrated report, covering the 2017 calendar year. The report content is guided by the Global Reporting Initiative (GRI) Standards and describes the progress we are making as a business.



33 YONGE STREET
TORONTO, ON

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PRESIDENT'S MESSAGE

Delivering on Our Commitment

PAUL FINKBEINER
PRESIDENT

As I look back on the past year, I take great pride in the significant progress we made towards our vision of delivering results through smart, timely and trusted advice and services.

We continued to be successful doing what we do best – helping our clients achieve their returns and portfolio diversification objectives. Notably, on behalf of our clients, we concluded 14 transactions, including the acquisition of 11 properties totalling approximately $650M.

On the leasing side, we ended the year with an occupancy rate of 94% and completed 616 leasing transactions totalling approximately 6.7 million square feet. We also maintained an active pipeline of construction and pre-development projects. Our development teams across the country closed the year managing a total budget of over $2B, representing projects that are underway or planned.

We also sharpened our focus on operational excellence. Last year, we managed 241 properties across Canada, many of which are smarter and greener. To date, 89% of our eligible commercial portfolio has a green certification or is actively pursuing certification, while 6.6 million square feet of our management portfolio is LEED® certified.

We also made progress on our sustainability targets, reducing the carbon intensity of our managed properties by 17.7% since 2013. A major highlight this year was being ranked number one in Canada by the Global Real Estate Sustainability Benchmark (GRESB) – the world`s leading benchmark for evaluating and ranking the sustainability practices of real estate companies. This recognition strongly reinforces our belief that sustainability is integrated into everything we do and an important part of our success as a business.

All of these accomplishments were made possible by our employees. It is through their support and dedication that we were able to truly differentiate as a company and deliver stable, long-term returns for our clients. As we look forward, we are committed to delivering even more value for our clients and tenants driven by our focus on operational excellence and continuous improvement.

Paul Finkbeiner
President

MESSAGE FROM THE EVP/COO

Transforming Our Business for Future Growth


RALF DOST
EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

I was very pleased with the progress we made last year to build the foundation for the next phase of our strategy. In retrospect, 2017 was a period of transition and positive growth.

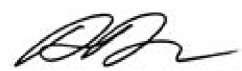
Although conditions were challenging during the year, we continued to leverage our solid financial and operational foundation to grow and expand our business into new markets.

In a strategic move to achieve our long-term growth strategy to establish a global investment platform and better serve our investor clients, we secured our interest to acquire the advisory business of EverWest Real Estate Partners. This decision was the result of a multi-year process and the completion of a comprehensive review of the U.S. real estate market. Headquartered in Denver, Colorado, EverWest has been built on a 20-year foundation of real estate advisory experience. On behalf of its investor clients, EverWest currently has US$1.68B in assets under management.

As we look to the future, we plan to pursue acquisition growth opportunities in Canada, the U.S. and Europe that will enhance our clients' portfolio returns.

From an organizational perspective, we consolidated our three Toronto offices into one corporate head office. Having everyone together has really brought to life the true strength of our high-performing culture. We continue to empower our people to improve how we work: leverage our strengths and build operational excellence into everything we do.

Today, we are stronger than ever. As we grow our business, we aim to build on the operational and financial foundation we have created to seize the opportunities to deliver value for our clients and further progress on our vision.



Ralf Dost
Executive Vice President &
Chief Operating Officer

WHO WE ARE

GWL Realty Advisors is a leading real estate investment, management and development company. Our vision is to deliver results through smart, timely and trusted advice and services.

We were incorporated in 1993 and are a wholly owned subsidiary of The Great-West Life Assurance Company. In 2007, we launched a multi-residential property management company, Vertica Resident Services Inc. Today, we manage a diversified portfolio of real estate assets for our clients, including office, industrial, retail, multi-residential, mixed-use as well as land holdings for future developments.

ASSETS UNDER MANAGEMENT

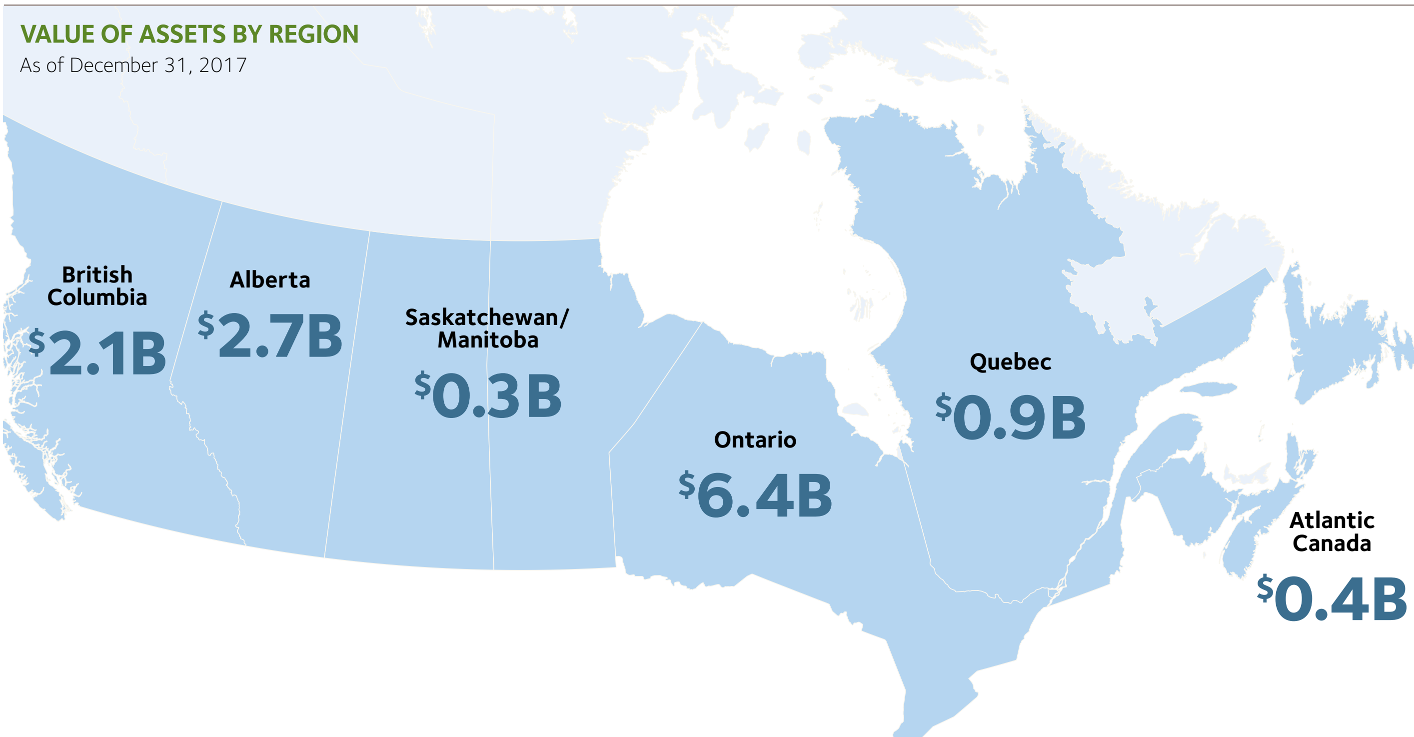
As of December 31, 2017, we managed a $12.8B portfolio of our clients' assets, which includes management of Canada's largest open-end real estate segregated funds: Canadian Real Estate Investment Fund No. 1, valued at $4.9B, and London Life Real Estate Fund, valued at $2.5B.

CLIENTS AND SERVICES

Our clients are primarily pension funds and institutional and retail clients for whom we manage a diversified portfolio of assets. We provide a comprehensive suite of real estate services, including acquisitions and dispositions, portfolio management, asset management, development, and commercial and multi-residential property management.

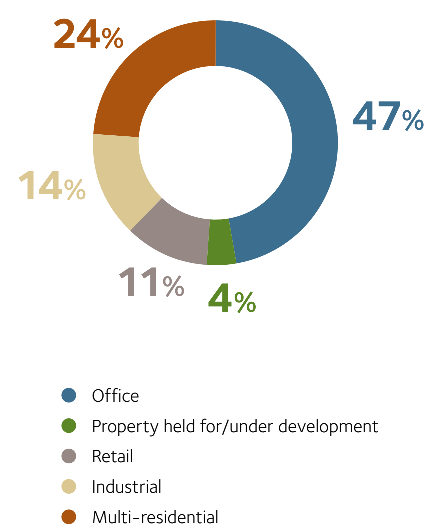
VALUE OF ASSETS BY REGION

As of December 31, 2017



PORTFOLIO MIX BY ASSET CLASS

As of December 31, 2017



VISION AND STRATEGY

Led by our mission to deliver stable, long-term returns for our clients, we are strategically positioning for a long-term and sustainable future. Four strategic objectives support our business success – relationships, growth, performance, and reputation.

We believe that to be successful, we must achieve leadership in both financial and non-financial aspects of our business. Over the past year, we have made important progress in the delivery of our strategic priorities.

We maintained a balanced business across Canada, deepened relationships with our stakeholders, strengthened our reputation, and continued to advance our growth strategy.

OUR VISION
To be **THE** Canadian real estate advisory company that is recognized for delivering results through smart, timely and trusted advice and services.

OUR MISSION
To deliver stable, long-term returns for our clients.

STRATEGIC BUSINESS OBJECTIVES

RELATIONSHIPS
Expand service offerings and enhance client relations.

PERFORMANCE
Increase net operating income and find operating efficiencies.

GROWTH
Increase assets under management, secure new investors and fulfill the mandate of our clients.

REPUTATION
Enhance our position as a recognized leader and employer of choice in the Canadian real estate industry.

BUSINESS PRIORITIES

DELIVER STABLE, LONG-TERM RETURNS
Achieve stable returns and the diversification objectives of our clients, taking financial, environmental, social and governance factors into consideration in the investment, asset management and development process.

ACHIEVE OPERATIONAL EXCELLENCE
Provide an exceptional, proactive and personalized service for our tenants, managing properties in the most innovative and efficient manner to achieve predictable and competitive operating costs.

MINIMIZE OUR ENVIRONMENTAL FOOTPRINT
Drive cost efficiency and improve the environmental performance of buildings under our management, while working collaboratively with service providers to support environmentally conscious activities, products and services.

ATTRACT AND RETAIN TOP TALENT
Foster a rewarding place to attract and develop top talent, where people feel motivated and empowered to grow both personally and professionally.

CONTRIBUTE TO STRONGER, LIVABLE COMMUNITIES
Strive to inspire positive socio-economic progress in the communities where we live and work.

OPERATE WITH INTEGRITY AND TRUST
Conduct our business with honesty, integrity and fairness, building the trust and confidence of our clients.

CORPORATE GOVERNANCE

EXECUTIVE OVERSIGHT

Our President, supported by the executive team, is responsible for the day-to-day management of the business. The executive team regularly discusses our corporate strategy and progress, ensuring we not only deliver stable, long-term returns for our clients, but also manage our business responsibly. In 2017, our executive team was made up of ten executives, of which three were women.

MANAGEMENT DIRECTION

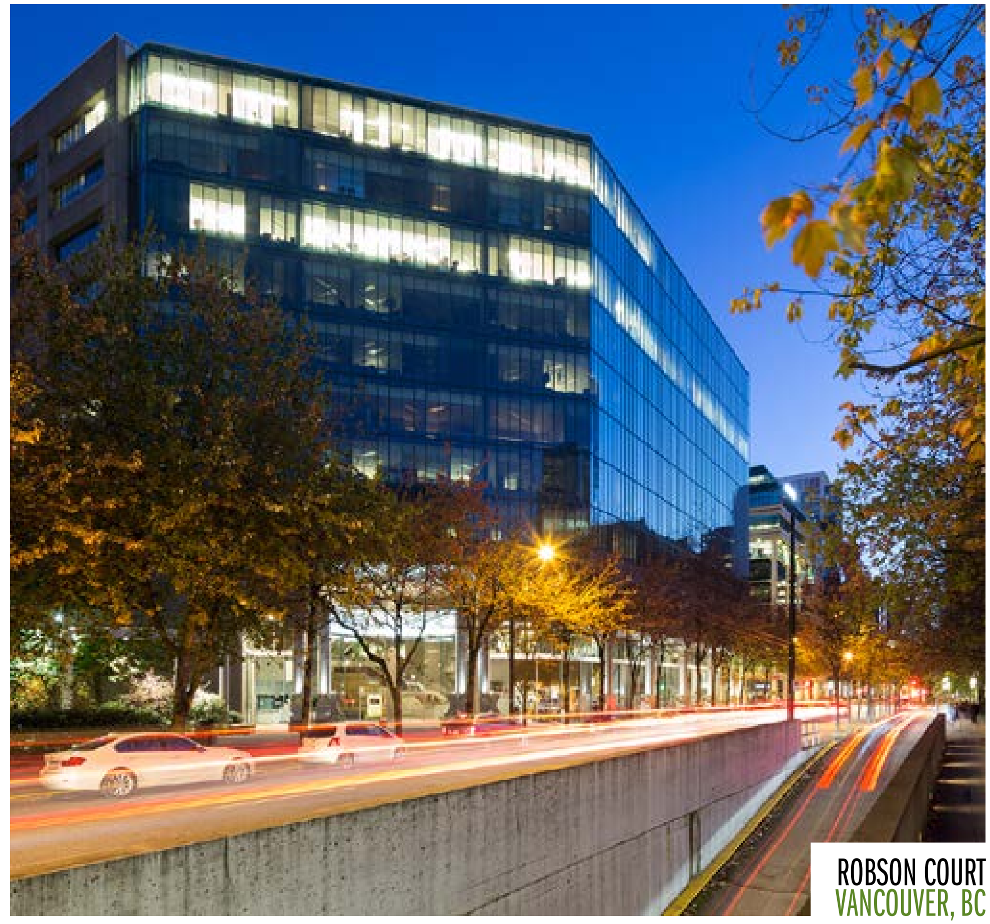
To support the executive team, we have established senior management committees with clearly defined terms of reference.
In 2017, our management committees included the Compliance Committee, the Corporate Environmental Committee, the Human Resources Committee, the Investment Committee, the Operating Committee, the Risk Steering Committee, the Sustainability Steering Committee and the Commercial Properties Group.

RISK MANAGEMENT

Risk management is an important element of our corporate governance and strategy development. We operate in accordance with the risk management framework of our parent through a bottom-up process that ensures we focus on the areas of major risk exposure.

We maintain a strong risk management framework. Doing so provides us with a broader view of the potential current and emerging risks that could impact our business, including those of a strategic, financial, ethical, reputational, operational and environmental nature.

Our Compliance Steering Committee is responsible for managing these risks and ensuring the adequate functioning of appropriate control systems to ensure we achieve our strategic objectives and meet our obligations to our clients, tenants and employees. In 2017, we focused on building greater awareness of risk management and shifting the way staff approach risk in their day-to-day operations with the aim of making better business decisions.



ROBSON COURT
VANCOUVER, BC

PERFORMANCE SCORECARD

Priority	Objective	2017 Achievement	2018 Goals
Deliver Stable, Long-Term Returns			
Portfolio Management	Working together with clients, devise and execute investment strategies that meet or exceed client return expectations	Delivered a total return of: 1-year 6.3%; 5-year 6.6%; 10-year 7.5%	Continue to devise and implement investment strategies that meet or exceed client return expectations
Investments	Pursue a disciplined strategy to acquire new properties and dispose of non-core assets	Completed approximately $650M in transactions which included the acquisition of 11 properties	Complete $650M in acquisitions and select dispositions
Development	Ensure new development projects create value for our clients and contribute to stronger, livable communities	Began construction of three new projects totalling over $500M	Acquire opportunities to add to the development pipeline
Achieve Operational Excellence			
Efficient Buildings	Operate high-quality, efficient and low-impact buildings	$13.5M in utility costs cumulatively avoided since 2013	Improve operating efficiencies
Leasing	Achieve strong occupancy by proactively identifying and managing risk and expiry profiles	Achieved an overall average portfolio occupancy rate of 94%	Continue to proactively identify and manage risk and expiry profiles
Asset Management	Develop business plans to increase the value of our clients' assets	Successfully completed $80M in capital projects, in support of improving asset value	Increase the value of clients' assets
Minimize Our Environmental Footprint			
Environmental Management	Ensure oversight and management of our environmental impacts	Achieved a Green Star ranking for third consecutive year on GRESB and placed first overall in Canada Formally launched the national Corporate Environmental & Sustainability Policy	Maintain GRESB Green Star ranking Investigate new smart building technologies to help drive energy reductions
Carbon, Energy, Water and Waste	Reduce the carbon footprint of our managed portfolio Optimize energy use Improve waste diversion rates Reduce water consumption	Since 2013, office and residential portfolios reduced: Greenhouse gas (GHG) emissions by 15.6% Energy intensity by 9.8% Water intensity by 9.2% Waste to landfill by 22.8%	Develop a plan to reset portfolio reduction targets in 2019 and provide support to help our properties meet their current reduction targets
Green Buildings	Certify all eligible buildings under management	89% of our eligible portfolio by floor area had green building certifications (BOMA BEST® and/or LEED®)	Increase the percentage of green building certifications in our portfolio

Priority	Objective	2017 Achievement	2018 Goals
Attract and Retain Top Talent			
Talent Development	Support the professional career development plans for our staff	Invested $282.1K in training and development	Invest in employee leadership development
Talent Retention and Attraction	Foster a culture that promotes from within Recruit the right talent who will grow their careers with us	Promoted or moved 32 employees into expanded roles Developed a new recruitment toolkit	Pursue lateral stretch opportunities beyond core responsibilities for staff Continue to recruit the right talent
Engaging Our Employees	Engage our employees in the progress we are making as a business	Relocated our three Toronto offices into our new headquarters at 33 Yonge Street	Conduct a company-wide employee engagement survey
Contribute to Stronger, Livable Communities			
Contribute to Livable Communities	Develop strong relationships and build trust in the communities where we operate	Completed the company's 14th Habitat for Humanity House in the GTA	Measure impact of community projects
Socio-economic Contributions	Support economic and social progress	Invested $219.6K in community organizations	Measure socio-economic impacts created
Operate with Integrity and Trust			
Compliance and Ethical Conduct	Maintain a strict compliance culture	100% of employees attested their compliance to the Code of Business Conduct and Ethics	Continue to maintain a compliance culture
Responsible Procurement	Promote responsible practices and reinforce tendering processes	Developed a new detailed procurement policy and training tools for our properties	Ensure the effective implementation of property-level procurement standards

SUSTAINABLE DEVELOPMENT GOALS

The alignment of our business with the United Nations Sustainable Development Goals (SDGs) is an important part of our commitment to be a responsible, values-based business that creates positive impacts in society. While we recognize we can impact many of the 17 SDGs to varying degrees, the following three are those where we can make the greatest contribution.

SUSTAINABLE CITIES AND COMMUNITIES

We continue to develop our clients' buildings in a way that supports safe, inclusive and sustainable communities, while respecting their cultural and natural heritage. In 2017, our pipeline of active sustainable developments represented over 2 million square feet. For more information on our progress, refer to page 15.

RESPONSIBLE CONSUMPTION AND PRODUCTION

We play an important role in encouraging the use of sustainable materials through our procurement processes with third parties. In 2017, we worked with more than 50 third parties, many of whom are providing us with sustainable materials to meet our green building certifications. For more information on our progress, refer to Minimize Our Environmental Footprint section.

CLIMATE ACTION

We are reducing the carbon impact of our clients' properties and working to ensure their assets are resilient and adaptive to climate-related risks and natural hazards. From 2013 to 2017, our managed office and multi-residential portfolios reduced their carbon emissions by 29,920 tonnes CO_2e. For more information on our progress, refer to Minimize Our Environmental Footprint section.

VANCOUVER CENTRE
VANCOUVER, BC

JAMES FLAHERTY BUILDING
OTTAWA, ON

9500 GLENLYON PKWY.
BURNABY, BC

DELIVER STABLE, LONG-TERM RETURNS

Proven Performance

The combination of Canada's G-10 leading economic performance and favourable geopolitical outlook generated record interest in Canadian real estate in 2017.

Real estate fundamentals remained strong across most major markets. This strength is particularly notable in urban, transit-oriented locations which are experiencing exceptionally strong demand and, in turn, significant rental increases. These fundamentals position the sector to realize material rental growth in the near term, which not only acts to increase income returns, but provides a lever to hedge against potentially rising interest rates.

As the market moves deeper into its economic cycle, our commitment to a disciplined investment strategy is paramount. Using a customized portfolio view, we work with clients to design and execute client-specific strategies that prioritize diversification, cash flow growth and capital preservation. These portfolio-level strategies are a product of both a top-down and bottom-up approach, shaped by our macro-level thinking and research as well as our experience managing and leasing real estate. Together, it culminates in a portfolio-level strategy that is aimed at achieving superior, risk-adjusted returns.

“

IN 2017, WE WERE PLEASED TO DELIVER A 6.3% TOTAL RETURN WITH 4.9% IN INCOME AND 1.4% CAPITAL.

STEVEN MARINO
SENIOR VICE PRESIDENT, PORTFOLIO MANAGEMENT

2017 TOTAL REAL ESTATE ASSETS UNDER MANAGEMENT

($ millions)

	2017
Pension Fund Advisory Services	$2,792
Canada Life Real Estate Investment Fund No. 1	$4,949
London Life Real Estate Fund	$2,527
Great-West Life/London Life/Canada Life	$2,546
Total value of assets	**$12,814**
Total square feet (millions)	**45.8**
Total number of assets	**241**

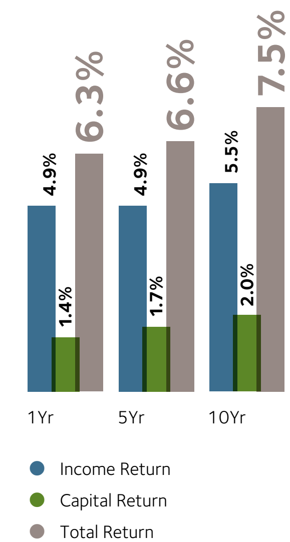
In 2017, we were pleased to deliver a 6.3% total return with 4.9% in income and 1.4% capital. With a focus to the long-term sustainability of this performance, the five- and ten-year returns are 6.6% and 7.5%, respectively.

The year witnessed heightened investor interest in understanding real estate companies' environmental, social and governance (ESG) activities and the sustainability performance of their portfolios. With investors increasingly referring to benchmarks such as the Global Real Estate Sustainability Benchmark (GRESB) to provide an objective, third-party assessment, we were pleased to earn the #1 ranking in Canada and a Green Star ranking for the third consecutive year.

Looking ahead, we recognize that there remains economic uncertainty. While global growth remains positive and Canada's unemployment rate is at record lows, concerns related to the Bank of Canada's monetary policy, the current state of NAFTA negotiations and the growth cycle being the longest on record cast potential shadows.

We are confident that our commitment to constructing well-diversified portfolios, together with a focus on quality holdings that are expertly managed, positions us to continue to generate a strong return profile for our clients.

2017 RETURNS



Value Creation

At the beginning of 2017, we established a $6B, five-year growth plan which set out investment and development objectives organized by client, city and asset class. In the first year, capital commitments to new acquisitions and development projects exceeded our goals and we are well-positioned going into 2018.

One way that we helped our clients to achieve their portfolio objectives was through real estate development activities. These activities continued to be important in deploying capital in a competitive market, achieving a yield enhancement and creating value for our investor clients.

We closed the year with projects underway that exceed $1B in future value, and we have an additional $1B in the near-term development pipeline. The built form of these projects is diverse and includes rental apartments, office, industrial, retail, mixed use, and hotels.

Another way that we achieved growth for our clients was through the acquisition of existing income-producing assets.

CALGARY MARRIOTT & APARTMENT TOWER
CALGARY, AB

DON HARRISON
EXECUTIVE VICE PRESIDENT, BUSINESS DEVELOPMENT & CLIENT SERVICES

"IN THE FIRST YEAR OF OUR FIVE-YEAR GROWTH PLAN, WE EXCEEDED OUR GOALS AND ARE WELL POSITIONED GOING INTO 2018.

While capital is available for all major markets and select secondary markets, the geographic focus of our recent activities has been on Vancouver, Toronto and Montreal, which are Canada's largest and most diversified cities, supported by strong economic and real estate fundamentals. Client demand is currently strongest for the multi-residential asset class, followed by industrial, office and grocery-anchored/unenclosed retail centres.

Research continues to inform our short-term and long-term decisions around investment strategies, portfolio optimization and development activities. In 2017, the team's activities included analyzing opportunities to grow investments in secondary cities as well as analyzing the risks and opportunities in the shopping centre sector following the growth of e-commerce and omni channel retail.

Additionally, to support the significant multi-residential development pipeline and broader appetite for more apartment assets, the team commissioned a proprietary survey aimed at providing insight into demand trends within this asset class.

In 2018, the team will maintain its focus on researching and understanding real estate trends, focusing on the larger economic, social, demographic and technological drivers that shape Canadian cities and the real estate markets within them.

We look forward to sharing the results of these efforts with our clients in 2018.

Quality Portfolios

455 RENÉ LÉVESQUE BLVD.
MONTREAL, QC

The Canadian commercial real estate investment market continued its multi-year trajectory with 2017 sale transactions totalling almost $45B. This exceeded the 2016 volume level by almost 30%. While an increase in the absolute number of completed deals contributed significantly, continued price increases also played a role in bolstering the 2017 figure. Cap rates experienced further compression throughout the year, particularly for core properties and in desirable markets such as Vancouver and Toronto. In addition, spurred by the positive economic outlook and increasing prosperity for the city and the province, Montreal became a noteworthy contributor to the annual activity for investors and their capital.

While buying in such a buoyant market certainly presented challenges, we managed to once again surpass our investment objectives, with almost $700M of completed transactions in 2017. Our investment business comprised a total of 14 trades, including the acquisition of 11 properties totalling approximately $650M. These purchases spanned the spectrum of asset classes, geographies and clients, representing success in meeting client objectives of providing stable returns and considering environmental, social and governance factors.

JEFF FLEMING
EXECUTIVE VICE PRESIDENT,
INVESTMENTS & DEVELOPMENT

“WE SURPASSED OUR INVESTMENT OBJECTIVES WITH ALMOST $700M OF COMPLETED TRANSACTIONS IN 2017.

Two large transactions represented nearly 50% of our year’s total volume. Marine Way Market in Burnaby, BC is a best-in-class, 267,000 square foot neighbourhood shopping centre. The centre was purchased off-market, avoiding a potentially highly competitive bidding environment.

455 René Lévesque Boulevard is a 375,000 square foot Class ‘A’ office building in Montreal, QC. The acquisition represented a long-term sale-leaseback for 20 years with SNC Lavalin. The purchase included a nearly one-acre vacant parcel which will accommodate upwards of 480,000 square feet of new development.

Heading into 2018, we anticipate another strong year for investment levels and pricing. With several key opportunities tracking, aspirations are being set at meeting or exceeding the 2017 transaction figures.

Building Value Through Development

We have earned a reputation as one of Canada's premier developers by securing and executing on a wide range of commercial, residential and institutional projects. Alignment with both our clients' objectives and those of the communities in which we develop ensures long-term interests are achieved and value is added.

A primary focus for us during the year was identifying and advancing development opportunities within our clients' existing portfolios. We closed 2017 with the teams in Eastern and Western Canada managing a total budget of over $2B, representing projects that are underway or planned.

OFFICE

377K
square feet

INDUSTRIAL

1.1M
square feet

MIXED-USE

390 hotel rooms

305 apartment units

MULTI-RESIDENTIAL

3,051
apartment units

11 SUSTAINABLE CITIES AND COMMUNITIES

In 2017, we achieved major milestones on two projects: a multi-residential project in downtown Toronto and a new office tower in downtown Vancouver.

THE LIVMORE (TORONTO, ON)

Considered to be the tallest of its kind in Canada at the time of construction, the Livmore will introduce 595 luxury rental suites into downtown Toronto. The 43-storey apartment tower borrows from high-end condo projects with its extensive amenities. Focused on sustainability, the building is designed to target LEED® Gold certification. The Livmore is expected to be completed in summer 2018.

"Purpose-built rental is in high need, particularly in the downtown core. Toronto is now the fourth largest city in North America and growing. As our city expands, there needs to be a selection of housing options and I am pleased that GWL Realty Advisors is at the table to serve this demand."

Kristyn Wong-Tam
Councillor, Ward 27, Toronto

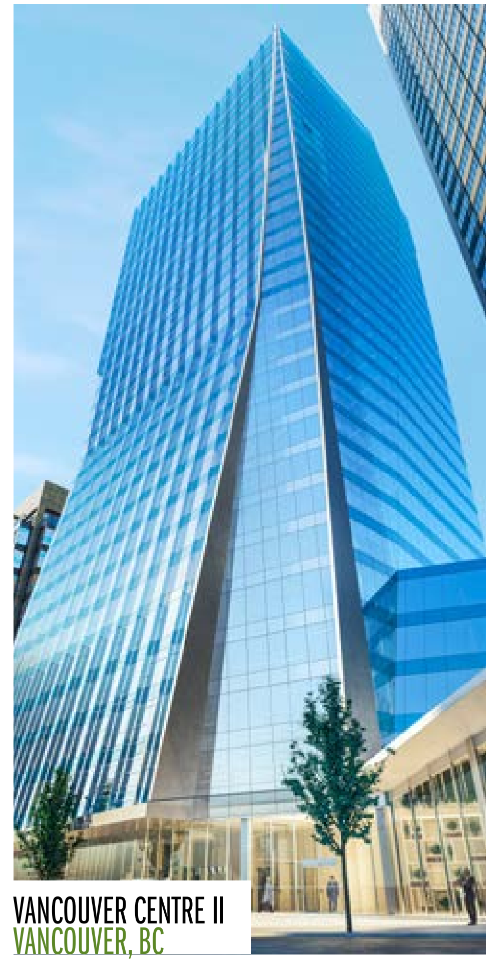
THE LIVMORE
TORONTO, ON

VANCOUVER CENTRE II (VANCOUVER, BC)

Vancouver Centre II is a AAA, 371,000 square foot, 33-storey office tower targeting LEED® Platinum (Core and Shell) certification. The project is registered with the International WELL Building Institute™ and is being designed in accordance with WELL requirements. With its central downtown location, the building will be the most transit-accessible new-build office tower in the city. Vancouver Centre II is slated to open in 2021.

"Vancouver Centre II will play a major role in facilitating our city's green economic growth by providing much-needed office space as companies of all sizes and industries from all over the world look to set up shop in downtown Vancouver. Vancouver Centre II is sure to be a great addition to the downtown core."

Gregor Robertson
Mayor, Vancouver



VANCOUVER CENTRE II
VANCOUVER, BC

ACHIEVE OPERATIONAL EXCELLENCE

Continuous Improvement

What will the office look like in 10 years? This is a question that has been the source of many strategic and planning sessions for our teams in 2017.

With increases in demand for office spaces that promote wellness, integrate and leverage smart technology, and provide secure and safe environments, we know that these emerging trends will shape the future of workplaces. For landlords, this means tenants will expect office spaces that support their changing needs, leading to buildings being repositioned, rethought, re-tooled and upgraded. As we look ahead, the fusion of new smart technologies, flexible space designs and integrated business services will reshape the relationship we have with tenants, their employees and the clients they serve.

With a focus on this new outlook and to address the emerging needs of tenants, our teams invested time during the year to undertake the necessary research. Specifically, we formed a special working committee and partnered with an external consultant to help us create a long-term strategy that will ready our stock of existing buildings with digital technologies and interactive, flexible space design options aimed at fostering increased employee interaction.

> WE COMPLETED 616 LEASING TRANSACTIONS, COMPRISING 259 NEW DEALS AND 357 RENEWALS.
>
> GLENN WAY
> SENIOR VICE PRESIDENT,
> ASSET MANAGEMENT
> EASTERN CANADA

> IN 2017, PROPERTY MANAGEMENT TEAMS MAINTAINED ASSET INTEGRITY THROUGH THE INVESTMENT OF OVER $80M IN CAPITAL PROJECTS.
>
> TOM SULLIVAN
> SENIOR VICE PRESIDENT,
> ASSET MANAGEMENT
> WESTERN CANADA

2017 was also a year of balance. We spent much of the year working on improving operational excellence, which included managing capital preservation upgrade programs, servicing the needs of tenants and implementing proactive leasing strategies.

When it comes to capital preservation upgrade programs, our asset and property management teams engage in capital planning. This helps to ensure that properties are competitively positioned and that cash flow is managed for owners. In 2017, property management teams across the country worked to maintain asset integrity through the investment of over $80M in capital projects.

From a service perspective, our team's continued focus on providing superior service was recognized with industry awards. On behalf of our clients, we proudly accepted six awards that recognize excellence in sustainability, staff and operational excellence.

As part of our approach to service, we continued to improve our policies and procedures to protect against events that could threaten the integrity of a building or impact occupant safety. We also invested in understanding and planning for new and emerging threats such as cyber security. We closed the year with an updated cyber security strategy that oversees four areas: system architecture, system administration, system monitoring and incident response.

We continue to believe in the value of collaborating with our peers and the industry on matters of security. In 2017, we maintained many familiar partnerships with organizations such as BOMA Canada, the Commercial Real Estate Security Leadership Group, NAIOP, REALPAC, the Ontario Association of Chiefs of Police as well as various law enforcement, government entities and intelligence services across the country. We also formed new partnerships with the International Association of Chiefs of Police and others.

Over the years, we have maintained well-leased buildings through the close partnerships we maintain with the brokerage community.

Amid challenging economic conditions in some provinces, ensuring that buildings were optimally leased with long-term agreements and desirable tenants remained an important focus for teams across the country. In 2017, we completed 616 transactions which allowed us to close the year with an average occupancy rate of 94%.

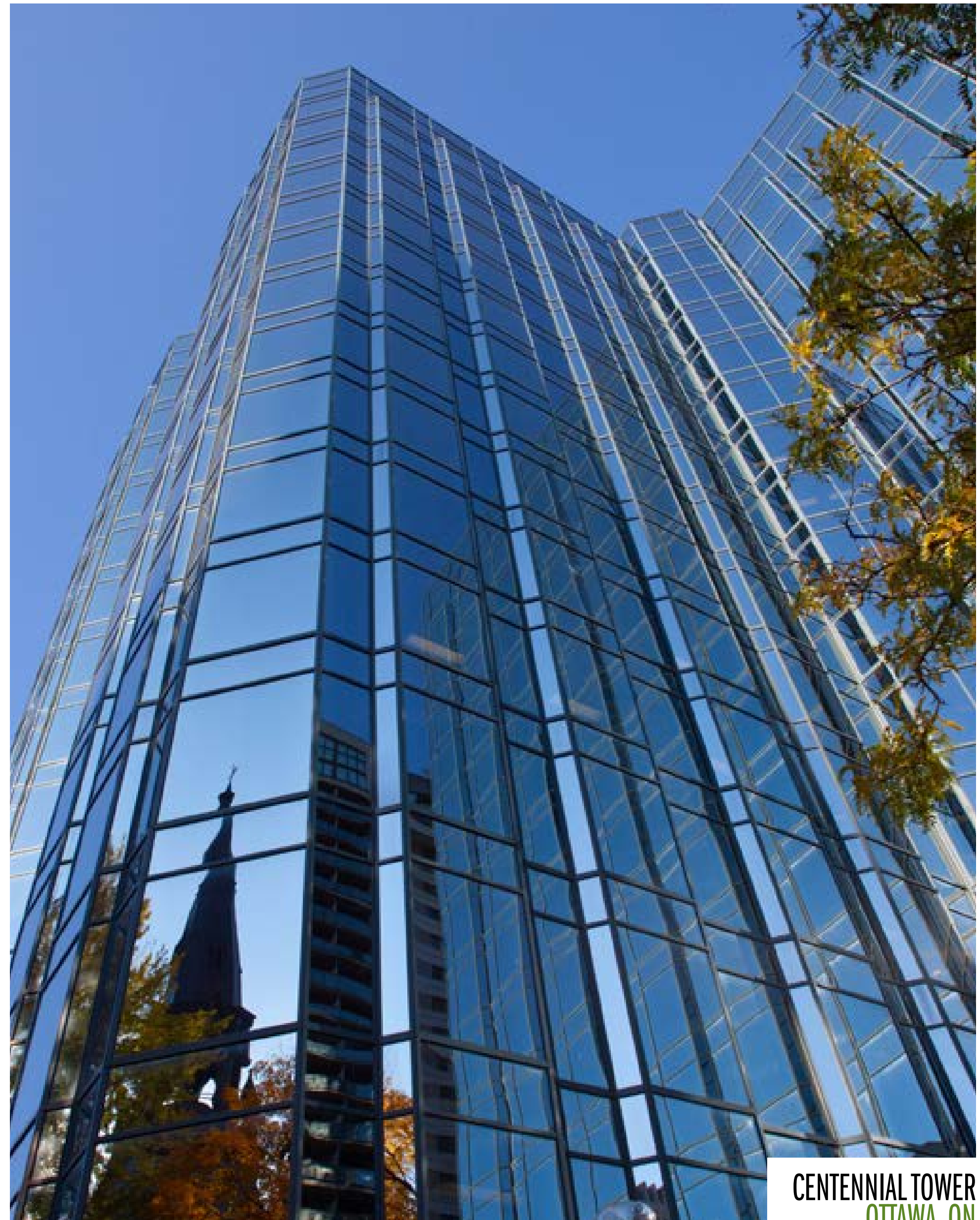
Looking to 2018, our focus will remain on enhancing asset values through strong management practices and continuous improvement of our property teams.

OCCUPANCY RATE BY PROVINCE

	2017 (%)
British Columbia	94.8
Alberta	93.0
Saskatchewan/Manitoba	97.3
Ontario	96.1
Quebec	87.0
Atlantic Canada	93.6

OCCUPANCY RATE BY ASSET CLASS

	2017 (%)
Office	90.6
Multi-Residential	96.1
Industrial	96.3
Retail	96.3



CENTENNIAL TOWER
OTTAWA, ON

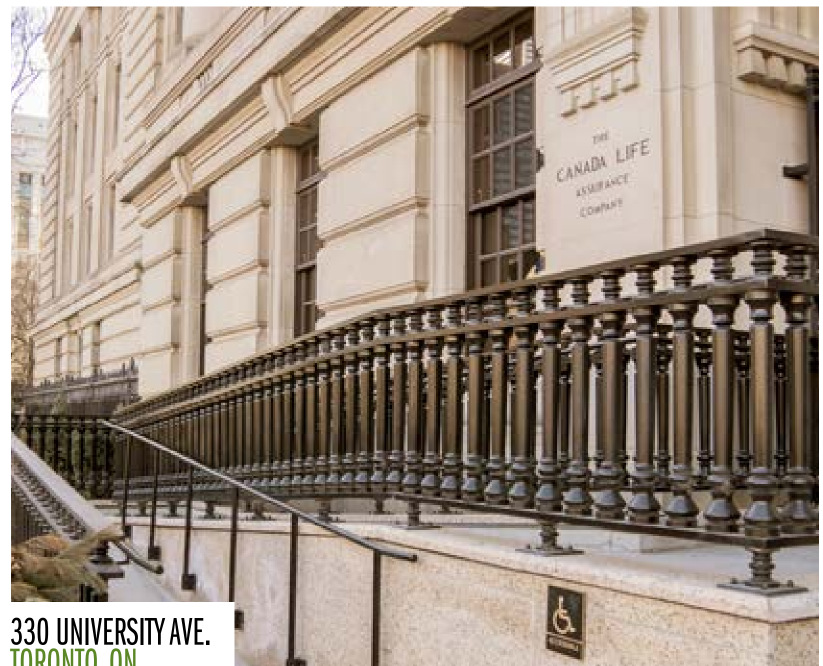
Modernizing a Historic Building

To comply with Ontario accessibility legislation and to meet the diverse needs of today's tenants, an accessibility ramp was added to the front entrance of the historic Canada Life Building at 330 University Avenue, in downtown Toronto.

With a mandate to achieve functionality through seamless integration, we undertook a process that started with identifying a heritage architectural consultant to perform a feasibility study to protect the value, significance and integrity of the property. To retain the look and feel of the original building, the granite used for the ramp was sourced from a quarry in Massachusetts, and the railing bolsters were custom poured from impressions of the existing black gates at the main entrance.

The building is now fully accessible with a new ramp that looks as though it was included in the design process nearly 100 years ago.

BEFORE



AFTER

200 GRAHAM ST.
WINNIPEG, MB

OFFICE

Efforts to build a well-diversified real estate portfolio continued to bode well for our office properties in 2017. Our office portfolio maintained an average occupancy rate of 92% in 2017, with over 3 million square feet of leasing completed. Strong economic growth in Vancouver and Toronto continued to offset challenges in the Alberta office markets. Within Alberta, our portfolio continued to outperform the overall market with an occupancy level of 90% at the end of 2017.

2831 BRISTOL CIRCLE
MISSISSAUGA, ON

INDUSTRIAL

With over 3.3 million square feet of leasing completed, our industrial portfolio maintained an average occupancy level of 96% in 2017. We continued to see strong, broad-based demand for industrial space led by limited supply and the continued expansion of e-commerce and logistics activities in Canada. Strong retail sales growth across Canada further supported tenant demand tied to domestic trade and transportation in our portfolio.

MARINE WAY MARKET
BURNABY, BC

RETAIL

Our retail portfolio finished 2017 with an overall average occupancy rate of 95.6%. Renewals made up a majority (72%) of the 370,000 square feet of total leasing completed in our portfolio. In an era where retail activities are increasingly digital, we continued to strengthen our portfolio by focusing on 'needs of life' retail segments, such as grocery and food, which benefit from local population growth.

65 LILLIAN ST.
TORONTO, ON

MULTI-RESIDENTIAL

Strong demand for purpose-built rentals, particularly in amenity-rich locations, continued to reflect well on our multi-residential portfolio. From an occupancy perspective, the portfolio closed the year at 96.1% occupancy versus 94.7% in 2016. Service and management excellence continued to drive value for our residential tenants and investors.

Transforming Our Thinking

One only needs to tune in to their favourite news outlet to gain insight into the demand for quality rental space in many Canadian cities. Operating under the Vertica Resident Services brand, a wholly owned subsidiary of GWL Realty Advisors since 2007, we have grown with the industry and know that to be successful, we must be well positioned to respond to the sophistication and changing needs of today's residents.

Over the years, we have discovered that when we are guided by our core values and our resident-focused strategy, we deliver on our promise to provide residents with personal, professional and responsive service, and we maintain our position as an industry leader.

Streamlining our administrative processes and leveraging technology are the cornerstones of how we execute our strategy. A few years ago, we launched 70/30, our signature in-house program with a mandate of creating efficiencies to provide the best experience for our residents. We do this by devoting 70% of our effort to residents and 30% to administrative tasks. In 2017, an important accomplishment and offshoot of this program was the implementation of Yieldstar, a revenue management platform. As the first Canadian landlord to implement this new software for our Ontario portfolio, we now use an algorithm, rather than human effort, to leverage real-time pricing strategies that balance shifting supply and demand factors.

One of the many research notes released by GWL Realty Advisors in 2017 revealed that a high percentage of respondents would consider renting if suites were modern and they contained upgrades. It is these types of results, coupled with our commitment to deliver investment returns for our clients, that keep our proactive in-suite upgrade program top-of-mind. During the year, we upgraded hundreds of suites located in various buildings across our managed portfolio.

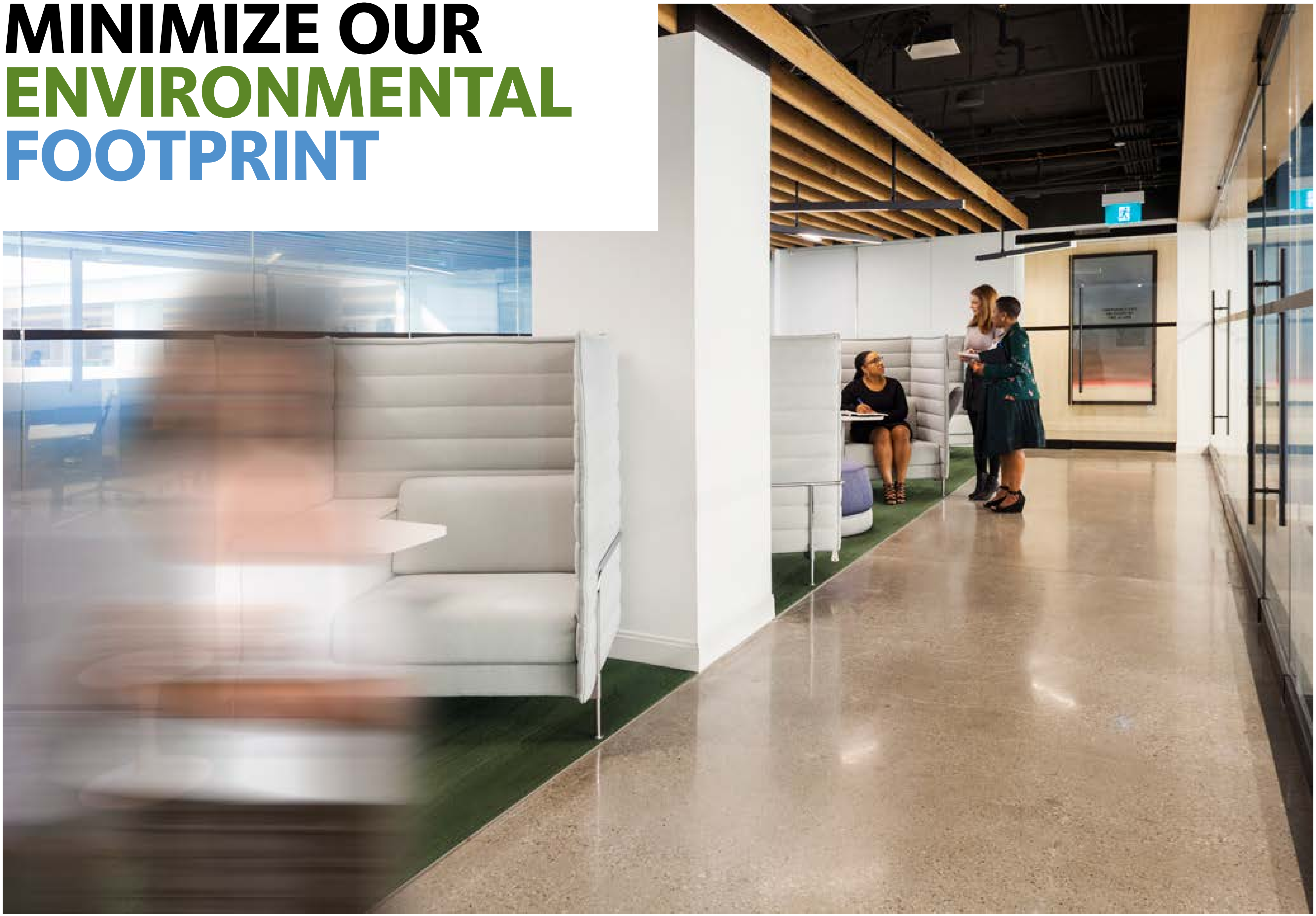
When it comes to industry recognition, Vertica was recognized as the 2017 Trendsetter of the Year by WEBCON. This award is presented to a company that transforms its thinking and acts to evolve and emerge as a leader in the Canadian multi-residential industry. We view this award as a testament to the great strides we made in 2017 and our ability to make a difference in the multi-residential sector.

Looking to 2018, our focus will remain on executing our strategy and preparing to welcome new buildings to our portfolio due to new acquisitions on behalf of our clients, as well as the completion of new development projects including the Livmore and the redevelopment of Grenadier Square, both located in Toronto.

"STREAMLINING OUR ADMINISTRATIVE PROCESSES AND LEVERAGING TECHNOLOGY ARE THE CORNERSTONES OF HOW WE EXECUTE OUR STRATEGY.

ANNE MORASH
SENIOR VICE PRESIDENT,
MULTI-RESIDENTIAL

MINIMIZE OUR ENVIRONMENTAL FOOTPRINT



Overview Scorecard Stable Returns Operational Excellence **Environmental Footprint** Talent Management Livable Communities Integrity and Trust Data Tables GRI Index

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Optimizing for Efficiency

We are evolving our sustainability platform in response to an ever-transforming market, where investor, tenant and other stakeholder demands for smarter, climate-resilient, more sustainable and healthier buildings continue to drive change.

This transformation is focused on connecting and digitizing buildings to enhance the occupant experience and improve operational efficiency. Green buildings will continue to become even smarter, with sensors and internet-of-things technologies helping to reduce environmental impacts.

Smart buildings will seize on opportunities to create more productive and healthier environments for tenants and residents. These spaces will enhance the tenant experience and help forward-thinking organizations attract and retain their top talent.

Over the past year, in-depth smart building readiness and use case assessments were undertaken by the company with leaders from various business units, for select new developments, including Vancouver Centre II, located in downtown Vancouver.

We strategically reviewed building health and wellness certifications and, in 2018, we will pursue Fitwel® certification for several of our office assets across Canada.

GRESB

ROBERT CAMPANELLI
NATIONAL DIRECTOR,
CORPORATE SUSTAINABILITY

"WE ARE EVOLVING OUR SUSTAINABILITY PLATFORM TO MEET DEMANDS FOR SMARTER, CLIMATE-RESILIENT, MORE SUSTAINABLE AND HEALTHIER BUILDINGS.

Green certifications also continue to add value to our real estate portfolio. These rating systems offer third-party verification of our assets' sustainability performance, which helps to benchmark our operational practices and to attract and retain strong tenants. These systems also distinguish assets that have demonstrated high performance and that are aligned with industry best practices. At year-end 2017, 89% of our eligible portfolio (by floor area) had green building certifications. These certifications include BOMA Building Environmental Standards (BEST®) and Leadership in Energy and Environmental Design (LEED®).

In 2017, our commitment to sustainability and preparation for emerging trends was exemplified when we ranked number one in Canada on the Global Real Estate Sustainability Benchmark (GRESB). We earned a Green Star for the third consecutive year and increased our overall global ranking among real estate management firms, moving from the top 10% in 2016 to the top 8% in 2017.

GRESB is the world's leading benchmark used by institutional investors to help understand real estate companies' ESG-related practices and adaptation to current trends, and the sustainability performance of portfolios. The 2017 survey covered 850 management companies and funds from around the world, representing assets worth U.S. $3.7T.

11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Environmental Results

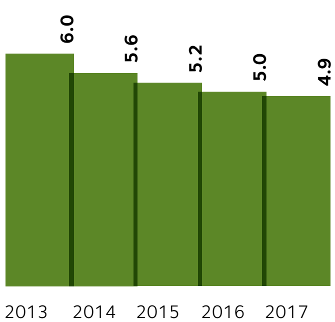
The data for our office and multi-residential portfolios is externally assured, demonstrating our commitment to transparency for our stakeholders and to improving asset value through better environmental performance.

The portfolio cumulatively avoided $13.5M in utility costs since 2013, or a cumulative savings of $0.42/ft^2 across the office and multi-residential portfolios. Overall, the portfolios' utility cost intensity ($/ft^2) decreased by 6.2% between 2013 and 2017.

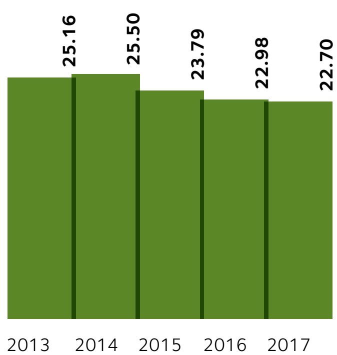
To encourage deeper utility cost reductions, we launched our Sustainability Benchmarking and Conservation Program for the office portfolio in 2014. Each asset was benchmarked against industry averages and best practices and, based on these results, management teams set informed reduction targets. By the end of 2018, we are projected to meet our GHG, energy, water and waste reduction targets.

WATERMARK TOWER
CALGARY, AB

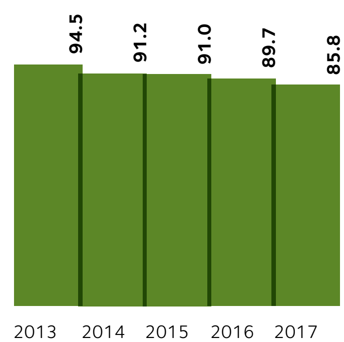
GHG EMISSIONS INTENSITY
(Scopes 1, 2 & 3)
(tCO_2e/1,000 ft^2)



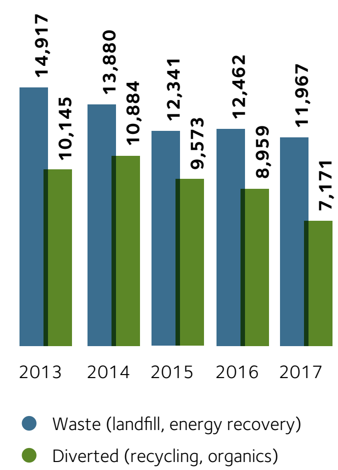
ENERGY USE INTENSITY
(ekWh/ft^2)



WATER USE INTENSITY
(litres/ft^2)



WASTE AND DIVERTED WASTE
(tonnes)



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Case Studies

ENERGY REDUCTIONS

Grenadier Square is a 600 suite, two-tower, BOMA BEST® certified multi-residential asset in Toronto's High Park neighbourhood. To encourage electricity savings among residents, the building switched to direct billing of residential suites. As residents pay for their own electricity consumption, they are also directly incentivized to reduce usage, which in turn reduces greenhouse gas emissions. In 2017, directly billed residents used on average 38% less electricity than non-directly billed residents, saving an estimated 490,000 kWh of electricity and $57,000 in utility costs.

WATER REDUCTIONS

North York Centre, a BOMA BEST® Gold facility, continues to serve its tenants by improving environmental performance, including the reduction of water consumption. With water rates having increased 28% on average in Ontario over the past four years, North York Centre installed waterless urinals in its retail plaza and ultra-low flow aerators across both its office towers to help reduce tenants' operating costs. Year-over-year water use is projected to decrease between 6% and 8% across the complex.

WASTE REDUCTION

Gulf Canada Square, a LEED® Gold and BOMA BEST® Platinum facility, continues to reduce its environmental impact, including finding new ways to reduce the amount of waste it sends to landfill. With the help of a key partner, Terracycle, and the continuing support of its tenants, the building now recycles almost all its tenants' office supplies, including binders, pens and other materials. Over the last year, the building diverted over one metric tonne of office supplies, which would otherwise have been sent directly to landfill.

GRENADIER SQUARE
TORONTO, ON

NORTH YORK CENTRE
TORONTO, ON

GULF CANADA SQUARE
CALGARY, AB

ATTRACT AND RETAIN TOP TALENT

Focus on Talent

To meet our business goals, we must continue to attract and develop employees with the right skills and aptitudes.

Making sure staff feel proud of the work they do, the company they work for and the difference they make remains a constant priority for us. This is why we take every opportunity to invest in our people. In 2017, we were pleased that one in every two employees took advantage of the $2,000 training and development allowance that is available to all staff for continuing education.

When it comes to attracting new talent, we invested in the development of a new recruitment toolkit aimed at helping to ensure that we are bringing in the right talent that will stay and grow their career with us. We welcomed 129 new staff and we maintained our partnership with Seneca College's Building Systems Engineering Technicians Program, thereby helping to proactively attract the next generation of building operators.

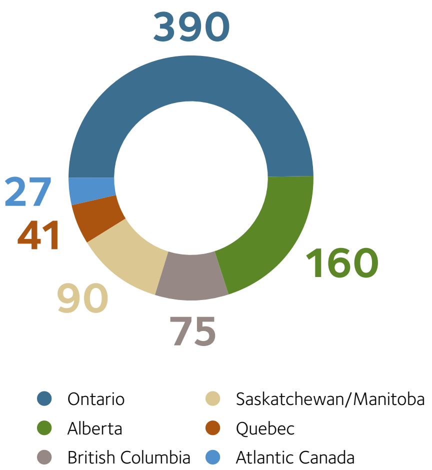
In addition to focusing on the fundamentals of training and development, we also continued to act on our belief that a well-balanced, involved and motivated workforce gives us a competitive advantage. We were encouraged that more than half of our staff used an account that can be used to fund health and fitness activities of their choice and that they used personal days to rejuvenate.

When it comes to creating the right environment and supporting our culture, a highlight of the year was the relocation of our head office to 33 Yonge Street in downtown Toronto. Our new state-of-the art office space offers lots of natural light and allows for staff to work in dynamic ways using technology and collaborative spaces.

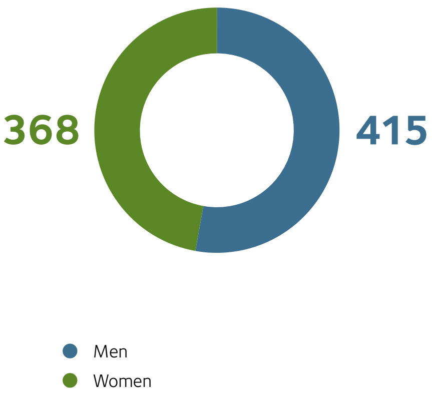
With a commitment to actively engaging our employees on leadership, performance and talent development, and health and well-being, we closed the year with preparations underway for our next employee engagement survey and the launch of a new national wellness program.

> “A HIGHLIGHT OF THE YEAR WAS THE RELOCATION OF OUR HEAD OFFICE TO 33 YONGE STREET IN DOWNTOWN TORONTO.
>
> MICHELE WALKAU
> SENIOR VICE PRESIDENT, CORPORATE SERVICES & BUILDING EXCELLENCE

EMPLOYEES BY PROVINCE/REGION



EMPLOYEES BY GENDER



33 Yonge Street Headquarters

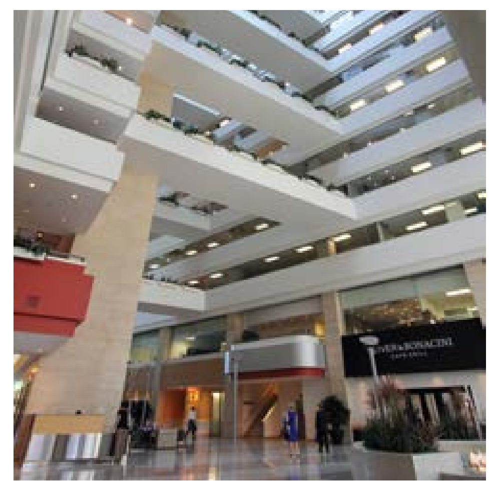
In 2017, our three Toronto offices moved into our new headquarters at 33 Yonge Street. Located right in the heart of downtown Toronto, the 38,000 square foot space combines features of open concept and closed-door offices to create an environment unique to GWL Realty Advisors. With an open atrium at the centre of the building, natural light permeates the floor.

Prior to designing and building the new space, we engaged our staff in the process through surveys and in-person sessions to gauge opinions about what the new office should look like. Based on their suggestions, the design was built out.

Aimed at improving communication among employees, the headquarters offers numerous collaboration spaces for quick meetings and 16 meeting rooms with names like Park View, Lake View and City View, which indicate the sights that can be viewed from inside the room.

The move also allowed what were once three different offices to come together under one roof. Conversations that once had to take place over the phone or by email are now being conducted in person, improving overall communication and employee engagement within the group.

33 YONGE STREET
TORONTO, ON



CONTRIBUTE TO STRONGER, LIVABLE COMMUNITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

Inspiring Positive Change

As a responsible organization, we believe that the most effective way to contribute to communities where we work is to support programs that provide economic and social benefits while adding value to our business. Our goals are to create long-term sustainable, positive impacts and to encourage our employees to get involved through volunteering.

We contribute to communities in three ways.

The first is through our long-standing relationships with Habitat for Humanity and the United Way, as well as through the Great-West Life Stronger Communities Together™ program in support of local causes that are important to our employees.

In 2017, we completed Habitat for Humanity house #14 in the Greater Toronto Area, while in Ottawa and Halifax, our staff and business partners participated in build days. Collectively, we volunteered more than 1,000 hours for Habitat for Humanity.

With most major cities in Canada currently facing a rental shortage, our development pipeline will bring more than 3,000 new rental units to the market over the next few years. How we collaborate with residents and the community during the development of these new projects is the second way that we contribute to stronger, livable communities.

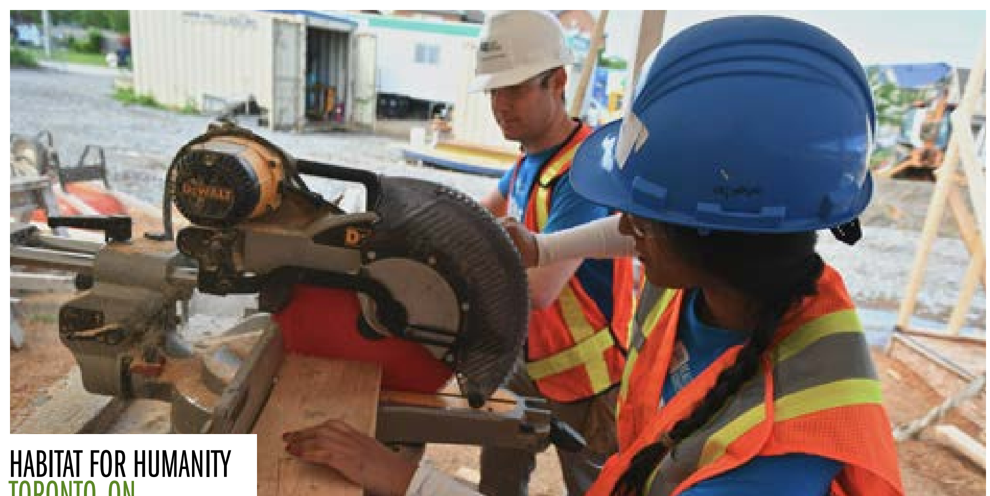
This year, an example of resident collaborations took place in Vancouver, where a development proposal will add 160 family-sized rental units to the Lower Lonsdale neighbourhood. While this development will bring much-needed secure market rentals to the neighbourhood, it will disrupt residents that call the existing buildings home.

With a commitment to treat each resident with care and respect throughout the relocation process, we assembled a project team to create a strategy to support those requiring relocation assistance. Alternative housing options were actively sourced and a relocation package, with measures that exceeded the City of North Vancouver's requirements, was created.

The third way we contribute to communities is through the direct and indirect social and economic benefits we generate through our business. As an employer, we generated jobs for 783 employees. As a developer, asset manager and property manager, we contributed to the local economy through the third parties we hired and the payments we made to our suppliers. As a real estate investment advisor, we delivered a total portfolio one-year rate of return of 6.3% to our clients. Over the long term, these returns will benefit millions of individuals across Canada who depend on their pension and individual savings for their income.

It is the combination of the three pillars of our strategy and the contribution from our employees and business partners that allowed us to keep our commitment of helping to build stronger, livable communities in Canada.

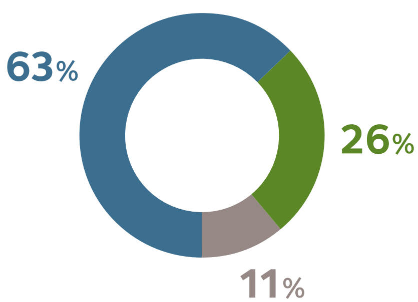
> “ IN 2017, WE COMPLETED HABITAT FOR HUMANITY HOUSE #14 IN THE GREATER TORONTO AREA.
>
> MICHELE WALKAU
> SENIOR VICE PRESIDENT,
> CORPORATE SERVICES & BUILDING EXCELLENCE



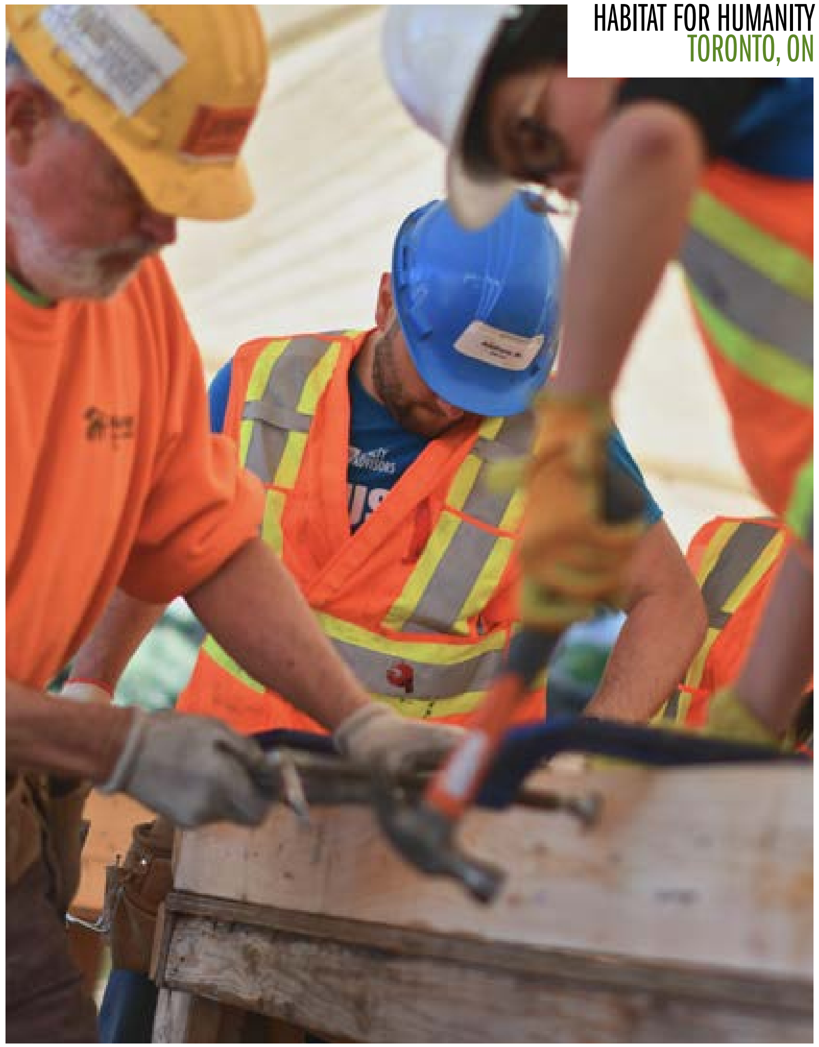
HABITAT FOR HUMANITY
TORONTO, ON

Through Great-West Life's Stronger Communities Together™ policy for community investment, we are making a lasting impact by inspiring positive change. We are proud of the positive impact that our employees are making within the communities where they live and work. In 2017, we supported a wide range of charities including Habitat for Humanity, the United Way, Alberta Adolescent Recovery Centre, Between Friends, Calgary Drop-In & Rehab Centre, Canuck Place Children's Hospice, The Salvation Army and MS Society of Canada.

COMMUNITY INVESTMENT ACTIVITY CATEGORIES



- Education and Community Development
- Housing
- Health and Wellness



HABITAT FOR HUMANITY
TORONTO, ON

JDRF
RIDE REVOLUTION

REAL ESTATE CLIMB
FOR UNITED WAY

OPERATE WITH INTEGRITY AND TRUST

Building Trust

Adhering to the highest standards of ethical business conduct is core to everything we do. It enables us to build the trust and confidence of our clients, while ensuring we remain transparent and responsive to our many stakeholders. In alignment with our core values – integrity, service, fun, innovation and teamwork – we are engaging our people to always do the right thing, to remain agile and to hold ourselves accountable for how we conduct our business.

We have a strong compliance framework headed by our Vice President of Legal Affairs and Vice President of Risk Management and Compliance, in partnership with the Great-West Life Corporate Compliance Group. In 2017, our compliance team continued to support our business units to ensure our services and operations comply on a day-to-day basis in all material respects with applicable laws, regulations and corporate and industry requirements. We conduct regular third-party and internal reviews to assess our compliance levels, which we monitor through our Compliance Steering Committee.

We spent the better part of last year strengthening the awareness of our ethics and integrity programs. Specifically, we broadened our training programs to a wider audience, and continued to integrate our values-based culture and reinforce the importance of operating with integrity and trust.

Third parties working on our behalf are also held to our standards. In 2017, we developed national contract templates enabling us to commit contractors to our high performance and legal standards. We also developed a new detailed procurement policy and training tools for our properties. Our property managers are now highly focused on ensuring the effective implementation of our standards, thereby reducing procurement and performance risk at the property level.

As we look forward, we expect to continue to strengthen our high standards of ethical conduct and compliance and foster further engagement across the organization.

"IN ALIGNMENT WITH OUR CORE VALUES, WE ARE ENGAGING OUR PEOPLE TO ALWAYS DO THE RIGHT THING.

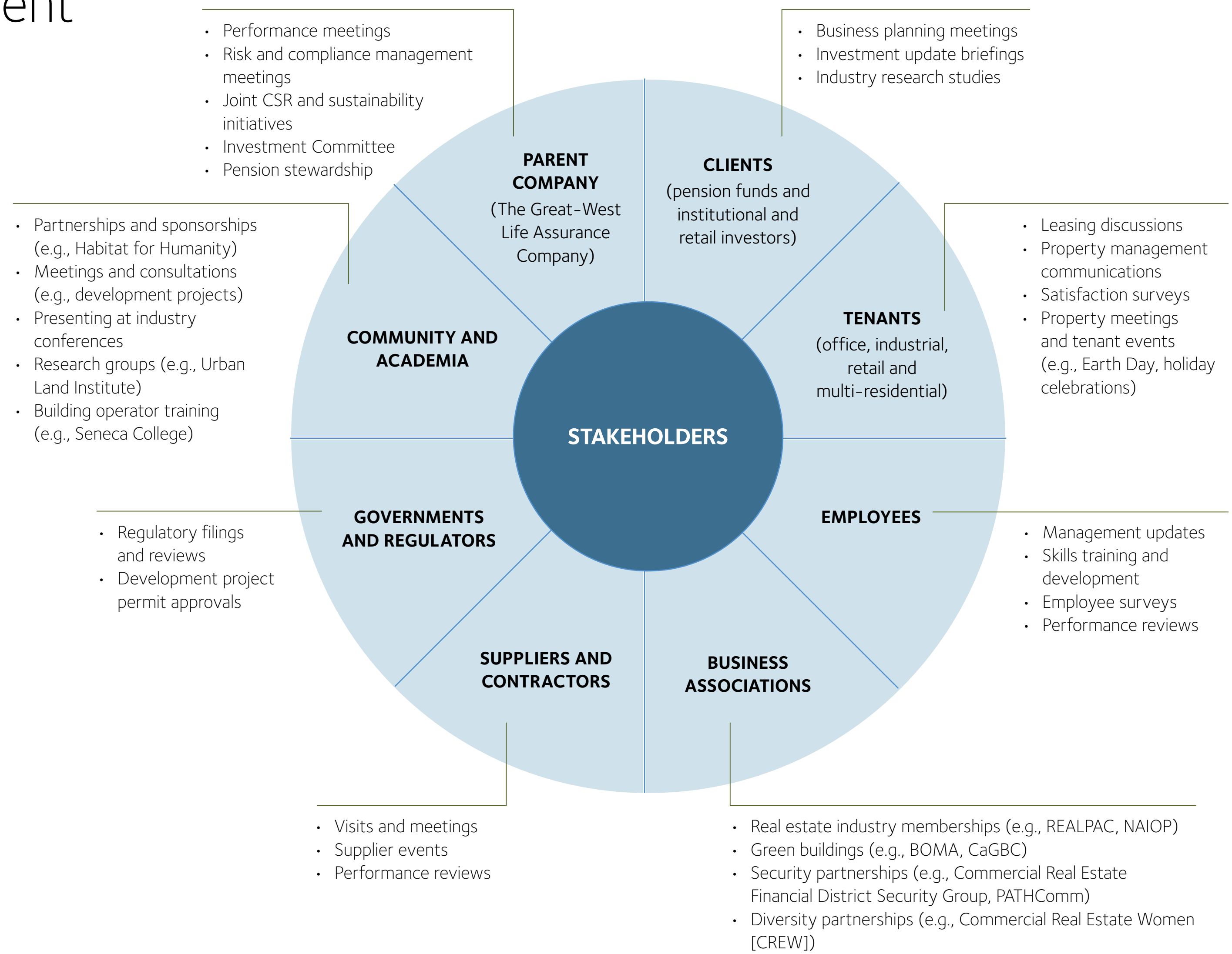
TANYSS PRICE
SENIOR VICE PRESIDENT & CHIEF FINANCIAL OFFICER

Stakeholder Engagement

OPERATE WITH INTEGRITY AND TRUST

Engaging with our stakeholders is an integral part of how we build trust. Over the past year, this was done in the normal course of our business through informal day-to-day interactions with our clients, tenants, third parties, employees and other partners. We also conducted more formal and structured activities, specifically during development project approvals, tenant interactions and representation at various business associations.

In 2017, we were active with a broad range of stakeholders, enabling us to better understand their needs, identify both current and emerging issues, and better shape our response and approach. Key issues of interest included green building certifications, sustainable community development and diversity and inclusion.



ABOUT THIS REPORT

We are committed to accurate, transparent and focused reporting on the topics that matter most to our business and our stakeholders.

REPORTING SCOPE

This is our tenth Annual Review, covering our business performance for the calendar year 2017. Our previous Annual Review was published last year for the 2016 calendar year. The report is published on an annual basis and covers the performance of GWL Realty Advisors Inc. and its wholly owned subsidiary, Vertica Resident Services Inc.

REPORTING STANDARDS

We looked broadly at our sustainability context to determine the topics that matter most to our business and our stakeholders. This included considering our business, peer reviews and various sustainability sector standards, such as the Global Real Estate Sustainability Benchmark survey (GRESB), the Global Reporting Initiative (GRI) Standards and the GRI Construction and Real Estate Sector Supplement (CRESS). The important topics are defined on our matrix, which we used to inform the content of this report.

Our GRI Index provides further information on where relevant information on our sustainability performance is addressed, including information in this report and on our corporate website. The report content was reviewed by appropriate business units for data completeness and approved through our Executive Committee.

DATA COVERAGE

Data in this report covers our operations across Canada. Qualitative and quantitative information is reported for the period up until December 2017, unless otherwise stated. Our environmental (energy usage, greenhouse gas emissions, water consumption and waste production) data covers our assets under management where we have operational control, specifically relating to our office and multi-residential real estate properties, unless otherwise specified. All environmental data has been externally assured by PwC Canada.

CORPORATE PROFILE

We were incorporated in 1993 as a wholly owned subsidiary of the leading insurer The Great-West Life Assurance Company. We operate across Canada, with headquarters in Toronto, Canada. We employ 783 employees and have offices in British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia.

PURDY'S WHARF
HALIFAX, NS

CORPORATE HEAD OFFICE

GWL Realty Advisors Inc.
33 Yonge Street, Suite 1000
Toronto, ON M5E 1G4
416-507-2929

FEEDBACK

We welcome and encourage your feedback on our Annual Review report. Please direct any questions or comments regarding the content of this report to:

Dahlia de Rushe
Director, Marketing & Communications
33 Yonge Street, Suite 1000
Toronto, ON M5E 1G4

DATA TABLES

Environment[1]

Quantitative Data	2017	2016	2015	GRI Indicator
Greenhouse Gas Emissions (GHG) (tCO_2e)				
GHG emissions (Scope 1 and 2)[1, 2]	**136,910**	138,799	144,558	305-1, 305-2
Managed office	**90,286**	92,290	96,888	305-1, 305-2
Multi-residential	**46,624**	46,508	47,670	305-1, 305-2
Direct GHG emissions Scope 1[1, 2]	**63,485**	61,349	62,451	305-1
Managed office	**28,958**	27,700	28,279	305-1
Multi-residential	**34,527**	33,649	34,172	305-1
Energy indirect GHG emissions Scope 2 (location-based)[1, 2]	**73,425**	77,450	82,107	305-2
Managed office	**61,328**	64,591	68,608	305-2
Multi-residential	**12,097**	12,860	13,499	305-2
Energy indirect GHG emissions Scope 2 (market-based)[1, 2]	**59,707**	65,838	74,398	305-2
Managed office	**47,610**	52,978	60,899	305-2
Multi-residential	**12,097**	12,860	13,499	305-2
Other indirect GHG emissions Scope 3[3]	**24,391**	25,522	25,495	305-3
Managed office	**7,476**	7,944	8,978	305-3
Multi-residential	**16,915**	17,578	16,516	305-3
GHG emissions intensity (tCO_2e/1,000 sq ft)[4]	**4.95**	5.05	5.24	305-4, CRE3
Managed office	**4.82**	4.94	5.22	305-4, CRE3
Multi-residential	**5.18**	5.23	5.27	305-4, CRE3
Net reduction of GHGs through conservation (tCO_2e)[5]	**(19,127)**	(13,084)	(10,593)	305-5
Energy Consumption (MWh)				
Energy consumed within the organization[6]	**739,049**	748,291	772,625	302-1
Non-renewable fuel consumed	**342,780**	331,364	337,391	302-1
Natural gas (metered)	**342,780**	331,364	337,391	302-1

Quantitative Data	2017	2016	2015	GRI Indicator
Electricity purchased for consumption	**378,061**	400,705	415,900	302-1
Steam purchased for consumption	**18,208**	16,223	19,334	302-1
Energy intensity (ekWh/sq ft)[7]	**22.70**	22.98	23.79	302-3, CRE1
Managed office	**24.23**	24.72	25.73	302-3, CRE1
Multi-residential	**20.15**	20.12	20.55	302-3, CRE1
Net reduction of energy through conservation (MWh)[8]	**(45,737)**	(31,483)	(21,451)	302-4
Waste				
Waste generated absolute (tonnes)[9]	**11,967**	12,461	12,340	306-2
Managed office	**3,607**	3,775	4,162	306-2
Multi-residential	**8,360**	8,686	8,178	306-2
Waste generated intensity (tonnes/1,000 sq ft)	**0.37**	0.38	0.38	306-2
Managed office	**0.18**	0.19	0.21	306-2
Multi-residential	**0.68**	0.71	0.67	306-2
Waste Disposal Method (tonnes)[10]				
Waste to landfill[11]	**11,169**	11,659	11,739	306-2
Recycled[12]	**5,982**	7,625	8,208	306-2
Organics[13]	**1,189**	1,334	1,365	306-2
Recovery for energy[14]	**798**	803	602	306-2
Waste to landfill diversion rate (%)[15]	**37%**	42%	44%	306-2
Water[16]				
Water withdrawn (m^3)	**2,793,516**	2,920,381	2,956,826	303-1
Managed office	**1,157,259**	1,262,032	1,311,285	303-1
Multi-residential	**1,636,257**	1,658,349	1,645,541	303-1
Water consumption intensity (L/sq ft)[17]	**85.79**	89.70	91.04	CRE2
Managed office	**57.03**	62.19	64.62	CRE2

Quantitative Data	2017	2016	2015	GRI Indicator
Multi-residential	**133.36**	135.24	135.04	CRE2
Green Building Certifications, Labelling or Rating				
Overall % of assets				
% of individual bldgs. that received a green building certification[18]	**88%**	77%	72%	CRE8
Number of buildings by asset class[19]				
Total number certified buildings	**348**	356	333	
Office	**61**	81	71	CRE8
Multi-residential	**35**	7	13	CRE8
Open-air retail[20]	**91**	50	42	CRE8
Light industrial	**161**	218	207	CRE8
Number of buildings by type of certification				
LEED (CaGBC)	**18**	29	26	CRE8
BOMA BEST (BOMA Canada)	**335**	345	328	CRE8
Built Green (NRCan)	**1**	1	1	CRE8

1. All environment data (i.e., emissions, energy, water, and waste) relates to GWLRA's managed office and multi-residential portfolios, are consolidated based on an operational control approach, and externally assured. Industrial and retail data is excluded as data is only available for common areas and is under the *de minimis* threshhold for reporting (≈0.5% of overall emissions) as stated by the GHG Protocol. GHG emissions totals are calculated using Scope 2 location-based emissions totals.

2. Our Scope 1 and 2 GHG emissions relate to assets under management where we have operational control. Our base year of reporting is 2013. We use the WBCSD GHG Protocol Corporate Accounting and Reporting Standard to guide our methodology for calculating GHG emissions. The gases included in the calculation cover carbon dioxide, methane and nitrous oxide. The emission factors and global warming potentials are based on the most recently available Environment Canada National Inventory Report, Enwave Studies and the International Panel on Climate Change factors. Scope 1 emissions relate to natural gas and fuel oil consumption and exclude GHG emissions associated with backup generator fuel use and refrigerant top-ups. Scope 2 emissions relate to purchased electricity and steam. Scope 2 market-based emissions are provided for reference, and include the purchase of renewable energy credits.

3. Our Scope 3 GHG emissions include emissions from waste sent to landfill and energy recovery, and water distribution for assets under management where we have operational control. We use the WBCSD GHG Protocol Corporate Accounting and Reporting Standard to guide our methodology for calculating GHG emissions. The gases included in the calculation cover carbon dioxide, methane and nitrous oxide. The emission factors and global warming potentials are based on the Environment Canada National Inventory Report (NIR) and the International Panel on Climate Change factors.

4. Our GHG emissions intensities relate to Scope 1, 2, and 3 for office and multi-residential properties only (as reported in this appendix). The total square footage for the denominators used to calculate the emissions intensities are based on gross floor area.

5. Estimated reduction of Scope 1, 2, and 3 GHG emissions as a direct result of conservation initiatives at office and multi-residential properties, relative to the 2013 base year emissions. The gasses included in the calculation cover carbon dioxide, methane and nitrous oxide. The estimation accounts for new developments, and factors outside of management control that influence emissions, such as changes in emission factors, occupancy and weather. External factors, such as weather, are accounted for using regression analysis.

6. Energy consumed within the organization relates to our managed office and multi-residential portfolio of assets under management that fall within our operational control boundary as defined in the WBCSD GHG Protocol Corporate Accounting and Reporting Standard. Where properties are outside of our operational control (e.g., single-tenant buildings paying all utilities), we do not report energy information. The energy consumption disclosure includes energy consumption from non-renewable fuel sources (i.e., natural gas, fuel oil), and purchased electricity and steam consumption.

7. Our energy intensity covers the energy consumed within the managed office and multi-residential portfolio, covering natural gas and fuel oil, and purchased electricity and steam consumption. We report energy intensity based on ekWh per square foot of gross floor area.

8. Estimated reduction of energy consumption as a direct result of conservation initiatives at our office and multi-residential properties, relative to 2013 base year energy consumption. The energy sources included in the calculation cover natural gas, fuel oil, electricity, and steam. The estimation accounts for new developments, and factors outside management control that influence energy use, such as occupancy and weather. External factors, such as weather, are accounted for using regression analysis.

9. All waste data relates to the non-hazardous waste produced at our managed office and multi-residential portfolio of assets under management, which is sent to landfill or recovery for energy.

10. Waste disposal methods have been determined by the information provided to us by our waste disposal contractors.

11. Landfill waste includes non-hazardous waste at our managed office and multi-residential portfolio of assets under management.

12. Recycled waste includes various recycling streams (e.g., paper, cardboard, plastics) at our managed office and multi-residential portfolio of assets under management.

13. Organic waste includes all indoor and outdoor waste collected for composting or organics pick-up.

14. Amount of waste sent to recovery for energy (i.e., waste-to-energy plants) is provided by our waste disposal contractors.

15. Only recycled and organic waste is counted as diverted. The average office diversion rate in 2017 was 58.9%, while the average diversion rate for multi-residential properties was 19.3%.

16. All water consumption and intensity data relates to the water withdrawn from municipal water supplies at our managed office and multi-residential portfolio of assets under management. We calculate the water withdrawn from the information provided by our utility providers.

17. We report water intensity based on litres per square foot of gross floor area.

18. This figure was updated for 2017 (and retroactively) to reflect the percentage of eligible commercial and residential buildings with active green certification(s) at year-end. The percentage is based on individually certified buildings, not floor area. Several individually certified buildings may encompass a single asset, as reported in the main body of this report.

19. A decrease in the total number of certifications in certain asset classes and across different certification types reflects the departure of one of GWLRA's longstanding clients, which began to manage its own assets starting in 2017.

20. Number of retail certifications was updated in 2017 (and retroactively) to reflect individual buildings certified, instead of single retail assets that cover multiple buildings. This change is to remain consistent with how other building certifications are tracked.

Safety

Quantitative Data	2017	2016	2015	GRI Indicator
Joint Management-Worker Health and Safety (H&S) Committees				
% workforce in joint management-worker H&S committees[21]	**30%**	31%	31%	403-1
OHSAS 18001 Management System				
% of organization operating under a safety management system aligned with OHSAS 18001	**100%**	100%	100%	CRE6
Health and Safety Training				
Number of employees receiving health and safety training	**640**	640	640	404-1
Number of hours of safety received per employee	**4.0**	10.0	8.0	404-1
Occupational Health and Safety Performance				
Injury rate (recordable incident rate)[22]	**1.71**	0.92	1.09	403-2
Severity rate[23]	**0.46**	0.62	0.42	403-2
Lost day rate[24]	**0.63**	0.61	0.16	403-2
Occupational diseases	**0**	0	0	403-2
Total number of dangerous occurrences (near miss incidents)	**10**	15	9	403-2
Fatalities[25]	**0**	0	0	403-2

21. The joint management-worker H&S committees have been established in all regions nationally and consist of supervisors and workers. Workers represent no less than 50% of those members on the Joint Health and Safety Committees and have an elected Co-Chair to preside with an appointed employer Co-Chair.

22. The injury rate is the number of recordable incident cases per 200,000 employee hours worked (Number of Recordable Cases X 200,000/Number of employee hours worked). The injury rate does not include minor (first-aid level) injuries. All incidents requiring immediate medical attention of a doctor, hospital or dentist are reported.

23. The severity rate is the number of lost workdays divided by the total number of recordable incidents.

24. Lost day rate is Number of Lost Time Cases X 200,000/Number of employee hours worked.

25. Fatalities relate to our employees.

Employer of Choice

Quantitative Data	2017	2016	2015	GRI Indicator
Total Employees[26]				
Total number of employees	**783**	935	980	102-7
Employees by Gender[27]				
Number of employees (female)	**368 (47%)**	435 (47%)	461 (47%)	102-8
Number of employees (male)	**415 (53%)**	500 (53%)	519 (53%)	102-8
Employees by Contract[27]				
Number of employees (permanent)	**745**	884	927	102-8
Number of employees (part-time)	**12**	18	27	102-8
Number of employees (temporary or contractors)	**26**	33	26	102-8
Employees by Region[27]				
Alberta	**160**	208	215	102-8
Atlantic Canada	**27**	30	32	102-8
British Columbia	**75**	96	95	102-8
Manitoba/Saskatchewan	**90**	96	102	102-8
Ontario	**390**	469	503	102-8
Quebec	**41**	36	33	102-8
New Employee Hires[28]				
Total number of new employee hires	**129 (16%)**	157 (17%)	223 (23%)	401-1
Age group				
New employee hires below 30 years old	**31 (24%)**	51 (33%)	61 (27%)	401-1
New employee hires 30-50 years old	**72 (56%)**	71 (45%)	111 (50%)	401-1
New employee hires above 50 years old	**26 (20%)**	35 (22%)	51 (23%)	401-1

Quantitative Data	2017	2016	2015	GRI Indicator
Gender				
New employee hires for women	**59 (46%)**	71 (45%)	114 (51%)	401-1
New employee hires for men	**70 (54%)**	86 (55%)	109 (49%)	401-1
Employee Turnover[29]				
Employee turnover number	**297 (38%)**	139 (15%)	171 (17%)	401-1
Age group				
Employee turnover below 30 years old	**45 (15%)**	32 (23%)	38 (22%)	401-1
Employee turnover 30-50 years old	**148 (50%)**	69 (50%)	74 (43%)	401-1
Employee turnover above 50 years old	**104 (35%)**	38 (27%)	59 (35%)	401-1
Gender				
Employee turnover for women	**135 (45%)**	72 (52%)	88 (51%)	401-1
Employee turnover for men	**162 (55%)**	67 (48%)	83 (49%)	401-1
Employee Training				
Training & education: internal, online courses[30]				
Total compliance training (hrs)[31]	**1,136**	2,652	1,187	404-1
Total independent online training (hrs)[32]	**584**	1,233	5,250	404-1
Internal training hours per employee (hrs/employee/yr)	**2.20**	4.16	6.57	404-1
Training & education: external courses[33]				
Number of employees that applied for funding	**391 (50%)**	262 (28%)	292 (30%)	404-1, 404-2
Training funding ($)	**$282,195**	$233,629	$265,051	404-1, 404-2

26. Our full-time employees represent GWL Realty Advisors and our wholly owned subsidiary Vertica Resident Services. It includes permanent, part-time and contract employees. We do not have unionized employees. The decrease in total number of employees between 2016 and 2017 reflects the establishment of QuadReal Property Group, a property/investment management firm, by one of GWLRA's longstanding clients, which began to manage its own assets starting in 2017. The majority of the departures from GWLRA were transitioned to the newly established company and were not the result of layoffs.

27. Employees by region and gender include permanent, part-time and contract employees. Full-time and part-time employees are differentiated based on customary number of hours worked per week, while temporary and casual workers are defined on the basis of their short-term work contracts (e.g., co-op terms). Employee data is managed and extracted through GWLRA's payroll system and internal databases.

28. Our new employee hire numbers represent employees hired during the reporting year.

29. Our employee turnover numbers include all departures from the company, both voluntary and involuntary, including resignations, dispositions, terminations and retirements. The high turnover rate (%) in 2017 is primarily due to the transition of our commercial assets and associated staff to a newly established company, QuadReal (see footnote 24). The 2017 turnover rate also accounts for employees who chose to participate in the Great-West Life Assurance Company's Voluntary Retirement Program (VRP), initiated in 2017.

30. Internal, online training covers courses offered through the Great-West Life Assurance Company's Skillport eLearning platform.

31. Compliance training refers to company codes, policies, and mandatory courses (e.g. anti-money laundering, code of conduct, accessibility, privacy etc.). The decrease in total training hours is related to the decrease in the number of required training courses and in the decrease in total employees (see footnote 24).

32. Independent online training refers to voluntary skills development (e.g., computer skills, leadership capabilities etc.). In 2015, a company-wide initiative targeted training for all management staff. Due to this initiative, training hours were greater in 2015 compared to 2016 and 2017. Additionally, several courses were taken off-line in 2017 in order to remodel and refresh their content by Corporate Training. Finally, the decrease in total training hours is related to the decrease in the total employees (see footnote 24) and uptake in external training courses (see below).

33. External training is supported by the Great-West Life Assurance Company's $2,000/FTE/yr as per the Talent Development Policy, which supports employee development in job-related skills and competencies. Participation in the program is voluntary. Numbers do not include training funded through business units' discretionary budgets.

Community Investment

Quantitative Data	2017	2016	2015	GRI Indicator
Cash contribution[34]	**$219,641**	$284,798	$260,969	201-1
In-kind giving, product or service donations (hrs)[35]	**1,046**	1,708	1,185	201-1

34. Total of charitable contributions made by GWLRA, GWLRA employees (e.g. Company-sponsored United Way campaign), or from GWL on GWLRA's behalf to various charitable organizations. Due in part to the decrease in staff in 2017 (refer to HR tables), charitable contributions have declined from previous years.

35. GWLRA employee hours contributed for Habitat for Humanity build days (Halifax, Montreal, Ottawa, Toronto) in 2016.

GRI INDEX

General Standard Disclosure

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102-3	Location of headquarters	2017 Annual Review, Our Approach to Reporting	2
102-4	Location of operations	2017 Annual Review, Who We Are	5
102-5	Ownership and legal form	2017 Annual Review, Who We Are	5
102-6	Markets served	2017 Annual Review, Who We Are	5
102-7	Scale of the organization	2017 Annual Review, Data Tables, Employer of Choice	39
102-8	Information on employees and other workers	2017 Annual Review, Data Tables, Employer of Choice	39
102-9	Supply chain	2017 Annual Review, Integrity and Trust GWLRA Website	34–35 website
102-10	Significant changes to the organization and its supply chain	2017 Annual Review, Data Tables	38–40
102-11	Precautionary Principle or approach	GWLRA Website	website
102-12	External initiatives	GWLRA Website	19 website
102-13	List of the main memberships of industry or other associations, and national or international advocacy organizations	GWLRA Website	19 website
Strategy			
102-14	Statement from senior decision-maker	2017 Annual Review, President's Message	3
102-15	Key impacts, risks, and opportunities	2017 Annual Review, Corporate Governance; Stable Returns	7, 12–16
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102-16	Mechanisms for reporting concerns about unethical or unlawful behaviour	2017 Annual Review, Integrity and Trust GWLRA Website	34 website
102-17	Mechanisms for advice and concerns about ethics	2017 Annual Review, Integrity and Trust GWLRA Website	34 website
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102-18	Governance structure	GWLRA Website	website

General Standard Disclosure

General Standard Disclosure		Section/Location	Annual Review Page
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102-21	Consulting stakeholders on economic, environmental, and social topics	2017 Annual Review, Stakeholder Engagement GWLRA Website	35 website
102-22	Composition of the highest governance body and its committees	GWLRA Website	website
102-23	Chair of the highest governance body	GWLRA Website	website
102-24	Nominating and selecting the highest governance body	GWLRA Website	website
102-25	Conflicts of interest	2017 Annual Review, Integrity and Trust GWLRA Website	34 website website
102-26	Role of highest governance body in setting purpose, values, and strategy	2017 Annual Review, Corporate Governance GWLRA Website	website
102-27	Collective knowledge of highest governance body	2017 Annual Review, Corporate Governance GWLRA Website	website
102-28	Evaluating the highest governance body's performance	2017 Annual Review, Corporate Governance GWLRA Website	website
102-29	Identifying and managing economic, environmental, and social impacts	GWLRA Website	website
102-30	Effectiveness of risk management processes	2017 Annual Review, Risk Management GWLRA Website	7 website
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102-32	Highest governance body's role in sustainability reporting	2017 Annual Review, About This Report	36
102-33	Communicating critical concerns	GWLRA Website	website
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102-40	List of stakeholder groups	2017 Annual Review, Stakeholder Engagement GWLRA Website	35 website
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General Standard Disclosure

General Standard Disclosure		Section/Location	Annual Review Page
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103-1	Explanation of the material topic and its Boundary	GWLRA Website	website
103-2	Management approach and its component	GWLRA Website	website
103-3	Evaluation of the management approach	GWLRA Website	website
GRI 200: ECONOMIC STANDARD SERIES 2016			
201 – Economic performance			
103	Management approach	2017 Annual Review, Stable Returns; Operational Excellence	13–15; 18–22
201-1	Direct economic value generated and distributed	2017 Annual Review, Stable Returns; Data Tables GWLRA Website	12; 40 website website
201-2	Financial implications, risks, and opportunities due to climate change	2017 Great-West Lifeco Carbon Disclosure Project	website website
203 – Indirect economic impacts			
103	Management approach	GWLRA Website	website
203-1	Infrastructure investments and services supported	2017 Annual Review, Livable Communities	15, 31–32
203-2	Significant indirect economic impacts	2017 Annual Review, Livable Communities	31–32
204 – Procurement practices			
103	Management approach	GWLRA Website	website
205 – Anti-corruption			
103	Management approach	GWLRA Website	website
205-2	Communication and training on anti-corruption policies and procedures	GWLRA Website	website
206 – Anti-competitive behavior			
103	Management approach	GWLRA Website	website
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	In 2017, there were no legal actions.	
GRI 300: ENVIRONMENTAL STANDARD SERIES 2016			
302 – Energy			
103	Management approach	2017 Annual Review, Environmental Footprint GWLRA Website	24 website website

Specific Standard Disclosure

Specific Standard Disclosure		Section/Location	Annual Review Page
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302-4	Reduction of energy consumption	2017 Annual Review, Data Tables GWLRA Website	37 website
303 – Water			
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303-1	Water withdrawal by source	2017 Annual Review, Data Tables GWLRA Website	37 website
305 – Emissions			
103	Management approach	2017 Annual Review, Environmental Footprint GWLRA Website	24 website website
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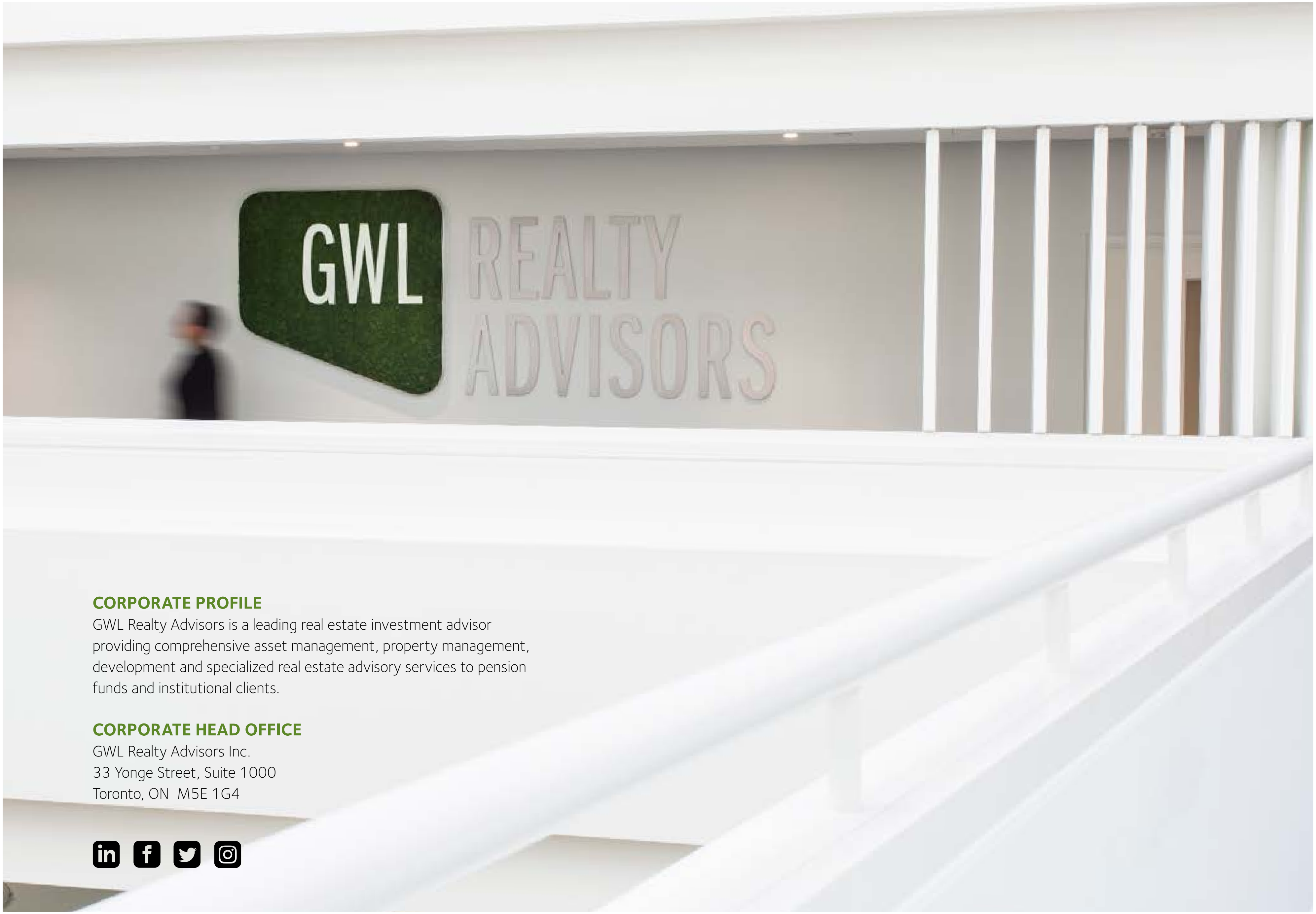
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Environmental Footprint, Data Tables GWLRA Website	37 website
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Environmental Footprint, Data Tables GWLRA Website	37 website
305-4	Greenhouse gas (GHG) emissions intensity	Environmental Footprint, Data Tables GWLRA Website	25, 37 website
305-5	Reduction of greenhouse gas (GHG) emissions	2017 Annual Review, Data Tables GWLRA Website	37 website
306 – Effluents and waste			
103	Management approach	Environmental Footprint	24 website
306-2	Waste by type and disposal method	2017 Annual Review, Data Tables GWLRA Website	37 website

Specific Standard Disclosure

Specific Standard Disclosure		Section/Location	Annual Review Page
307 – Environmental compliance			
103	Management approach	GWLRA Website	website website
307-1	Non-compliance with environmental laws and regulations	In 2017, there were no significant non-compliance issues.	N/A
308 – Supplier environmental assessment			
GRI 400: SOCIAL STANDARD SERIES 2016			
401 – Employment			
103	Management approach	2017 Annual Review, Talent Management	28
401-1	New employee hires and employee turnover	2017 Annual Review, Data Tables	39–40
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	GWLRA Website	N/A website
402 – Labor/management relations			
403 – Occupational health and safety			
103	Management approach	GWLRA Website	N/A website
403-1	Workers' representation in formal joint management-worker health and safety committees	2017 Annual Review, Data Tables	39–40
403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	2017 Annual Review, Data Tables	39–40
404 – Training and education			
103	Management approach	2017 Annual Review, Talent Management GWLRA Website	28 website
404-1	Average hours of training per year per employee	2017 Annual Review, Data Tables	39–40
404-2	Programs for upgrading employee skills and transition assistance programs	2017 Annual Review, Data Tables	39–40
404-3	Percentage of employees receiving regular performance and career development reviews	GWLRA Website	N/A website
405 – Diversity and equal opportunity			
103	Management approach	2017 Annual Review, Integrity and Trust GWLRA Website	28 website
405-1	Diversity of governance bodies and employees	2017 Annual Review, Data Tables GWLRA Website	39 website

Specific Standard Disclosure

Specific Standard Disclosure		Section/Location	Annual Review Page
406 – Non-discrimination			
103	Management approach	2017 Annual Review, Integrity and Trust GWLRA Website	28 website
406-1	Total number of incidents of discrimination and corrective actions taken	In 2017, there were no incidents.	
410 – Security practices			
103	Management approach	GWLRA Website	website
413 – Local communities			
103	Management approach	2017 Annual Review, Livable Communities; Data Tables	31–32, 40
416 – Customer health and safety			
103	Management approach	2017 Annual Review, Operational Excellence	18–19
416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	2017 Annual Review, Data Tables	39
416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	In 2017, there were no non-compliance incidents.	N/A
418 – Customer privacy			
103	Management approach	GWLRA Website	website
419 – Socioeconomic compliance			
103	Management approach	GWLRA Website	website
419-1	Non-compliance with laws and regulations in the social and economic area	In 2017, there were no fines.	N/A



CORPORATE PROFILE

GWL Realty Advisors is a leading real estate investment advisor providing comprehensive asset management, property management, development and specialized real estate advisory services to pension funds and institutional clients.

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