



2017
GLOBAL CITIZENSHIP
REPORT





“Our approach to Global Citizenship resonates with clients who, like us, want to be both financially successful and socially and environmentally responsible.”

Mark Rose
Chairman and CEO

Our Services

- Transaction services, including tenant and landlord representation
- Consulting and advisory services
- Investment management
- Debt capital services
- Management services, including property/facility management
- Enterprise Solutions

Avison Young is a full-service commercial real estate services firm with a unique model, culture and approach. We are a private, principal-led company, designed to put our clients and their success at the centre of everything we do.

Avison Young is the world's fastest-growing commercial real estate services firm. Headquartered in Toronto, Canada, we are a collaborative global company owned and operated by our principals. Founded in 1978, the firm comprises 2,600 real estate professionals in 84 offices across six countries. We provide value-added, client-centric investment sales, leasing, advisory, management, financing and mortgage placement services to owners and occupiers of office, retail, industrial, multi-family, hospitality and specialty properties.



84 offices in 6 countries

1,100+

Brokers

2,600+

Real estate professionals

75

Markets

1,500+

Total project management assignments completed annually

110M+

Square feet of property under management

\$750M

Assets under management (C\$)

A MESSAGE FROM THE CEO



We are pleased to present our fourth annual Global Citizenship Report. This report provides a comprehensive picture of who we are, how we work and what we care about. It's also an opportunity to recognize the work of our talented and committed team.

Global Citizenship is the umbrella name of our sustainability, corporate social responsibility and philanthropy strategy. Our strategy encompasses our commitment to corporate governance, operational sustainability, corporate and employee philanthropy, diversity and inclusion, continuous training, and employee health and wellness, including mental health. While helping clients on their sustainability journey is a clear priority, our approach also leverages our differentiated structure, and our caring and collaborative culture, to make a broader, lasting contribution to our communities.

Since its introduction in 2014, Global Citizenship is becoming embedded in the fabric of our organization. We're getting better at integrating sustainability criteria into our planning, decision-making and operations – and at helping our clients do the same. It's clear that our approach resonates with clients who, like us, want to be both financially successful and socially and environmentally responsible.

To arrive at this point, we have benefited from strong leadership by our Global Citizenship affinity group which keeps us on track to meet our 2030 aspirational goals.

We have placed a heavy emphasis on training and implementation. For example, our asset managers now perform annual benchmark reporting and integrate findings into capital expense and upgrade budgets, thereby ensuring improved ratings year over year and deepening their understanding of what's important from a sustainability perspective.

As an organization, we have been more involved in sustainability-related industry initiatives such as the Carbon Impact Initiative in Ontario, the U.S. Green Building Council's Greenbuild Conference, and the U.K. Property Directors' Forum. These forums, among others, provide opportunities to share, learn and advance our industry's performance on issues such as climate change.

We have improved the quality and accuracy of environmental data

2017 HIGHLIGHTS

collected from our own offices, and are getting to a place where we will have enough data to conduct analyses and plan for meaningful reductions. In the meantime, we are pleased to report that despite occupying more square footage company-wide in 2017, our electricity consumption declined by 9.8% from 2016 and greenhouse gas (GHG) emissions were down 11.6%.

We have also been very deliberate about building a culture that supports diversity and inclusion, employee health and wellness, and community giving and volunteerism. Notably, our fourth annual dAY of Giving was our largest and most successful yet, with staff from 80 offices dedicating more than 6,875 total volunteer hours to 70 local charities and organizations. We invite you to read about these efforts on pages 12 and 13.

I would like to thank all of our professionals and employees for embracing our Global Citizenship strategy. You have helped us become an industry leader in sustainable real estate solutions. I could not be prouder of what we've achieved together and how we've positioned Avison Young for the future.

Sincerely,



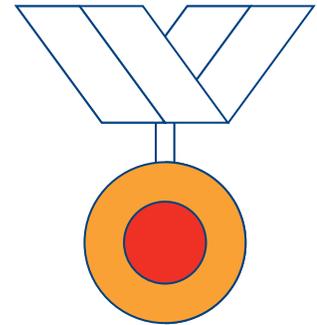
MARK ROSE

Chairman and CEO

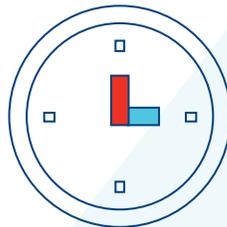
June 2018

7x

Platinum status in the Canada's Best Managed Companies program by retaining the Best Managed designation for seven consecutive years



Three Green Stars earned in the 2017 GRESB survey and a 62% improvement in our overall rating since our initial submission in 2015



6,875+

Total dAY of Giving volunteer hours

Minimizing Risk, Maximizing Health (MRMH) Award from Assurance for our focus on healthcare consumerism and employee wellness



9.8%

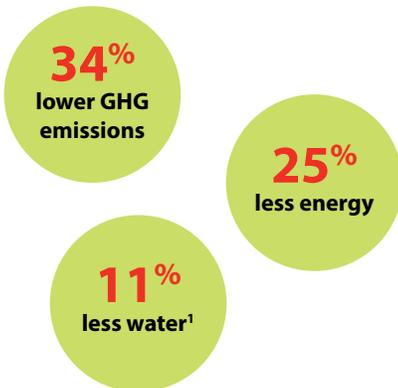
Reduction in electricity use in Avison Young offices compared to 2016 along with an 11.6% reduction in GHG emissions

THE CASE FOR GREEN BUILDINGS

As a real estate company, we think a lot about buildings. We also spend most of our time in them – as does everybody else. There’s an oft-quoted statistic in our industry that people spend 90% of their time indoors. Another fact that’s often lost in climate change discussions is that buildings account for approximately one-half of all GHG emissions (the exact amount depending on the fuel composition of the utility grid in the region), with commercial buildings constituting 50% of that.

Buildings play critical social and economic roles in our society. However, we also need to pay attention to their impact on our collective health and well-being and our natural environment. That’s why, at Avison Young, we advocate for green buildings and work closely with our clients to maximize the benefits of their investments.

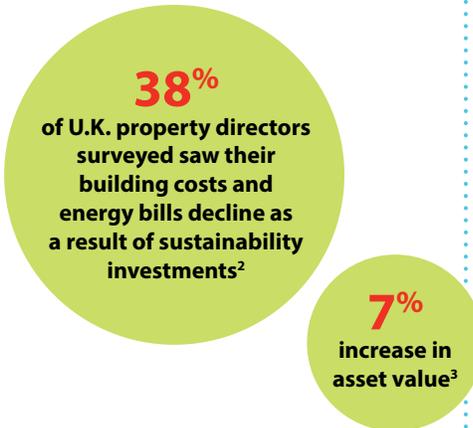
BETTER FOR THE ENVIRONMENT



Green buildings reduce or eliminate negative impacts on the environment by using less water, energy or other natural resources. In many cases, they can have a positive impact by generating their own energy or increasing biodiversity.

¹ LEED-certified buildings in the U.S. have been shown to have 34% lower CO₂ emissions and consume 25% less energy and 11% less water than non-green buildings. (source: <https://www.usgbc.org/articles/green-building-facts>)

BETTER FOR BUSINESS

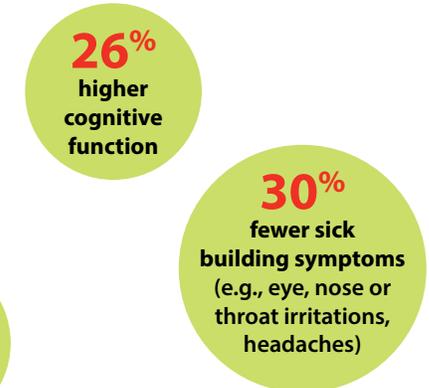


Green buildings save money through reduced energy and water consumption and lower long-term operations and maintenance costs. They also lead to greater tenant satisfaction and renewals.

² <http://www.propertydirectorsforum.com/assets/Property-Directors-Forum-Event-Survey-Report-June-2017.pdf>

³ Building owners report that green buildings – whether new or renovated – command a 7% increase in asset value over traditional buildings – Dodge Data & Analytics, 2016. (source: <http://www.worldgbc.org/benefits-green-buildings>)

BETTER FOR PEOPLE



Occupants of green-certified, high-performing buildings have shown to have higher cognitive function scores, sleep better and report fewer health symptoms compared to those in similarly high-performing buildings that were not green-certified.⁴

⁴ “The impact of working in a green certified building on cognitive function and health,” March, 2017. (source: <https://www.sciencedirect.com/science/article/pii/S0360132316304723>)



GLOBAL CITIZENSHIP STRATEGY AND OUR FIVE PILLARS

Global Citizenship is a focused strategy aimed at helping our clients, employees and partners identify, evaluate and act on environmental, social and governance (ESG) trends. Our strategy covers priority areas, or “pillars,” related to all aspects of our business. For each pillar, we have identified a 2030 aspirational goal, interim milestones and specific performance metrics.



Creating a Culture of Excellence

We “deliver different” by supporting a culture of excellence that enables us to attract, retain and develop the best people in our industry, which in turn positions us to achieve the vision described by the Five Pillars of our culture.



Helping Clients Achieve Excellence

By providing our clients with industry-leading strategies that work, we help them achieve excellence by integrating sustainability into their financial, operational and cultural goals.



Delivering Our Difference

Customer-focused and principal-led, we are accountable beyond individual assignments and transactions. As we demonstrate leadership in corporate social responsibility and sustainability, we further align our company with the long-term needs of our clients.



Achieving Operational Excellence

By aiming for the highest achievable standards in sustainable operations, we set an example that demonstrates our commitment and capabilities – and this ultimately contributes to our bottom line.



Supporting Our Communities

We believe the activities and actions of our people – at both the corporate and individual levels – should always have a net positive impact on the communities in which we operate.

Supporting Our Pillars

- Open-source solutions
- Honesty and integrity
- A principal-led business model
- Investing in our people
- Elimination of service silos

CREATING A CULTURE OF EXCELLENCE

Our culture of caring, communication and collaboration creates an environment conducive to attracting diverse and talented individuals and achieving personal and business success.

Focus on Health and Wellness

We believe our employees perform best when they are feeling their best. That's why health and wellness is a cultural foundation of the company. Our wellness program includes personal coaching and an annual wellness challenge to inject fun and friendly competition into getting healthy.

In 2017, Assurance recognized Avison Young as a Minimizing Risk, Maximizing Health (MFMH) Award recipient for our focus on health care consumerism and employee wellness. Our efforts included an engaging communication campaign to encourage our U.S.-based employees to participate in the firm's wellness initiatives and to enroll in our health savings account (HSA) insurance plans.

736

Vitality Health reviews completed by Avison Young members



488,909,989 steps taken by Avison Young employees in 2017 – equivalent to circling the earth 9.8 times

Semi-annual town hall conference calls for all 2,600 Avison Young employees in six countries promote a culture of collaboration and transparency.

Building Tomorrow's Leaders

Our Emerging Leaders training program is tailored to commercial real estate professionals with less than five years of experience. The multi-year curriculum includes in-person and web-based sessions covering a wide range of industry topics. We want to cultivate the next generation of commercial real estate leaders and this program is an important starting point. There were more than 300 people enrolled in the program in 2017. Four of the 15 new principals named in early 2018 were selected from this group.

Commitment to Diversity and Inclusion

We make it a priority to build a team with a wide range of backgrounds, culture and experiences, and to encourage people to share their diverse ideas and opinions. In a male-dominated industry, women make up nearly 40% of our company and include 38 principals. We have a Diversity and Inclusion affinity group as well as a 380-member Women's Network focused on empowering women to advance their careers and the company's business. Our mentorship program encourages self-development and provides a means for women to seek guidance and support from seasoned colleagues.



Culture Matters training conducted in offices across North America focused on changing demographics in the workforce and Avison Young's support for diversity and inclusion.

HELPING CLIENTS ACHIEVE EXCELLENCE

Clients are at the centre of Avison Young's business model. By thinking holistically, we help our partners achieve their business targets and sustainability goals.



CASE STUDY 1

TD Bank's Princeton Store Wins LEED Project of the Year-Interiors



TD Branch, Princeton University

"As TD Bank's newest retail store, the Princeton University location is a prime example of a best-in-class real estate solution that adheres to economic, social and environmental sustainability," said Tracey Kasper, Principal, New Jersey Project Management. "LEED and WELL-based strategies were implemented in the design standards to optimize building performance for human health and the local environment."

WELL features include:

- Access to daylight, glare control on the windows, and lighting systems that support the body's natural circadian rhythm and psychological health and improve alertness throughout the day.
- Enhanced filtration and cleaning protocols to improve indoor air quality and make it easier for customers and employees to concentrate.
- Paints, finishes and cleaning products selected with low environmental impact on indoor air quality.
- A water purification system that enhances drinking water that already meets EPA standards.

The interior of the Princeton store incorporates a sustainable, naturally preserved biophilia wall of shamrock ivy to connect people with nature. The wall also symbolizes the Princeton University tradition of planting the ivy.

As TD's second retail project in the U.S. to register for dual LEED and WELL certification, the project team, which included Core States Group, Builders Inc., Delos Solutions and Avison Young, integrated several design features and concepts from some of the core building certification categories. The project was recognized at the U.S. Green Building Council New Jersey 2018 Awards Gala as the LEED Project of the Year-Interiors.

Fielder Square Apartments



CASE STUDY 2

Fielder Square Apartments Switches to Savings

Electricity consumption in the parking garage at the Fielder Square Apartments in Memphis, Tennessee, was about 62% lower than its baseline level in 2017 as a result of a lighting retrofit initiated by the Avison Young investment team the year before. All HID metal halide lighting in the garage was replaced by high-efficiency LED lighting, saving more

than 98 kWh of electricity in 2017 alone. Given the success, all common area fluorescent lighting throughout the property was upgraded to LEDs in 2017. Occupancy sensors were also added to select locations throughout the property in an attempt to lower energy consumption even further. These savings will be measured in 2018.

WELL Gains Momentum

“WELL is the new ‘in’ thing for clients, who increasingly opt for natural daylight, health and wellness programs, and environments that provide incentives to be active,” said Tracey Kasper, Principal, New Jersey Project Management. Designed to work harmoniously with LEED and other leading international green building systems, WELL is the first building standard to focus exclusively on the health and wellness of the people in buildings. The standards cover seven core concepts that impact occupant health: air, water, nourishment, light, fitness, comfort and mind.

GRESB Green Star Awards

Avison Young earned three Green Stars on behalf of our clients’ assets in the 2017 Global Real Estate Sustainability Benchmark survey, with an overall rating that has increased by 62% since our initial submission in 2015. GRESB is an industry-driven organization that assesses the ESG performance of real estate portfolios around the globe. “We are extremely proud of our continuous improvement and progressive ESG strategy,” said Amy Erixon, Principal and Managing Director, Investments. “Achieving a high GRESB score sets our company apart as a best-managed organization with industry leaders.”

DELIVERING OUR DIFFERENCE

By demonstrating leadership in corporate social responsibility and sustainability, we further align ourselves with the long-term needs of our clients.



To ensure we maintain our high ethical standards, we launched a robust global compliance initiative in 2017 beginning with a comprehensive review of policies and guidelines to reflect a global, multi-line organization. The program, which is rolling out in 2018, will incorporate ethics training and an anonymous hotline for reporting any suspected unethical behaviour by Avison Young people or vendors. Pamela Mazza, Principal and Chief Human Resources Officer, was appointed Chief Compliance Officer.

Making Global Citizenship Work

Our approach to Global Citizenship leverages Avison Young's unique structure of affinity groups to drive progress. The 40-member Global Citizenship affinity group, comprising a diverse mix of people from across service lines and geographies, creates the annual plan and budget, implements specific initiatives working in subcommittees and with other affinity groups, and tracks progress towards our 2030 aspirational goals.

Leadership of the Global Citizenship group rotates among members. In 2017, Rodney McDonald, a founding member who had served as the group's leader since its inception, passed the baton to Aaron Prager, Director, Capital Markets, at our New York office. "We can't thank Rodney enough for getting Global Citizenship up and running," said Prager. "Rodney is a prominent speaker and thought leader for Avison Young and the commercial real estate industry on issues of sustainability and global citizenship. We look forward to his continued contributions as a vital member of the group."

Thought Leaders in Sustainability

"Building Lasting Change" at CaGBC conference: We were a proud sponsor of Canada Green Building Council's 2017 conference in Vancouver, BC. Amy Erixon, Principal and Managing Director, Investments, participated on a panel discussing commercial real estate investment in a low-carbon future.

U.S. Green Building Council's Greenbuild conference: Avison Young sponsored the annual conference in Boston, which attracted more than 24,000 industry leaders, experts and professionals. The conference highlighted breakthroughs in net zero design, renewable energy, high-performance building materials, wellness in buildings, and a new benchmark for sustainable cities.

Property Directors Forum: We sponsor and manage this exclusive organization for occupier clients in the U.K. This includes hosting events with industry-leading speakers and experts on current topics. The June 2017 session in London tackled "Current Drivers and Initiatives in Sustainability" in the context of new minimum energy efficiency standards that are being phased in across the U.K.

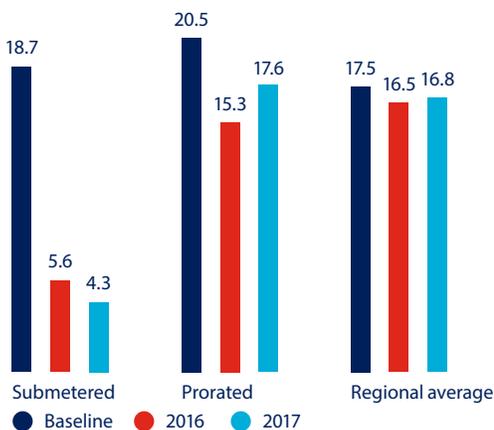
ACHIEVING OPERATIONAL EXCELLENCE

We want to set an example of excellence by being models of resource efficiency and good environmental practice in our own offices.

Tracking Our Progress

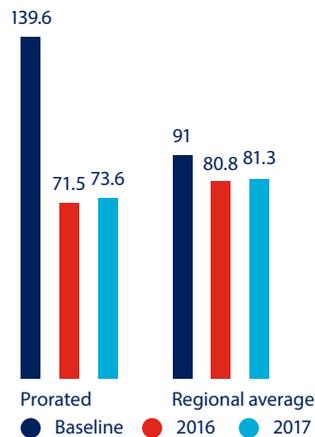
Our internal initiatives are focused in the areas where we can have the greatest impact, namely energy, water and GHG (CO₂e) emissions. Over the past three years, we've improved the quality and accuracy of environmental data collected from our own offices to the point where we will soon have enough data to conduct analyses and set meaningful reduction targets. Office champions at each location help drive our efforts.

Electricity Intensity kWh/sf



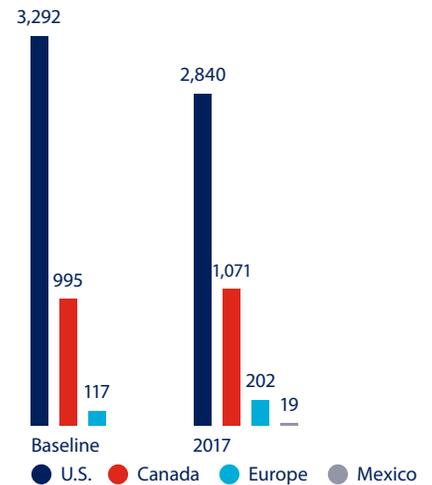
While progress on electricity use intensity was mixed, total electricity consumption declined by 9.8% from 2016 to 2017 (from 9.54 million kWh to 8.60 million kWh).

Water Intensity L/sf



Water use intensity rose slightly in 2017 reflecting the balance of decreases in both total consumption and total floor area.

GHG Emissions tCO₂e



Total GHG emissions declined by 11.6% from 2016 to 2017. The decrease reflects a combination of a shift towards office-level submetered data, a reduction in leased floor area and changes to energy performance.

Baseline = 2014 performance. **Submetered** = actual consumption measured at our offices. **Prorated** = consumption calculated as a part of whole-building consumption. **Regional average** = consumption deemed equal to average in region.

Emission factors sources: U.S. EPA, 2018, eGRID, 2016; Environment Canada, 2018, Canada's National Inventory Report, 1990–2016; DBEIS, 2017, Conversion Carbon Factors; IEA, Paris, CO₂ Emissions from Fuel Combustion, 2013; EU Mayors, 2014, Sustainable Energy Action Plan

PITCHING IN FOR THE PLANET

Several Avison Young offices chose to support local environmental causes during our annual dAY of Giving. This included cleaning up beaches and riverfronts and revitalizing parks and community gardens.



Health and well-being actions or attributes, building certifications, and lighting and water conservation initiatives are the most common sustainability features across all Avison Young offices.

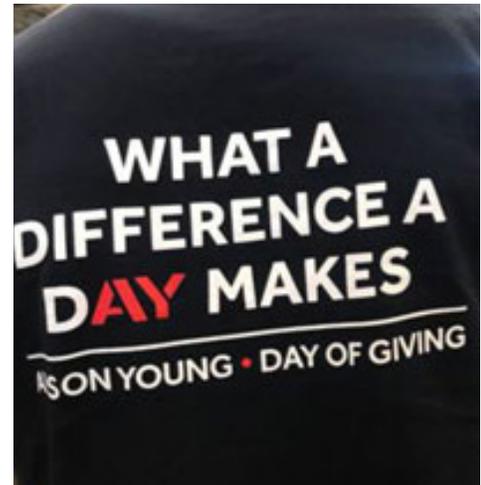
SUPPORTING OUR COMMUNITIES

Supporting local causes through fundraising, volunteering and pro bono support is a big part of our culture and our contribution to healthy, sustainable communities.

Fourth Annual dAY of Giving

On October 19, Avison Young staff from 80 offices around the world dedicated 6,877 total volunteer hours to more than 70 charities during our fourth annual dAY of Giving. Each office chose its community volunteer project in consultation with the charity that received the assistance. “The dAY of Giving is representative of our perpetual culture of care and inclusiveness,” said Jason Sibthorpe, Principal and Managing Director of the firm’s U.K. region. “Diverse people and organizations around the world benefit from our dAY of Giving, and it gives us the opportunity to show genuine community support and global citizenship – rather than make token gestures designed to bolster the bottom line. It is our privilege and, I believe, our responsibility to make a positive, meaningful impact on others’ lives.”

Avison Young’s Atlanta office staff spent the day at the Furniture Bank, which helps recycle gently used furniture for donation to individuals and families moving out of homelessness and fleeing domestic violence.





(Top) Members of the Greater Toronto Area team assembled food packages for the Seva Food Bank in Mississauga ON, an initiative of Sikhs Serving Canada Association. (Bottom left) In Indianapolis IN, Avison Young staff helped maintain facilities for Agape, which provides therapeutic riding services to people with disabilities. (Bottom right) In Hamburg, Germany, staff got crafty with children at Kita Zauberburg daycare centre.

Around-the-Year Support

Throughout the 2017–18 school year, our New York and Chicago offices partnered with local inner-city high school work/study programs to provide internships for students. The interns spent one day a week in the Avison Young offices learning about the commercial real estate business and honing their office skills.

To keep tabs on volunteer hours, we recently invested in GozAround, a philanthropy tracking software. This new platform will increase employee engagement and provide an accurate measure of our philanthropic activities as requested by our clients, partners and employees.



DGNB
Deutsche Gesellschaft für Nachhaltiges Bauen e.V.
German Sustainable Building Council



Platinum member

For more information about our Global Citizenship initiatives,
please visit us online at [avisonyoung.com/about/global-citizenship](https://www.avisonyoung.com/about/global-citizenship),
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