



**Annual Green Bond Use of Proceeds Report
for the period ending December 31, 2021**

3.062% \$500 Million, Series 4 Senior Debentures due 2027

and

2.194% \$500 Million, Series 6 Senior Debentures due 2028

INTRODUCTION

On April 20, 2020 Granite Real Estate Investment Trust and Granite REIT Inc. (collectively “Granite REIT”) completed its Green Bond Framework¹ (the “Framework”) under which Granite REIT or any of its subsidiaries may issue green bonds to finance or re-finance Eligible Green Projects as defined by the Framework. On June 2, 2020, Granite REIT Holdings Limited Partnership, with an unconditional guarantee by Granite REIT (collectively “Granite”), issued its inaugural green bond, 3.062% \$500 million Series 4 Senior Debentures due 2027 (the “2027 Debentures”). Subsequently, on August 30, 2021, Granite issued its second green bond, 2.194% \$500 million Series 6 Senior Debentures due 2028 (the “2028 Debentures” and collectively with the 2027 Debentures, the “Green Bonds”).

Granite obtained an independent second party opinion² from Sustainalytics, a global leader in providing environmental, social and governance (“ESG”) research and analysis, on its Framework, indicating alignment with the International Capital Markets Association Green Bond Principles 2018. Sustainalytics has also completed the annual review of this report.

Pursuant to the Framework, Granite committed to publishing an annual use of proceeds report until the net proceeds of each of the Green Bonds have been fully allocated.

ABOUT GRANITE

Granite is a Canadian-based REIT engaged in the acquisition, development, ownership and management of logistics, warehouse and industrial properties in North America and Europe. As at March 9, 2022, Granite owns 134 investment properties in five countries representing approximately 55.9 million square feet of leasable area.

¹ Granite’s Green Bond Framework complies with the Green Bond Principles developed by the International Capital Markets Association as of June 2018 and is available on Granite’s website: <https://granitereit.com/wp-content/uploads/2020/05/Granite-Green-Bond-Framework.pdf>

² Sustainalytics second party opinion was issued April 2020 and is available on Granite’s website: <https://granitereit.com/wp-content/uploads/2020/05/Granite-REIT-Green-Bond-Framework-Second-Party.pdf>

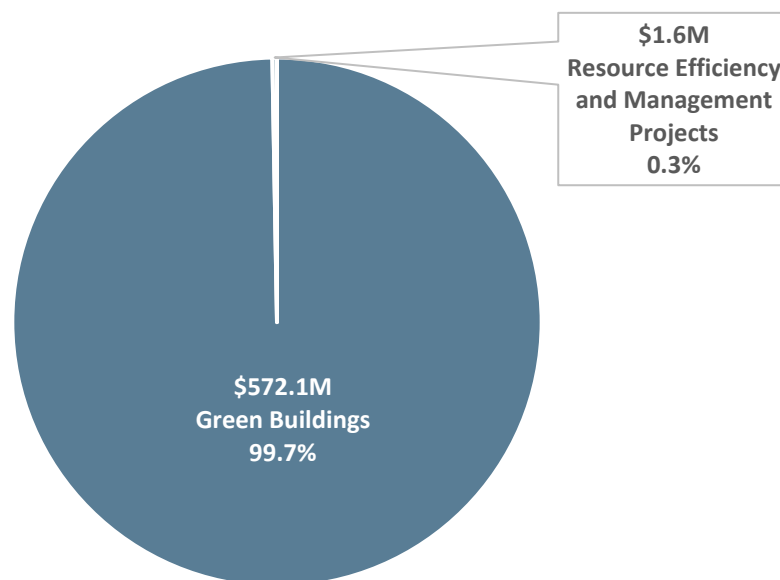
USE OF PROCEEDS SUMMARY AND MANAGEMENT'S ASSERTION

The net proceeds from the 2027 Debentures total \$496.9 million representing gross proceeds of \$500 million less \$3.1 million of transaction costs.

The net proceeds from the 2028 Debentures total \$497.3 million representing gross proceeds of \$500 million less \$2.7 million of transaction costs.

Granite's executive management is responsible for the completeness, accuracy and validity of this Green Bond Use of Proceeds report. Granite management asserts that as at December 31, 2021, Granite has allocated a total of \$573.7 million of net Green Bond proceeds to Eligible Green Projects representing 100% and 15% of the net proceeds of the 2027 Debentures and 2028 Debentures, respectively. 99.7% of total net Green Bond proceeds have been allocated to Green Buildings with the remaining 0.3% of the net Green Bond proceeds having been allocated to Resource Efficiency and Management projects.

\$573.7 MILLION ALLOCATED TO ELIGIBLE GREEN PROJECTS



The tables below summarize the allocated amounts from the net proceeds of the 2027 Debentures and 2028 Debentures, per Eligible Green Project.

Use of Net Proceeds of the 2027 Debentures

Eligible Green Project Category per Framework	Certification Rating ³ (Achieved or Pursuing)	Eligible Investment	Location	Date Completed /Estimated Completion Date	Allocated Net Proceeds (C\$ million)
Green Buildings	LEED Silver (Achieved)	Acquisition of a Green Building located at 3501 North Lancaster Hutchins Road.	Lancaster, Texas, USA	March 1, 2019	106.1
Green Buildings	BREEAM “Excellent” (Achieved)	Acquisition of a Green Building located at Oude Graaf 15.	Weert, Netherlands	May 1, 2020	31.9
Green Buildings	Two Green Globes (Achieved)	Completed development of a Green Building at 1201 Allpoints Court.	Plainfield, Indiana, USA	June 15, 2020	34.1
Green Buildings	BREEAM “Very Good” (Achieved)	Acquisition of a Green Building located at Francis Baconstraat 4.	Ede, Netherlands	July 1, 2020	21.4
Green Buildings	BREEAM “Excellent” (Achieved)	Acquisition and subsequent expansion of a Green Building located at De Kroonstraat 1 and De Poosthoornstraat 2 (expansion).	Tilburg, Netherlands	July 1, 2020 and December 18, 2020 (expansion)	83.8
Green Buildings	BREEAM “Very Good” (Achieved)	Acquisition and subsequent development of a Green Building located at Aquamarijnweg 2.	Bleiswijk, Netherlands	March 13, 2020 and September 1, 2020 (completion)	66.2
Green Buildings	LEED Silver (Achieved)	Acquisition of a Green Building located at 1243 Gregory Drive	Antioch, Illinois, USA	September 2021	56.5
Green Buildings	DGNB Gold (Pursuing)	Development in progress of a Green Building at Im Ghai 36	Altbach, Germany	Certification expected Q2 2022	39.7
Green Buildings	Two Green Globes (Pursuing)	Development in progress of a two Green Buildings at 6710/6702 Purple Sage Road	Houston, Texas, USA	Certification expected Q2 2023	45.0
Green Buildings	Two Green Globes (Pursuing)	Development in progress of a Green Building at 5005 Parker Henderson Road	Fort Worth, Texas, USA	Certification expected Q3 2022	10.6 (partial allocation)

³ See “Certification Rating Organizations” section for additional information on green building certifications.

Use of Net Proceeds of the 3.062% \$500 Million Green Bond (continued)

Eligible Green Project Category per Framework	Certification Rating ³ (Achieved or Pursuing)	Eligible Investment	Location	Date Completed	Allocated Net Proceeds (C\$ million)
Resource Efficiency and Management	N/A	LED lighting retrofits at six properties	Various, Canada, USA	2018- 2021	1.6
Total Net Proceeds Allocated					\$496.9
Portion of Net Proceeds Allocated					100%

Use of Net Proceeds of the 2028 Debentures

Eligible Green Project Category per Framework	Certification Rating ⁴ (Achieved or Pursuing)	Eligible Investment	Location	Date Completed /Estimated Completion Date	Allocated Net Proceeds (C\$ million)
Green Buildings	Two Green Globes (Pursuing)	Development in progress of a Green Building at 5005 Parker Henderson Road	Fort Worth, Texas, USA	Certification expected Q3 2022	20.9 (partial allocation)
Green Buildings	Two Green Globes (Pursuing)	Development in progress of a Green Building at 2120 Logistics Way	Murfreesboro, Tennessee, USA	Certification expected Q4 2022	35.1
Green Buildings	Two Green Globes (Pursuing)	Development in progress of three Green Buildings at 150 Business Park Drive, Highway 109	Lebanon, Tennessee, USA	Certification expected Q1 2023	11.6
Green Buildings	Two Green Globes (Pursuing)	Expansion in progress of a building at 2095 Logistics Drive	Mississauga, Ontario, Canada	Certification expected Q3 2022	9.2
Total Net Proceeds Allocated					\$76.8
Unallocated Net Proceeds					420.5
Total Net Proceeds of Green Bond					\$497.3
Portion of Net Proceeds Allocated					15.4%

⁴ See “Certification Rating Organizations” section for additional information on green building certifications.

Certification Rating Organizations

LEED – Leadership in Energy Environmental Design (“LEED”) is a voluntary, third-party building certification process developed by the U.S. Green Building Council (“USGBC”), a non-profit organization. The USGBC developed the LEED certification process to (i) evaluate the environmental performance from a whole-building perspective over a building’s life cycle, (ii) provide a definitive standard for what constitutes a “green building,” (iii) enhance environmental awareness among architects and building contractors, and (iv) encourage the design and construction of energy-efficient, water-conserving buildings that use sustainable or green resources and materials. Please see www.usgbc.org for more information.

BREEAM – Building Research Establishment Environmental Assessment Method (“BREEAM”) is a global assessment method for masterplanning projects, infrastructure and buildings. BREEAM provides third party certification of the assessment of an asset’s environmental, social and economic sustainability performance, using standards developed by BRE, a division of the BRE Group, headquartered in the United Kingdom.

Green Globes – Green Globes is a U.S. based recognized green rating assessment, guidance and certification program developed by the Green Building Initiative (“GBI”), a non-profit organization and American National Standards Institute Accredited Standards Developer dedicated to improving building performance and reducing climate impacts.

DGNB – refers to the certification system developed by the German Sustainable Building Council that is based on the three central sustainability areas of ecology, economy and sociocultural issues.

Project Evaluation and Selection

Granite has appointed a Green Bond Working Committee (the “Committee”) consisting of members from its real estate, sustainability, legal and finance functions. The Committee identifies projects that satisfy the Eligible Green Projects criteria set forth in the Framework. All identified Eligible Investments included in this report have been approved by Granite’s executive management.

External Review

This report has been reviewed by Sustainalytics, on whether:

1. The Eligible Investments meet the criteria for Eligible Green Projects outlined in the Framework
2. The estimated environmental impact of each Eligible Investment meets the recommendations of the Harmonized Framework for Impact Reporting, as issued by the International Capital Markets Association, December 20, 2020.

Sustainalytics’ limited assurance report can be found in **Appendix A**, appended to this report.

3501 NORTH LANCASTER HUTCHINS ROAD, LANCASTER, TEXAS, USA

SUSTAINABILITY INDICATORS

144.6 kWh/m ²	Annual energy intensity		
39.7%	Annual energy use reduction ¹	50.7%	Annual water use reduction ^{2,3}
56 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity	82.3%	Proportion of construction waste diverted from landfill ⁴
678 tonnes CO ₂ eq or 39.9%	Annual greenhouse gas emissions avoided ²	18,243 m ²	Building area certified as LEED Silver



SILVER



1. Calculated vs. baseline using ASHRAE 90.1 methodology
2. Compared to baseline
3. Design water consumption from flush and flow fixtures, excluding process water and irrigation
4. Based on total amount of construction waste generated that was minimized, reused, or recycled

1201 ALLPOINTS COURT, PLAINFIELD, INDIANA, USA

SUSTAINABILITY INDICATORS

69.5 kWh/m ²	Annual energy intensity		
34%	Annual energy use reduction ¹	26.9%	Annual water use reduction ^{2,3}
15.4 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity	n/a	Proportion of construction waste diverted from landfill ⁴
376 tonnes CO ₂ eq or 34%	Annual greenhouse gas emissions avoided ²	47,470 m ²	Building area certified as Two Green Globes



1. The site had an Energy Star Design Score of 84, which translates to 68 points in Green Globes scoring for item 3.3.1.1.1.1, which is equivalent to a 34% energy reduction vs. baseline using ASHRAE 90.1, per Green Globes scoring
2. Compared to baseline
3. Design water consumption from flush and flow fixtures, excluding process water and irrigation
4. Data was not available to report on this indicator

OUDE GRAF 15, WEERT, NETHERLANDS

SUSTAINABILITY INDICATORS

29.7 kWh/m ²	Annual energy intensity	73.6%	Proportion of on-site renewable energy ²
100%	Annual energy use reduction ¹	n/a	Annual water use reduction ³
-0.9 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity	93%	Proportion of construction waste diverted from landfill ⁴
100%	Annual greenhouse gas emissions avoided ¹	22,126 m ²	Building area certified as BREEAM Excellent



1. Based on building related energy, in comparison with local baseline
2. Proportion of base building energy usage that is generated through rooftop solar PV array
3. Data was not available to report on this indicator
4. Based on total amount of construction waste generated that was minimized, reused, or recycled

FRANCIS BACONSTRAAT 4, EDE, NETHERLANDS

SUSTAINABILITY INDICATORS

31.5 kWh/m ²	Annual energy intensity	12.6%	Proportion of on-site renewable energy ²
11.5%	Annual energy use reduction ¹	24.8%	Annual water use reduction ¹
14.81 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity	91%	Proportion of construction waste diverted from landfill ⁴
n/a	Annual greenhouse gas emissions avoided ³	11,479 m ²	Building area certified as BREEAM Very Good



1. In comparison with local baseline
2. Proportion of energy usage that is generated through rooftop solar PV array
3. Data was not available to report on this indicator
4. Based on total amount of construction waste generated that was minimized, reused, or recycled

DE KROONSTRAAT 1 AND DE POOSTHOORNSTRAAT 2, TILBURG, NETHERLANDS

SUSTAINABILITY INDICATORS

34.0 kWh/m ²	Annual energy intensity ¹	73.8%	Proportion of on-site renewable energy ^{1,3}
100%	Annual energy use reduction ^{1,2}	39.9%	Annual water use reduction ^{1,2}
-0.95 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity ¹	89%	Proportion of construction waste diverted from landfill ^{1,4}
100%	Annual greenhouse gas emissions avoided ^{1,2}	45,242 m ²	Building area certified as BREEAM Excellent ¹



1. Based on combined data for Phase 1 and Phase 2 of constructed building
2. In comparison with local baseline
3. Proportion of energy usage that is generated through rooftop solar PV array
4. Based on total amount of construction waste generated that was minimized, reused, or recycled

AQUAMARIJNWEG 2, BLEISWIJK, NETHERLANDS

SUSTAINABILITY INDICATORS

81.11 kWh/m ²	Annual energy intensity ¹	5.9%	Proportion of on-site renewable energy ³
20%	Annual energy use reduction ²	50%	Annual water use reduction ^{4,5}
17.91 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity ¹	91.3%	Proportion of construction waste diverted from landfill ⁶
62.7%	Reduction in environmental impacts from building materials ⁷	22,319 m ²	Building area certified as BREEAM Very Good



1. Based on office and meeting areas of building (2,324.7 m²)
2. In comparison with local building code
3. Proportion of base building electricity usage that is generated through rooftop solar PV array
4. Design water consumption from flush and flow fixtures, excluding process water and irrigation
5. In comparison with baseline
6. Based on total amount of construction waste generated that was minimized, reused, or recycled
7. Environmental impacts over the entire lifecycle of all materials used in the construction of the building were calculated using a national environmental database and expressed as shadow costs. The materials used in the construction of this building had "shadow costs" of 0.28 €/m², compared to a reference value for a standard building of 0.75 €/m²

1243 GREGORY DRIVE, ANTIOCH, ILLINOIS, USA

SUSTAINABILITY INDICATORS

57.2 kWh/m ²	Annual energy intensity		
28.2%	Annual energy use reduction ¹	30.4%	Annual water use reduction ^{2,3}
11.61 kg CO ₂ eq/m ²	Annual greenhouse gas emission intensity	84.1%	Proportion of construction waste diverted from landfill ⁴
192.05 tonnes CO ₂ eq	Annual greenhouse gas emissions avoided ²	42,204 m ²	Building area certified as LEED Silver



SILVER



1. Calculated vs. baseline using ASHRAE 90.1 methodology
2. Compared to baseline
3. Design water consumption from flush and flow fixtures, excluding process water and irrigation
4. Based on total amount of construction waste generated that was minimized, reused, or recycled

RESOURCE EFFICIENCY AND MANAGEMENT PROJECTS

SUSTAINABILITY INDICATORS

Property Address	Project Description	Annual Energy Savings ¹	Annual reduction of greenhouse gas emissions ²
39600 Lewis Drive, Novi, MI	LED lighting upgrade of exterior lights	66.54 MWh or 65%	41.6 tonnes CO ₂ eq
535 Gateway Blvd., Monroe, OH	LED lighting upgrades ³	1,345.59 MWh or 55%	926 tonnes CO ₂ eq
101 Clyde Alexander Lane, Pooler, GA	LED lighting upgrade	427.98 MWh or 53%	210 tonnes CO ₂ eq
201 Sunridge Blvd, Wilmer, TX	LED lighting upgrade	2,401.15 MWh or 73%	1,306 tonnes CO ₂ eq
600 Tesma Way, Concord, ON	LED lighting upgrades ³	312.04 MWh or 57%	9.4 tonnes CO ₂ eq
6201 Green Pointe Drive South, Groveport, OH	LED lighting upgrades	287.53 MWh or 37%	194.4 tonnes CO ₂ eq

- Based on assumed number of hours of usage and compared against energy usage from previously existing system.
- Carbon intensity for electricity supply obtained from following sources:
 - Michigan electricity profile 2019 (<https://eia.gov/electricity/state/Michigan>)
 - Ohio electricity profile 2019 & 2020 (<https://eia.gov/electricity/state/Ohio>)
 - Georgia electricity profile 2019 (<https://eia.gov/electricity/state/Georgia>)
 - Texas electricity profile 2019 (<https://eia.gov/electricity/state/Texas>)
 - Ontario Power Generation Climate Change 2020 Report (<https://www.opg.com/documents/opg-climate-change-plan-2020/>)
- Combined data for the two LED lighting retrofits completed at this property

APPENDIX A

Granite REIT

Type of Engagement: Annual Review

Date: February 22, 2022

Engagement Team:

Hrithik Sharma, hrithik.sharma@sustainalytics.com, (+1) 647 951 3309

Ayaka Okumura, Ayaka.Okumura@morningstar.com

Introduction

In June 2020, Granite REIT Holdings Limited Partnership¹, with an unconditional guarantee by Granite Real Estate Investment Trust and Granite REIT Inc. (collectively, "Granite") issued its inaugural CAD 500 million senior unsecured debentures (the "2027 Debentures"). Subsequently, Granite issued CAD 500 million senior unsecured debentures in August 2021 (the "2028 Debentures", and collectively with the 2027 Debentures, the "Green Bonds"). The Green Bonds have financed projects² from two of the six categories listed in the Framework, namely – Green Buildings and Resource Efficiency & Management. In April 2020, Sustainalytics provided a Second-Party Opinion³ on the Granite REIT Green Bond Framework (the "Framework").⁴ In February 2022, Granite engaged Sustainalytics to review the projects funded through the Green Bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the Framework.

As of December 31, 2021, Granite allocated a total of CAD 496.9 million of net proceeds to 11 green buildings and six energy efficiency projects through the 2027 Debenture issuance and CAD 76.8 million to six green building projects through the 2028 Debenture issuance.

Evaluation Criteria

Sustainalytics evaluated the projects funded by the Green Bonds based on whether the selected projects:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the Framework.

Table 1 lists the Use of Proceeds, Eligibility Criteria, and associated KPIs.

Table 1: Use of Proceeds, Eligibility Criteria, and associated KPIs

Use of Proceeds	Eligibility Criteria	Key performance indicators (KPIs)
Green Buildings	<p>Investments related to the purchase, development, re-development or improvement of logistics, e-commerce, warehouse and industrial properties that have received or are expected to receive at least one of the following green building certifications (or other equivalent green certification):</p> <ul style="list-style-type: none"> - LEED: Silver, Gold, Platinum - DGNB: Silver, Gold, Platinum - BREEAM: Very Good, Excellent, Outstanding - Green Globes: Two, Three, Four <p>Buildings with LEED Silver, DGNB Silver or Two Green Globes certifications will also be</p>	Level of green building certifications

¹ Granite REIT Holdings Limited Partnership is a wholly owned subsidiary of Granite Real Estate Investment Trust.

² As of December 31, 2021.

³ Sustainalytics' Second-Party Opinion on the Framework is available at: https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/granite-reit-green-bond-framework-second-party-opinion.pdf?sfvrsn=8c767ae_3

⁴ The Granite Green Bond Framework is available at: <https://granitereit.com/wp-content/uploads/2020/05/Granite-Green-Bond-Framework.pdf>

	confirmed to have been designed to achieve a 20 to 30% energy efficiency improvement.	
Resource and Energy Efficiency	Investments that improve energy or water efficiency greater than 15%, or make other environmentally beneficial improvements to properties or land including, but not limited to, investments in: <ul style="list-style-type: none"> - LED and other energy efficient lighting - Cool roof and other sustainability-oriented construction materials - Smart meters - Energy storage - Xeriscaping/drought-tolerant landscaping - Sustainable drainage systems - Water and energy-saving technologies and materials 	Annual greenhouse gas emissions reduced /avoided
Clean Transportation	Investments in infrastructure to accommodate electric vehicles or other clean transportation.	Annual greenhouse gas emissions reduced /avoided
Renewable Energy	Investments aimed at providing renewable energy including, but not limited to, wind, solar or geothermal. Geothermal projects are expected to result in direct emissions <100 grams of CO ₂ /kWh.	Annual energy saved or renewable energy generated
Pollution Prevention & Control	Remediation of contaminated soil and other construction waste diversion.	Annual greenhouse gas emissions reduced/avoided
Biodiversity and Conservation	Tree planting and ecological restoration to preserve biodiversity and native ecosystems.	Natural capital value (i.e. trees planted)

Issuing Entity's Responsibility

Granite is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated, and project impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of Granite's Green Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from Granite employees and review of documentation to confirm the conformance with the Framework.

Sustainalytics has relied on the information and the facts presented by Granite with respect to the financed Projects. Sustainalytics is not responsible, nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by Granite.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the review.

Conclusion

Based on the limited assurance procedures conducted,⁵ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of the

⁵ Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Green Bonds, are not in conformance with the Use of Proceeds and Reporting criteria outlined in the Framework. Granite has disclosed to Sustainalytics that 100% of the proceeds from the 2027 Debentures and 15.4% of the proceeds from the 2028 Debentures have been allocated, as of December 31, 2021.

Detailed Findings

Table 2: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the projects funded by the Green Bonds to determine if projects aligned with the Use of Proceeds Criteria outlined in the Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
Reporting Criteria	Verification of the projects funded by the Green Bonds to determine if impact of projects was reported in line with the KPIs outlined in the Framework and above in Table 1. For a list of reported KPIs reported, please refer to Appendices 1 and 2.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	None

Appendices

Appendix 1: Impact and Allocation Reporting for the 2027 Debentures⁶

Use of Proceeds Category	Financed Projects Reported by Eligibility Criteria	Environmental Impact Reported by Eligibility Criteria (For buildings that have already achieved a specified level of green building certificate)							Allocated Amount (CAD – Mn)
		Certification ^{7,8}	Building area certified (m ²)	Annual energy intensity ⁹ (kWh/m ²)	Annual energy use reduction ¹⁰ (%)	Annual GHG emission avoided ¹¹ (tonnes CO ₂ or %)	Proportion of on-site renewable energy ¹² (%)	Annual water use reduction compared to baseline ¹³ (%)	
Green Buildings	Acquisition of an existing green building located at 3501 North Lancaster Hutchins Road, US	LEED Silver (Achieved)	18,243	144.6	39.7	678	NA	50.7	106.1
	Acquisition of a green building located at Oude Graaf 15, Netherlands	BREEAM Excellent (Achieved)	22,126	29.7	100	100%	73.6	NA ¹⁴	31.9
	Completed development of a new green building at 1201 Allpoints Court, US	Two Green Globes (Achieved)	47,470	69.5	34	376	NA	26.9	34.1
	Acquisition of a green building located at Francis Baconstraat 4, Netherlands	BREEAM Very Good (Achieved)	11,479	31.5	11.5	NA	12.6	24.8	21.4
	Acquisition and subsequent expansion of a green building located at De Kroonstraat 1 and De Poosthoornstraat 2	BREEAM Excellent (Achieved)	45,242	34	100	100%	73.8	39.9	83.8

⁶ As of December 31, 2021.

⁷ For some projects, only parts of a building are certified green.

⁸ Granite has confirmed that all existing and new LEED Silver and Two Green Globes buildings are (being) designed to achieve at least 20% energy efficiency improvement (or performance) over respective baselines.

⁹ For some projects, only parts of a building are considered for measuring energy use intensity.

¹⁰ For Green Building projects, the baselines for respective projects are mentioned in Granite's Annual Green Bond Use of Proceeds Report (ending December 31, 2021).

¹¹ *Ibid.*
¹² Proportion of base building energy usage that is generated through rooftop solar PV array.

¹³ Granite has communicated that estimations for some of the projects include design water consumption from flush and flow fixtures and exclude process water and irrigation.

¹⁴ Data was not available to report on this indicator.

	(expansion), Netherlands								
	Acquisition and subsequent development of a green building located at Aquamarijnweg 2, Netherlands	BREEAM Very Good (Achieved)	22,319	81.11	20	62.7 ¹⁵	5.9	50	66.2
	Acquisition of an existing green building located at 1243 Gregory Drive, US	LEED Silver (Achieved)	42,204	57.2	28.2	192.05	NA	30.4	56.5
	Development in progress of a green building at Im Ghai 36, Germany	DGNB Gold (Pursuing)	Not applicable						39.7
	Development in progress of two new green buildings at 6710/6702 Purple Sage Road, US	Two Green Globes (Pursuing)							45.0
	Development in progress of a new green building at 5005 Parker Henderson Road, US	Two Green Globes (Pursuing)							10.6
Resource and Energy Efficiency	LED lighting upgrade of exterior lights at 39600 Lewis Drive, Novi, MI	Not applicable			65	41.6	Not applicable		1.6
	LED lighting upgrades at 535 Gateway Blvd., Monroe, OH				55	926			
	LED lighting upgrade at 101 Clyde Alexander Lane, Pooler, GA				53	210			
	LED lighting upgrade at 201 Sunridge Blvd, Wilmer, TX				73	1,306			
	LED lighting upgrades at 600 Tesma Way, Concord, ON				57	9.4			

¹⁵ Reduction in environmental impacts from building materials. The estimation methodology is disclosed in Granite's Annual Green Bond Use of Proceeds Report (ending December 31, 2021).

	LED lighting upgrades at 6201 Green Pointe Drive South, Groveport, OH		37	194.4		
Allocated proceeds (CAD – Mn)						496.9
Net proceeds raised from the issuance (CAD – Mn)						496.9
Unallocated proceeds (CAD - Mn)						0
Percentage of net proceeds allocated						100%

Appendix 2: Impact and Allocation reporting for the 2028 Debentures¹⁶

Use of Proceeds Category	Financed Projects Reported by Eligibility Criteria	Certification ^{17,18}	Allocated Amount (CAD - Mn)
Green Buildings	Development in progress of a new green building at 5005 Parker Henderson Road, US	Two Green Globes (Pursuing)	20.9
	Development in progress of a new green building at 2120 Logistics Way, US	Two Green Globes (Pursuing)	35.1
	Development in progress of three new green buildings at 150 Business Park Drive, Highway 109, US	Two Green Globes (Pursuing)	11.6
	Expansion in progress of a building at 2095 Logistics Drive, Canada	Two Green Globes (Pursuing)	9.2
Allocated proceeds (CAD - Mn)			76.8
Net proceeds raised from the issuance (CAD – Mn)			497.3
Unallocated proceeds (CAD - Mn)			420.5
Percentage of net proceeds allocated			15.4%

¹⁶ As of December 31, 2021.

¹⁷ For some projects only parts of a building are certified green. The total floor area included for each project is indicated in Granite's Green Bond Report.

¹⁸ Granite has confirmed that all Two Green Globes buildings/expansions are being designed to achieve at least 20% energy efficiency performance over respective baselines.

Disclaimer

Copyright ©2022 Sustainalytics. All rights reserved.

The information, methodologies and opinions contained or reflected herein are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data), and may be made available to third parties only in the form and format disclosed by Sustainalytics, or provided that appropriate citation and acknowledgement is ensured. They are provided for informational purposes only and (1) do not constitute an endorsement of any product or project; (2) do not constitute investment advice, financial advice or a prospectus; (3) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (4) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; and/or (5) have not and cannot be incorporated into any offering disclosure.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2021, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the fourth consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2021 for the third consecutive year. For more information, visit www.sustainalytics.com.

