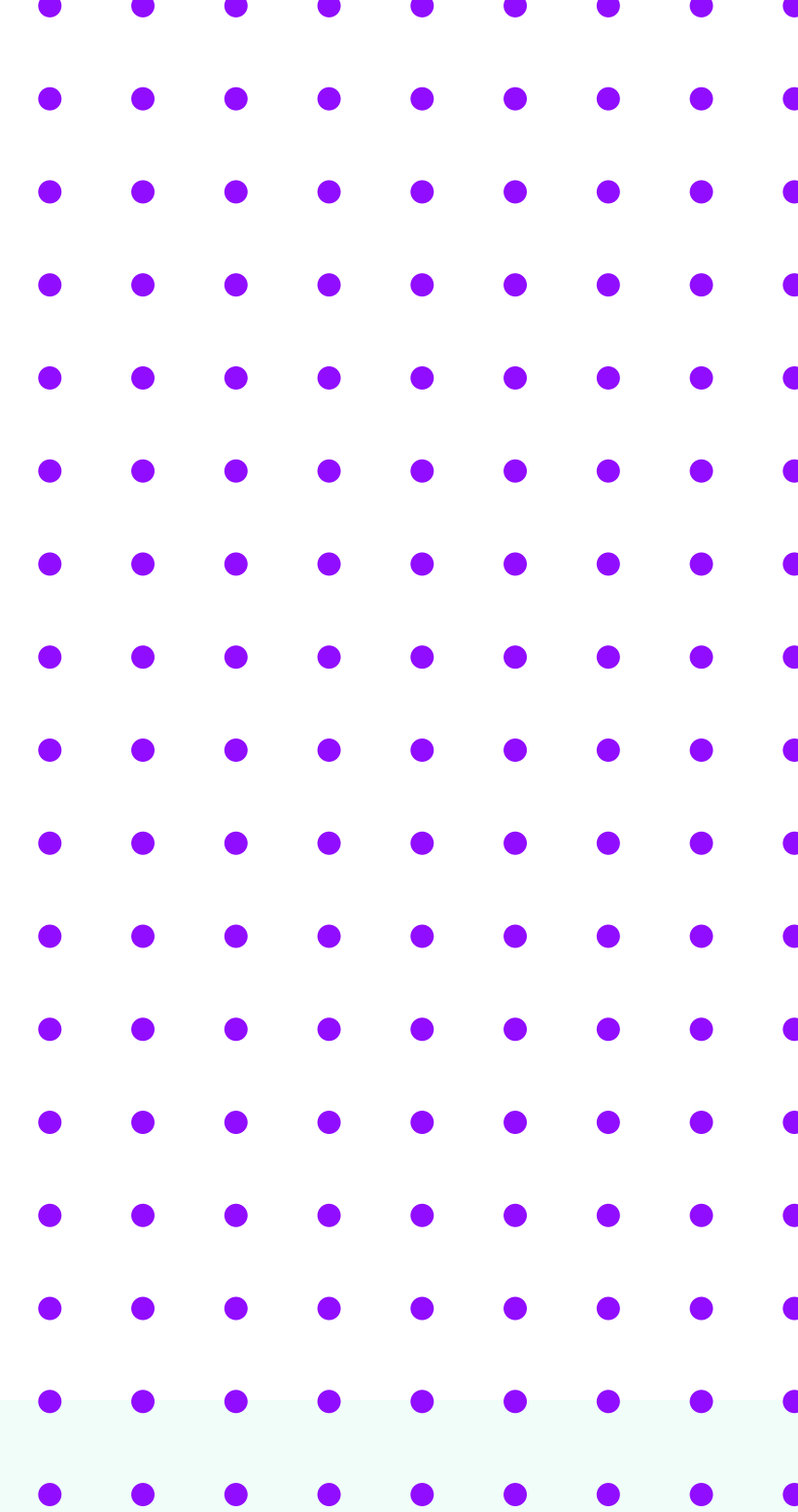




 northwest



2023 NORTHWEST HEALTHCARE PROPERTIES

Sustainability Report

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Forward Looking Statements / Disclaimers

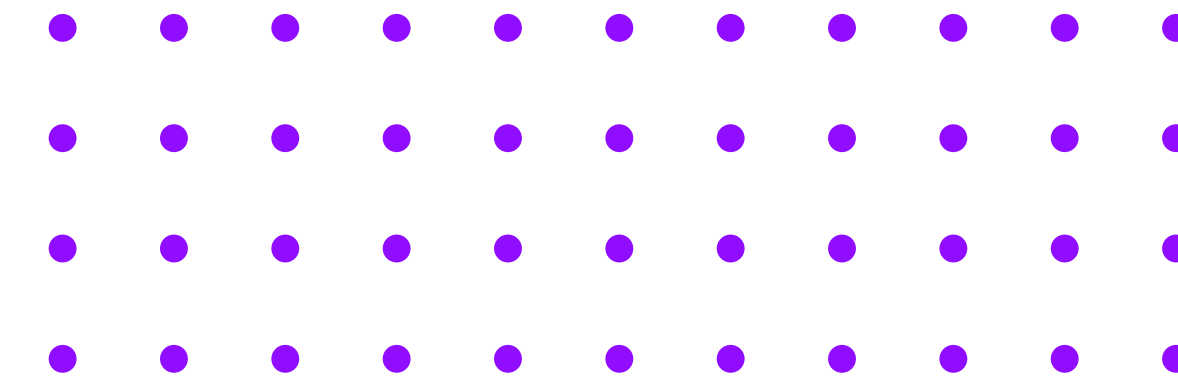
This report contains forward-looking statements with respect to Northwest, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward-looking words such as 'may', 'will', 'expect', 'estimate', 'anticipate', 'intends', 'believe', 'normalized', 'contracted', or 'continue' or the negative thereof or similar variations. Examples of such statements in this report may include statements concerning Northwest's sustainability-related objectives, strategies for achieving those objectives and other statements that are not historical facts, such as expectations regarding future events, results and performance. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those projected. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and the factors described under 'Risks and Uncertainties' in Northwest's Annual Information Form and the risks and uncertainties set out in the MD&A which are available on SEDAR+ at www.sedarplus.ca.

These cautionary statements qualify all forward-looking statements attributable to Northwest and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and, except as expressly required by applicable law, Northwest assumes no obligation to update such statements.

Welcome to the 2023 Sustainability Report of Northwest Healthcare Properties REIT ("Northwest").

We are pleased to share an overview of our commitment to sustainability and showcase the progress Northwest and its subsidiaries have achieved over the past year toward our goal of creating a healthier, more sustainable future. The sustainability data presented pertains to Northwest and Vital Healthcare Property Trust for the 2023 calendar year spanning from January 1, 2023, to December 31, 2023, unless otherwise stated. For more information about Northwest, please visit our [website](#). Should you have any inquiries or feedback regarding this report, please reach out to Tracey Whittall, Chief Operating Officer.





INTRODUCTION

Letter from the CEO

I am delighted to present to you our third annual Sustainability Report, highlighting the significant progress we've made at Northwest in 2023. Building on the foundations laid in previous years, I'm thrilled to share some of our key advancements and initiatives.

We recognize the critical role of our employees in driving our sustainability agenda. Our dedicated teams have spearheaded numerous initiatives to promote environmental stewardship, social responsibility and corporate governance in our organization. Their unwavering commitment and passion were instrumental in progressing our sustainability efforts. As we look ahead, sustainability remains a core of our corporate strategy.

We are committed to upholding the high standards of ESG performance and governance, ensuring that sustainability remains integral to our long-term success. This is how we seek to ensure that our commitment to sustainability creates long-term value for our shareholders.

We believe the recent Board and leadership team changes reflect our dedication to ensuring that strategic and experienced leaders to guide our growth and governance. Northwest is actively enhancing its board's composition with a strong emphasis on diversity and renewal. We welcomed two new Trustees in January and our executive leadership team now comprises 50% women.

The work undertaken in 2023 saw the launch of our inaugural Reflect Reconciliation Action Plan in February 2024. We seek to engage with, learn from and connect with First Nations peoples, as the Traditional Custodians of the land, ensuring we integrate reconciliation practices into our day-to-day business.

Our achievements in sustainability were externally recognized through our NZX-listed platform, Vital Healthcare Property Trust ("Vital") which holds 27% of our total AUM, being named Sector Leader (1st place) by GRESB for healthcare real estate globally with the Northwest REIT being ranked second.

Early in 2024, Northwest completed its first 6-star Green Star building at Playford Health Hub (Stage 2) in South Australia with work well underway for a second 6-star Green Star building in Queensland, Australia also for Vital. This is the highest environmental certification available.

We also continued to advance our climate and Net Zero by 2050 strategies. Vital received assurance for its GHG inventory for 2022 and 2023 and an assurance process is underway for Northwest. This will assist in setting near-term and long-term emissions reduction targets

towards our net zero by 2050 goal. We recognize the importance of cultivating and enhancing relationships with our healthcare tenant partners. We aim to enhance our tenants' experience and provide the infrastructure necessary for them to deliver better patient outcomes.

I want to express my gratitude to our partners, tenants, unitholders, employees and community members for their ongoing support and dedication as we continue our sustainability journey.

There is still much work to be done. As we look ahead, we remain committed to driving meaningful change across our business through collaboration and continuous improvement.

Thank you for your ongoing trust and partnership.

Craig Mitchell
Chief Executive Officer

”
Together, we are not just maintaining momentum; we are accelerating towards a more sustainable and resilient future.

INTRODUCTION

About Northwest

Founded in 2004 and publicly traded since 2010, Northwest Healthcare Properties REIT (TSX: NWH.UN) is a global real estate investor and asset manager focused on properties and partnerships at the intersection of healthcare, knowledge and research.

We're a real estate investment trust with \$9.9billion of assets under management. We own and operate a portfolio of 219 high-quality properties with a focus on hospitals, clinics and medical office buildings (MOBs) across 8 countries.

\$9.9B

Assets Under Management (AUM)

219

Properties

97%

Occupancy

13.3 Years

Weighted Average Lease Expiry (WALE)

1,943

Tenants

276

Employees

8 Countries

Australia, New Zealand, The United Kingdom, The Netherlands, Germany, Brazil, USA, Canada

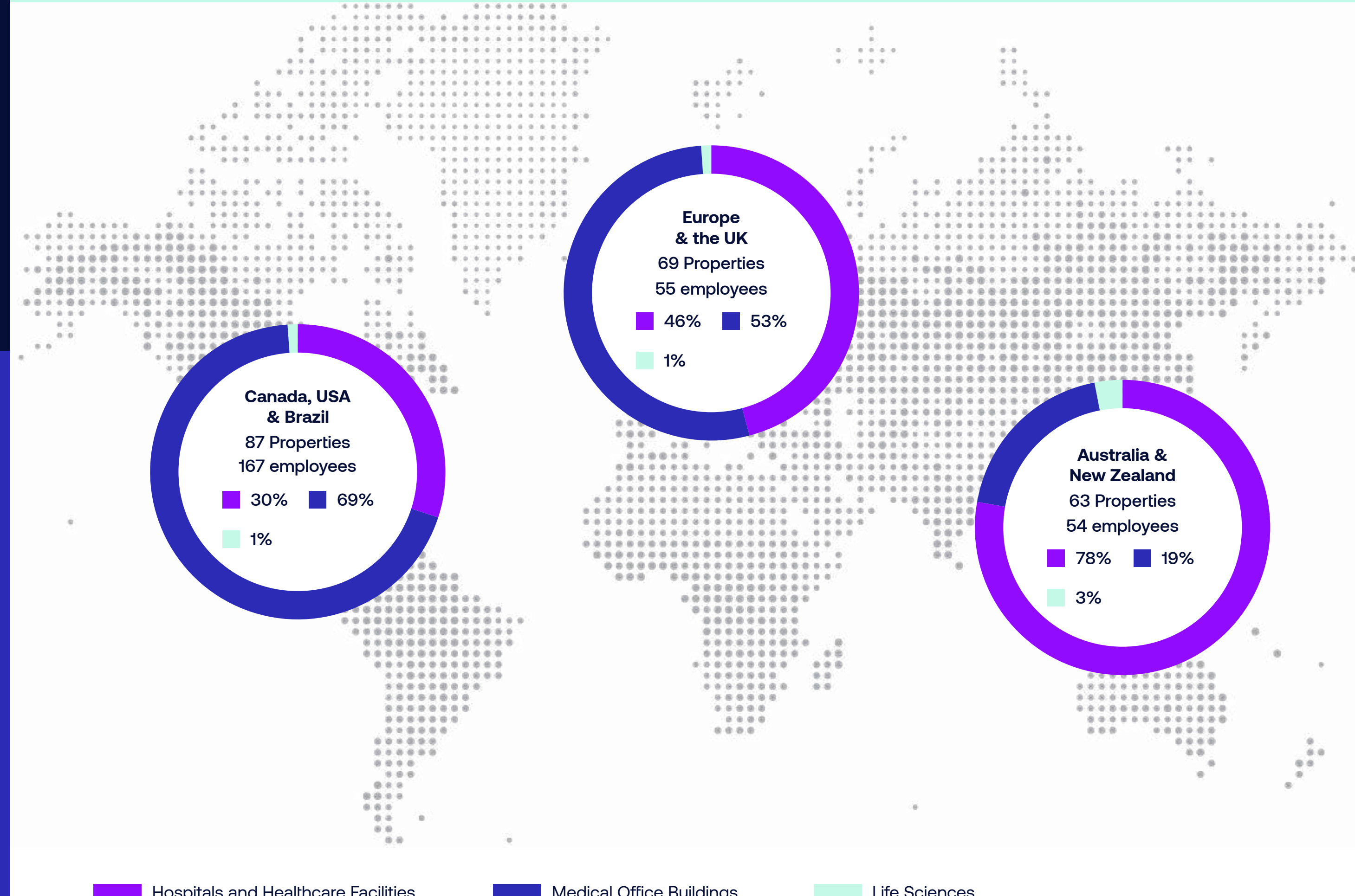
17.7M sq ft

Gross Lettable Area (GLA)

107 Hospitals & Healthcare Facilities

108 Medical Office Buildings

4 Life Science Facilities



Committed to Healthcare Real Estate Globally

We are dedicated to pursuing our mission of connecting place and possibility for leaders in healthcare, education and research. Northwest stewards meaningful properties that create, refine and deliver innovative healthcare solutions for the communities in which we operate.

Vital Healthcare Property Trust

In New Zealand, Northwest is the manager of Vital Healthcare Property Trust (“Vital”), a strategic investment made in 2011 that now represents more than one-quarter of our assets under management. Vital and Northwest share a deep commitment to a sustainable future and to environmental, social and governance issues. Vital has made significant progress in assessing and managing its sustainability progress through initiatives, such as reporting to GRESB and CDP.

Under the Financial Sector (Climate-related Disclosures and Other Matters) Amendments Act 2021, Vital is classified as a climate reporting entity and is required to produce a climate statement, according to disclosure requirements set by the External Reporting Board (XRB). New Zealand are early adopters of mandating climate-related disclosures that follow the TCFD recommendations.



Wakefield Hospital, Wellington, New Zealand



Listed on the Toronto Stock Exchange (TSX: NWH)

CAD\$9.9B
Assets Under Management

219
Properties

8
Countries
Australia, New Zealand, The United Kingdom,
The Netherlands, Germany, Brazil, USA, Canada

276
Employees
Across ten offices

Vital HEALTHCARE
PROPERTY TRUST
Managed by Northwest

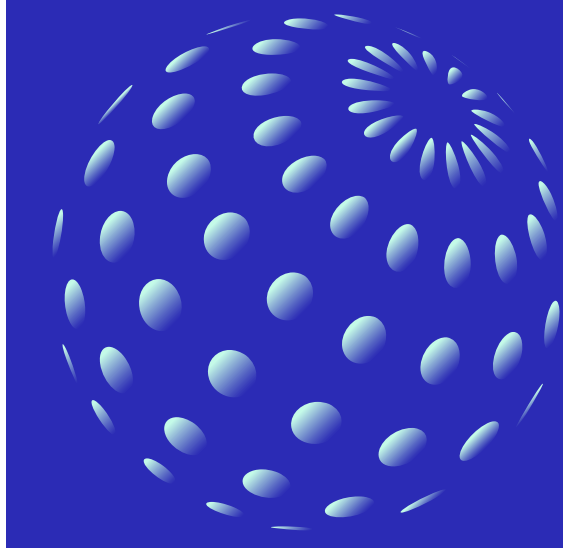
Listed on the New Zealand Stock Exchange (NZX: VHP)

CAD\$2.7B
Assets Under Management

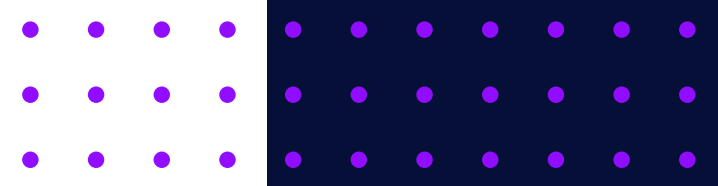
38
Properties

23
Properties
in Australia

15
Properties
in New Zealand



2023 Highlights



Queen Street Palace, Alberta, Canada



GRESB Sector Leader

Vital was acknowledged as a GRESB Sector Leader (ranked first) for ESG in healthcare, for listed entities globally across performance, management and developments.



GRESB 4 star

Northwest achieved strong results by GRESB having achieved a 2nd place ranking in both the Standing Investments Benchmark and the Development Benchmark for globally listed healthcare participants.



Carbon Disclosure Project

Vital's CDP score was elevated to a B- in 2023, improving from a C score two years prior. This advancement underscores our commitment to proactively monitoring our environmental impact and our dedicated efforts to reduce greenhouse gas emissions.



Assurance of GHG Inventory

Vital has received limited assurance certification for the 2022 and 2023 emissions data through Toitu Envirocare.



Climate Related Disclosure (CRD)

Under New Zealand legislation, Vital will submit a Climate Related Disclosure (CRD) prior to October 2024, aligning to the XRB Aotearoa New Zealand Climate Standards, which will include information covering Governance, Strategy, Risk Management and Metrics and Targets.

Places for Quality Care

Continued to build and manage places for quality care within communities including providing employees two days of paid time off to volunteer while also sponsoring community-based organizations and projects.



Tenant Satisfaction

Continued execution of property-level workplans with the learnings from our first global tenant survey, to drive efforts to maximize tenant satisfaction (2,000+ tenants).

Global Employee Engagement

Completed global employee engagement survey which provided a baseline for future benchmarking and identified areas of focus.

Reconciliation Action Plan (RAP)

Launched inaugural Reflect Reconciliation Acton Plan (RAP) which the first and important step in our reconciliation journey.



Artwork by T'Keyah Ware

Greenhouse Gas Emissions Program

Initiated establishing Greenhouse Gas (GHG) emissions program, including tracking progress.

Research Support

Honored ongoing commitment to support research about the impacts of the pandemic on health systems across the world, by making the third of five committed, annual \$1M contributions in support of such research.

Inclusive Company

Acknowledged the five "World" days, with leadership from Women in Real Estate (WIRE) committee with a series of REIT-wide events.



Our Approach to Sustainability

Northwest believes that by creating, renewing and enhancing healthcare infrastructure, we can positively impact our tenant partners, our employees, the planet and the communities in which we operate.



Our sustainability framework forms the foundation of our initiatives and guides our efforts and investment across these areas:



Thriving Partners

Preparing lasting tenant spaces for health and healing.



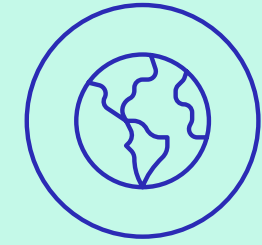
Inclusive Company

Building for our current team members as well as our future employees.



Strong Communities

Investing in the communities we serve.



Healthy Planet

Deepening our contribution to a healthy planet.

Enablers

In 2022, we formalized our **ESG Policy**, to set out the REIT's ESG approach and articulate specific ESG-related goals in line with this framework. We recognize sustainability as a strategic objective guided by our core enablers.



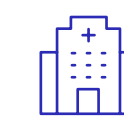
Governance

Our governance framework and dedicated sustainability teams ensure that we uphold our responsibility to the environment, our communities and our stakeholders.



Sustainability Integration into Investments

By integrating sustainability into our investment processes, we seize opportunities to generate long-term value, while mitigating risks associated with environmental and social factors.



Green Leases

Continuing the implementation of green leases underscores our commitment to promoting healthier, more sustainable spaces for our tenants and communities.



Reporting and Disclosure

We strive to be transparent through reporting and disclosures, demonstrating our accountability and commitment to driving positive change and fostering trust and collaboration with our stakeholders.

Sustainability Oversight

Northwest’s Board of Trustees (“Board”) and management are dedicated to fostering sustainability as guided by the organization’s ESG policy.

The Board actively oversees our approach to ESG matters, including the approval and periodic review of our sustainability strategy and goals and receives quarterly updates from management on the progress of ESG initiatives.

The full Northwest Board oversees climate-related risks and opportunities, detailed in our TCFD framework on pages 38–42, but ESG-related risks are assigned to specialized Board committees.

The Corporate Governance and Nominating (“CGN”) Committee is responsible for annually reviewing the Diversity Policy of the REIT and evaluating the effectiveness of its implementation. This includes ensuring that it is reflected in the composition of the Board and senior management.

The Audit Committee oversees IT governance, including privacy and cybersecurity concerns, as detailed in the committee charters on the Corporate Governance webpage.

Northwest is supported by a dedicated Global Sustainability Team of corporate and regional members, that reports directly to the COO. This team updates the Executive Leadership Team and the Board on crucial sustainability matters, including the handling of climate-related risks and opportunities and leading associated projects.

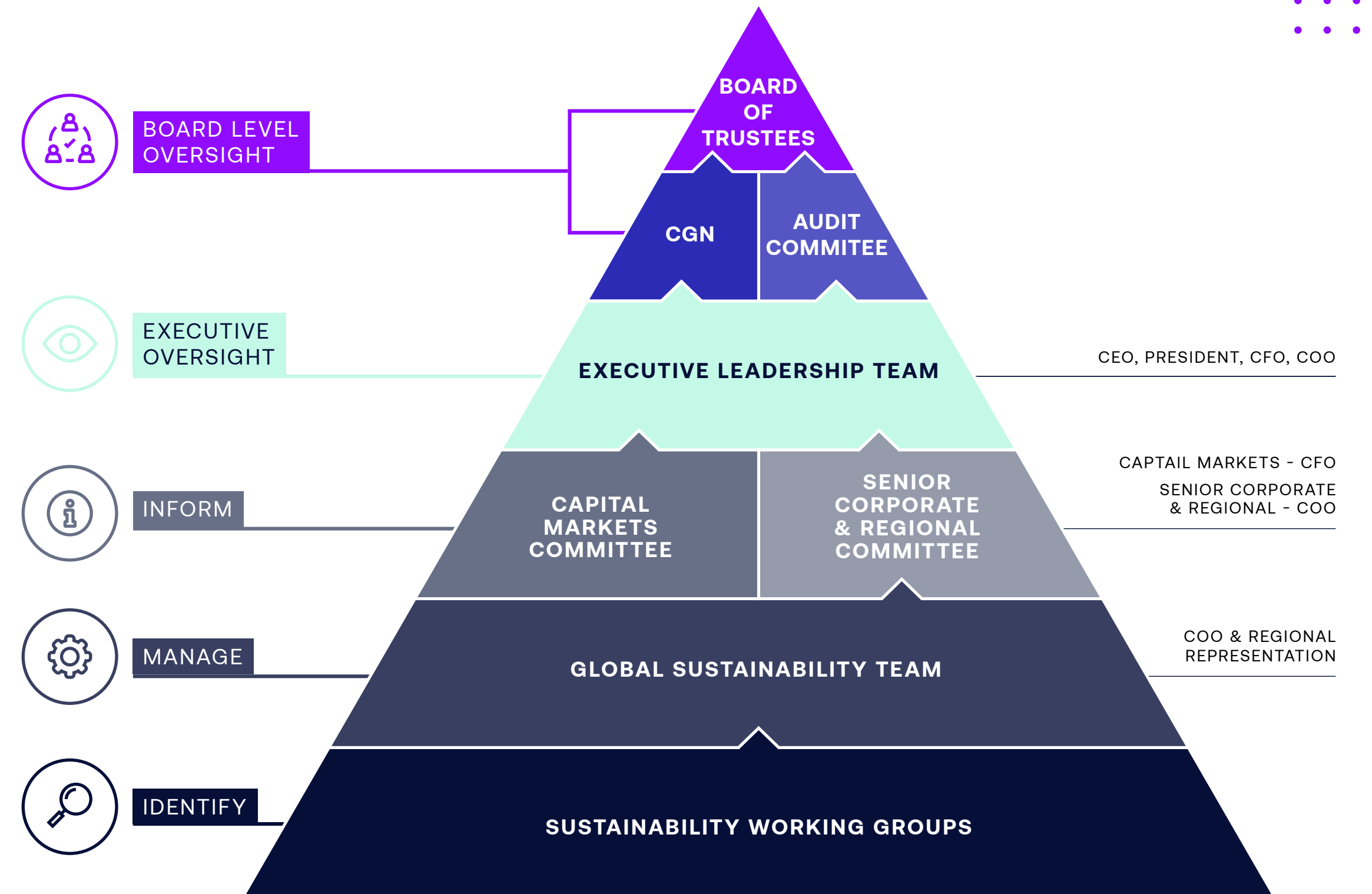
Northwest has introduced two new global committees to enhance its governance structure and strategic alignment:

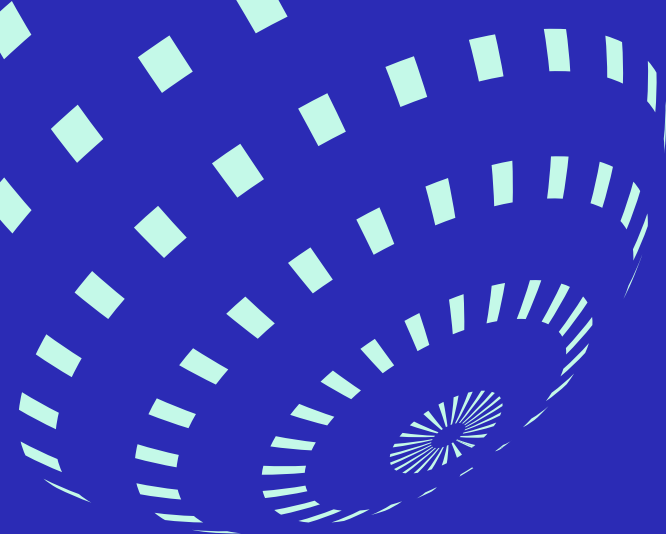
- The Capital Market Committee, chaired by the CFO, has been established to adopt a holistic approach to managing the company's capital. Its main objective is to safeguard and optimize the interests of unitholders, providing strategic oversight and ensuring that financial strategies align with the overall goals of the organization.
- The Senior Corporate & Regional Committee, chaired by the COO, aims to foster collaboration and communication among the senior leadership, across corporate and regional levels. This committee plays a crucial role in ensuring that leadership efforts are cohesive, which is essential for effectively implementing our corporate and sustainability strategies.

We believe that integrating these committees into the existing organizational structure helps ensure cohesive movement towards common objectives, particularly in areas like sustainability and capital management. Linking these strategic functions directly with the Board's oversight and the operational execution led by the Global Sustainability Team, enhances our ability to navigate complex global markets and sustainability challenges.



Official opening of the GenesisCare integrated cancer centre, Stage 1 of the Macarthur Health Precinct, Sydney, Australia.





Artist's Impression of Playford Health Hub, South Australia



Board Composition & Diversity

Northwest is committed to fostering an open and inclusive workplace culture, which extends to the Board. The CGN Committee values and considers diversity as part of its overall annual evaluation of Trustee nominees for election or re-election, as well as candidates for the Executive Leadership Team. Recommendations concerning Trustee nominees are, foremost, based on merit and performance, but diversity is taken into consideration, as it is beneficial for a diversity of backgrounds, views and experiences to be present at the Board and senior management levels.

In furtherance of the REIT's commitment to diversity at the Board level, the Board has adopted a Diversity Policy. In accordance with the Diversity Policy, the CGN Committee will consider a number of factors when seeking and considering new Trustees for nomination, or evaluating Trustee nominees for reelection, including gender identity, age, sexual orientation, disability, geography, culture, ethnicity, business and educational experience, professional expertise, personal skills and perspectives.

In 2023, two new women were nominated to the Board, comprising approximately 25% of the Board, with further progression expected in 2024.

Risk Management

The Board, in conjunction with the REIT's senior management team, is responsible for identifying the principal risks of the REIT's business, with the Board having ultimate oversight to ensure identified risks are being appropriately managed. This includes relevant sustainability risks such as diversity and inclusion, cybersecurity, business ethics and climate change, among others. As part of our ESG Policy, we also adopted a goal to integrate ESG and climate-related risks into the REIT's overall risk management process. Our risk management program includes consideration of physical and transition risks, including both climate change mitigation (resource efficiency and emissions reduction) and adaptation (including integration of climate resilience into our investment decision-making).

Northwest identifies its business risks by equipping employees with knowledge about the risks in their respective functions. This is augmented with reviews by third parties, including our auditors, our legal counsel and other expert advisors who are periodically engaged by senior management and/or the Board. New investments undergo significant risk assessments during pre-acquisition due diligence, with third-party consultants providing written reports with specific remediation steps, as required,

based on the assessment of the building and any applicable environmental considerations. All third-party reports are shared among the Northwest team and the reports' recommendations form the basis for on-going management reviews, to ensure the causes and effects of issues are addressed.

The risk factors identified for the business are published in our Annual Information Form, which is referenced in our quarterly MD&A and is available through SEDAR+ on our website. Our risks cover those pertaining to the ownership of real property, as well as the specifics of operating as a REIT, including corporate structure. Risks are classified as either operational, which are managed on an ongoing basis by all applicable employees, or strategic, which are managed and reported on to the Board by senior management. The primary goal of our risk program is to minimize exposure to risks, use policies and procedures to guide actions and behaviors and to promote a risk-aware culture. The REIT is continuously undertaking a review of risk management across its global operations, to address evolving risks and to leverage local best practices into a harmonized program, taking advantage of the REIT's global operating platform.

Policies & Procedures

We maintain various ESG-related policies as part of our risk management and sustainability frameworks, to uphold the highest standards of accountability and responsibility. Our ESG policies serve as essential guidelines for identifying, assessing and mitigating risks associated with environmental impact, social considerations and corporate governance practices across our operations. Many of these policies can be found on the Sustainability or Corporate Governance pages of our website.

- ESG Policy
- Code of Business Conduct and Ethics
- Whistleblower Policy
- Diversity Policy
- Workplace Anti-violence, Harassment and Sexual Harassment Policy
- Health and Safety Policy
- Environmental Policy
- Environmental Management System (EMS)
- Reflect Reconciliation Action Plan (RAP) - ANZ Region
- Volunteerism & Corporate Social Responsibility Policy
- Insider Trading Policy
- Global Expenditures Policy
- IT Systems/Usage Policy

Key Commitments & Goals

In 2021, Northwest conducted a materiality assessment (refer to page 49) to determine the sustainability-related material topics that are most relevant to the business and our stakeholders.

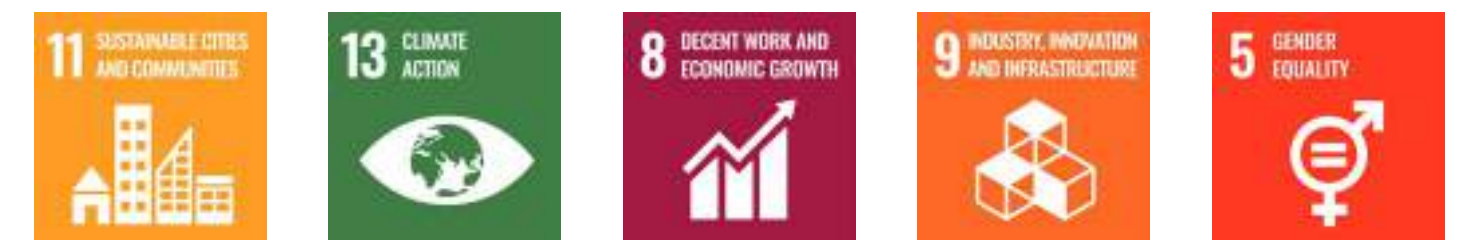
As part of this assessment, we engaged with a diverse number of internal and external stakeholders through surveys and interviews. The feedback from our stakeholders and the key priorities identified through this analysis, were instrumental in the development of our sustainability strategy and commitments during 2022. We established a substantial number of specific key performance indicators (KPIs) to achieve in 2023 and beyond, to continue driving progress in our sustainability journey.

The following page outlines our global core commitments and additional ambitions are detailed at the start of each section. Our commitments align with our 5-year Sustainability Strategy and span multiple years.

Northwest achieved many of our KPIs for 2023, but we have also identified areas to reassess and recalibrate, to ensure we continue to address sustainability challenges and opportunities. As we look ahead to 2024, our focus is to build upon this momentum, by continuing to implement, strengthen and uphold the strides we've made so far.

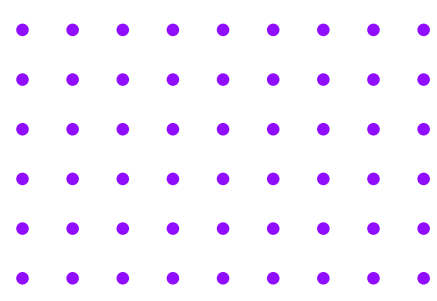


In line with these commitments and KPIs, we have identified priority areas where our contributions can drive progress towards the United Nations Sustainable Development Goals (SDGs). These include:



Key Commitments & KPIs

Our commitments align with our 5-year Sustainability Strategy and span several years. The KPI's referenced below outline our global core commitments with additional ambitions detailed at the start of each section.



Thriving Partners

Formalize "Places for Quality Care" Program	Enhance Tenant Satisfaction
<p>KPI's (2022 - 2027)</p> <div style="margin-bottom: 10px;"> Complete air quality testing at 100 percent of landlord-controlled portfolio. High level IAQ testing completed for 100% of Canadian and ANZ properties while conducting ASHRAE Level II Energy Audits. </div> <div style="margin-bottom: 10px;"> Update disaster and recovery planning at properties and business units. Partnered with third party consultants to rollout emergency preparedness plans in Canada and ANZ. Plans in Alberta are under review. </div> <div> Deploy online tenant engagement portal to one additional region. In 2023, adoption of Prism engagement portal was piloted in Europe with internal and external teams receiving full training. Tenant rollout is ongoing for European assets. </div>	<p>KPI's (2022 - 2027)</p> <div style="margin-bottom: 10px;"> Analyze and follow up on tenant survey results and set and disclose 2024 targets. Results from previous surveys reviewed and targets to be set ahead of tenant survey to be sent in Q4 2024. </div> <div> Complete property-specific action plans to address survey results for 75% of properties. Action plans complete in Europe; Focus area improvements in remaining regions to occur in Q2 to Q3 of 2024, including the implementation of Tenant Advisory Committees and Prism platform rollout. </div>

Inclusive Company

Enhance Employee Satisfaction & Performance	Deploy Sustainability Education	Enhance Social Connections & Culture
<p>KPI's (2022 - 2027)</p> <div style="margin-bottom: 10px;"> Put in place "focus area" improvement programs. KPIs are cascaded to all Northwest employees in 2024 Q1. </div>	<p>KPI's (2022 - 2027)</p> <div style="margin-bottom: 10px;"> Have a sustainability-engaged and educated workforce measured through the number of deployed and completed awareness modules. Preliminary education deployed across regions through LinkedIn Learning and internal training programs. ESG training is part of our mandatory on-boarding program for all new employees. </div>	<p>KPI's (2022 - 2027)</p> <div style="margin-bottom: 10px;"> Enhance employee engagement through actively connecting people globally through both formal and informal programs. Launched Coffee Chats program across regions in 2023. with 45% participation rate. Volunteering policy was implemented and we remain committed to enhancing our global programs and increase engagement. </div>

Status: In progress On Track Substantially Complete Complete



Strong Communities

Advance Research & Innovation

KPI's (2022 - 2027)



Fund \$5 million of research and leverage its findings for maximize impact.

Completed third of five annual \$1 million commitments, bringing total contributions to \$3 million.

Establish Community Development Program

KPI's (2022 - 2027)



Leverage organization's healthcare focus to execute community improvement plan.

Launched inaugural Reflect RAP in ANZ not only to achieve better health outcomes in the communities we serve but also to improve reconciliation outcomes. Conducted pilot community development event in Brazil. Tenant appreciation events held across Canada.



Healthy Planet

Establish Building Utility Performance Metrics

KPI's (2022 - 2027)



Efficiently collect, track, analyze and report energy and utility data to meet and refine targets.

Tenant utility data collection system and processes in place. Focus on splitting and installing smart meters for some of our older assets over the next 24 months.

Formalize Energy Management Plan

KPI's (2022 - 2027)



Inform 2024 (and beyond) capital budgets with consistently evaluated programs to improve energy management.

Energy Audits completed in 2023 will be used as part of the 10-year capital plan beginning in 2024.

Establish Environmental Building Certifications Program

KPI's (2022 - 2027)



Evaluate development of global plan for pursuing certifications, including for tenant-controlled properties.

Commenced discussions with global regions and third-parties to determine options.



Enablers

Further Formal Reporting & Risk Management Framework

KPI's (2022 - 2027)



Submit to GRESB and CDP (Vital only).

Completed 2023 GRESB submission for both Northwest and Vital, as well as CDP for Vital.

Establish GHG Emissions Reduction Program, Incl. Tracking

KPI's (2022 - 2027)



Measure progress toward setting 2030 reduction targets for Scope 1 and 2 emissions. Formalize collection of Scope 3 data.

Updating emissions inventory and data collection processes to establish accurate baseline for target setting.

Establish Environmental Building Certifications Program

KPI's (2022 - 2027)



Integrate Sustainability Into Investment Processes

Completed for 2023 project in Europe; template developed and adopted for future projects.



Stakeholder Engagement

We believe that bringing sustainability into the core of our business assists our stakeholders in achieving their long-term objectives and enhancing outcomes for the delivery of healthcare globally.

The trust and relationships built through stakeholder engagement are essential mechanisms for aligning interests, fostering enhanced collaboration and achieving more effective decision-making. Northwest proactively engages with its stakeholders throughout the year and through multiple channels.



Stakeholder

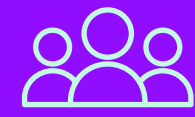


Tenants

We provide healthcare operators with the property space needed to support a positive building experience for patients, staff and other visitors. Because sustainability matters to us and our partners, tenant feedback in defining and executing the Northwest sustainability strategy is critical to our mutual success.

Engagement Method

- Tenant survey.
- Tenant engagement and regular site visits.
- Tenant appreciation events (lunches, ice cream days, planting contest).
- Continued expansion of on-line tenant communication portals.



Employees

Our people define who Northwest is. An inclusive company celebrates every team member and we continually implement engagement activities to build this working environment, taking employee satisfaction insights into account. We also ensure the health and safety of our team members.

Engagement Method

- Engagement surveys.
- Regional Town Hall meetings lead by the Executive Leadership Team.
- Frontline meetings with managers
- Annual performance and feedback process.
- NewsWIRE – WIRE Committee updates.
- Teams Hub – global communication channel.
- Training & education.



Investors

We are committed to providing exceptional shareholder value to investors. Northwest has assessed how engaging in key initiatives can provide value stability and further value creation for investors.

Engagement Method

- Annual meeting of unitholders.
- Financial results calls.
- Investor letters and publications.
- Investor conference participation.
- Non-deal roadshows.
- NWH communication channels (i.e. investor website, press releases, shareholder letter).
- Investor targeting.
- Investor inquiry management.



Regulators

Ensuring effective execution and appropriate accountability of our sustainability efforts is essential.

Engagement Method

- Training from legal suppliers with regulatory updates.
- General Counsel function that oversees compliance.

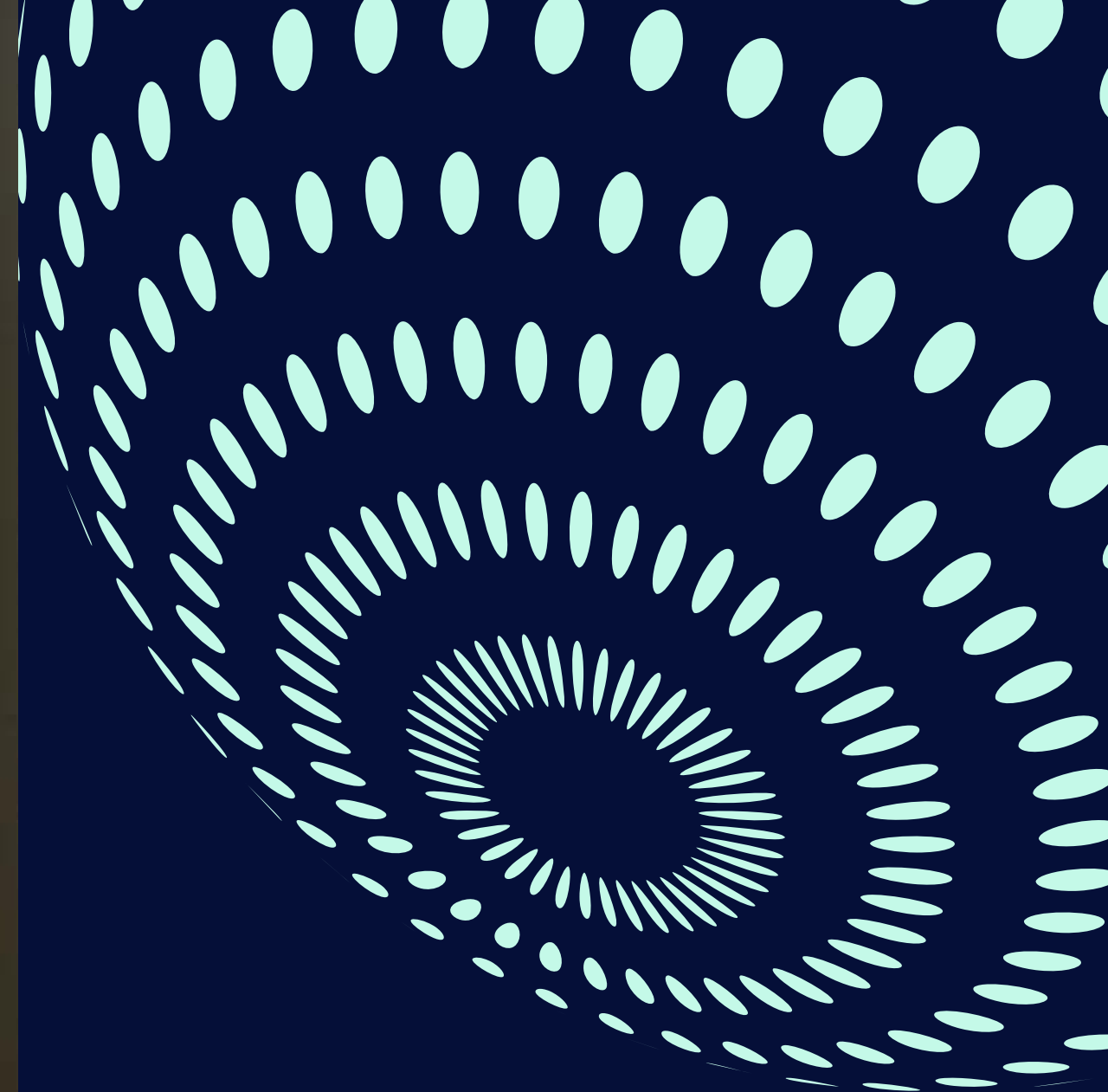


Communities

We are deeply committed to fostering strong relationships with the communities where we operate. We actively seek input from community stakeholders to ensure that their needs and concerns are heard and addressed in our decision-making processes.

Engagement Method

- Volunteerism program
- Charity and NGO support
- Reconciliation Action Plan (ANZ)



ETHICAL BUSINESS

Business Ethics

Northwest is committed to conducting business with high standards of ethical conduct and compliance.

We maintain a rigorous Code of Business Conduct and Ethics and Whistleblower Policy, which establish standards and expectations designed to promote integrity and deter wrongdoing amongst all trustees, officers, employees and consultants of the REIT. The Code of Business Conduct was updated in the fall of 2023 and can be found on the Corporate Governance page of our website.

In line with our commitment to transparency, integrity and ethical business conduct, Northwest has a confidential whistleblower reporting channel that allows employees to report any concerns or suspected violations of the Code. We uphold a strict non-retaliation policy for good faith reports of illegal or unethical behavior.

In addition to tracking reports that have been submitted through this reporting channel, the independent Chair of the Audit Committee is responsible for investigating and remedying suspected violations. In the case that a report is made, the Chair of the Audit Committee would be required to identify the nature of the disclosure and determine the appropriate course of action to remediate or act on reportable conduct.

Data Privacy & Cybersecurity

Safeguarding sensitive information and implementing robust cybersecurity measures are paramount for maintaining the trust and safety of our stakeholders.

Under the oversight of our Audit Committee and our Chief Operating Officer, we aim to continually explore our strategies for protecting against cyber threats, our protocols for data privacy and how we adapt to the evolving landscape of cyber risks.

We have implemented a comprehensive range of cybersecurity measures across all regions of operation, designed to safeguard our systems and protect sensitive data from emerging threats.



Endpoint Protection

- Enhanced our endpoint security systems for better protection against threats.
- Enhanced threat detection features were enabled to safeguard our network.
- Data prevention policies were reviewed and improved to ensure our data remains secure.
- New compliance measures were implemented to maintain high-security standards.
- Device firewalls were activated to block unauthorized access.
- Disaster recovery processes were strengthened.
- Enhanced our data backup capabilities to include secure cloud storage options.
- Additional backup for essential business data was set up.
- Data retention rules for email communications were put in place to manage information efficiently.
- Personal storage was moved to cloud-based solutions for better data security and management.
- A new template for regular testing of disaster recovery plans was developed.



Access and Authentication

- Transition to a cloud-based infrastructure was completed to improve our network's scalability and security.
- New identity verification processes were introduced to enhance security measures.
- Extra security layers were added to protect both our remote access and office systems.
- Streamlined access to our platforms to make logging in simpler and more secure.
- Access management systems were updated to offer more robust features.
- Enhanced security measures for remote access were implemented to protect our network.



End User Training and Awareness

- A new platform for cybersecurity awareness and training was introduced to help employees recognize and respond to security threats.
- All new employees now receive mandatory security training as part of their orientation.
- Set up regular simulated phishing tests to keep our team sharp and aware of potential email threats.
- Alerts for potentially harmful emails are automatically sent to help staff recognize suspicious content.



Policy and Control

- External reviews of our security controls were completed to align with industry best practices.
- An internal audit was conducted to assess and improve our IT controls and risk management.
- Successfully addressed the findings of a security audit, completing all recommended improvements.
- Internal guidelines for IT management were thoroughly updated to provide clear and detailed guidance.



Perimeter Security

- Network perimeter defenses were updated to the latest standards for better security.
- Management systems for network security devices were upgraded for improved oversight.



Patch Management

- System updates were managed through an improved platform for more consistent and timely updates.
- Server systems were upgraded to enhance security and performance.
- A new platform was deployed to keep track of all our computing devices more effectively.



Risk Management

- Our cyber security team was expanded with additional dedicated staff to focus on protecting our systems and data.



Thriving Partners

Commitment	KPI's (2022 - 2027)	Status
Formalize 'Places for Quality Care' Program	Complete air quality testing at 100 percent of landlord-controlled portfolio	Substantially Complete
	Update disaster and recovery planning at properties and business units	In Progress
	Deploy online tenant engagement portal to one additional region	In Progress
Enhance Tenant Satisfaction	Analyze and follow up on tenant survey results and set and disclose 2024 targets	In Progress
	Complete property-specific action plans to address survey results for 75% of properties	On Track
Leverage Tenant Community Relations & Knowledge Sharing	Host global and/or regional tenant engagement event(s)	In Progress

Tenant Engagement

Supporting our healthcare partners is at the core of what we do and essential to our mutual success. With tenants at the heart of our business, we strive to support them in delivering on their healthcare mission.

Places for Quality Care

In our sustainability journey, Places for Quality Care remains a cornerstone initiative, reflecting our commitment to fostering healthy, vibrant communities. Our dedication to quality extends beyond physical spaces, encompassing the well-being of our tenants. Through rigorous analysis of tenant survey results, we've gained invaluable insights into their needs and preferences, allowing us to tailor our strategies accordingly. To address survey findings effectively, we've developed property-specific action plans, deploying targeted interventions to enhance tenant satisfaction.



Woking Hospital, Woking, The United Kingdom

Sustainability Tenant Collaboration

We have established Tenant Advisory Committees, empowering tenants to actively participate in shaping their working environments. As part of our global outreach, the rollout of the PRISM (Property Resource and Information Sustainability Management) initiative begins, integrating sustainable practices across our properties. Through these concerted efforts, we reaffirm our commitment to sustainability while prioritizing the well-being of our tenants and communities.

To foster greater collaboration with our healthcare partners, we have formed ESG partnerships with a number of our core tenants in New Zealand and Australia. These engagements serve as a forum for exchanging knowledge and pinpointing significant ESG-related opportunities, leading to improved environmental and social outcomes.



Supporting Mental Health, Tenant Event







Anthony Cora (Minjungbal Traditional Owner) preparing to deliver the Smoking Ceremony at RDX, with Uncle John Graham (Kombumerri Traditional Owner).

Human Rights

Upholding human rights is fundamental, both within our company and in our collaborations with partners. We recognize our responsibility to protect, respect and maintain human rights across all areas of our global business. Our Modern Slavery Policy outlines our commitment to safeguarding our operations against human slavery, trafficking and forced labor. All Australian & New Zealand employees are required to complete Modern Slavery training

on an annual basis and we also provide regional cultural competency training and education around First Nations peoples of Australia and Māori of New Zealand. To mitigate the risks around human rights throughout our supply chain, our ANZ region has introduced a Supplier Code of Conduct and a platform, Informed 365, to facilitate supplier questionnaires, track responses and assess risks.

We have identified additional key areas of focus across our core pillars to address human rights-related risks:

Pillars	Actions
 Thriving Partners	<p>Ongoing assessment of the potential modern slavery risks in our operations with an emphasis on identifying any medium to high risk areas or changes to risk profiles of any of our suppliers.</p> <p>The Modern Slavery Working Group will conduct further and ongoing due diligence on potential and current suppliers with a view to formalizing a selection process based on an acceptable level of risk in the context of each Company's risk appetite and the supplier's take-up of the Supplier Code of Conduct.</p> <p>Taking steps to address any potential modern slavery risks identified and implementing effective mitigation and, if necessary, remediation steps throughout our business in addition to those which are already in place.</p> <p>Embed supplier training on modern slavery by qualified professionals into our ESG training schedule to address select groups of suppliers at a time.</p>
 Strong Communities	<p>Review supplier contracts (using data sets) to ensure they contain terms consistent with the Act and, where possible, require suppliers to use template documents which we have prepared and which oblige compliance with these terms.</p>
 Inclusive Company	<p>Ongoing staff training carried out by qualified professionals across the key risk areas (including construction). A briefing to all staff was again provided in 2023 and training is to be done annually.</p> <p>Formal risk management training including refresher courses for key staff and the Modern Slavery Working Group to ensure modern slavery risks can be identified within daily operations.</p> <p>Incorporate modern slavery training into all onboarding processes for new staff to be delivered by the Regional General Counsel.</p>
 Enablers	<p>Review and refine policies on the possible impacts of modern slavery on our operations, including establishing sustainable procurement policies and implementing the Supplier Code of Conduct.</p> <p>Expand work done by Modern Slavery Working Group to address all aspects of our business.</p>

Property Management Work Orders and Equipment Management

Northwest is committed to creating a best-in-practice tenant experience while simultaneously reducing risk exposure due to poor equipment management. Launched in 2023, the Prism platform enabled Northwest to complete a full equipment inventory and ensure a better means of reporting and monitoring concerns through this internal ticketing system. Looking forward, Northwest plans to onboard tenants asset by asset in the European region for seamless integration into the communication and asset management plan. This will allow the team to receive live targeted feedback on their performance, while responding much quicker to enquiries. Additionally, with the equipment being geo-mapped, we can conduct more powerful sustainability strategies and visually observe their impacts.



Wakefield Hospital, Wellington, New Zealand

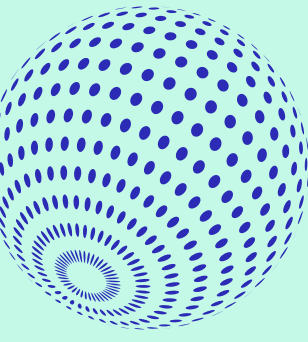


Inclusive Company

Commitment	KPI's (2022 - 2027)	Status
Enhance Employee Satisfaction & Performance	Put in place "focus area" improvement programs	🔄 On Track
Deploy Sustainability Education	Have a sustainability-engaged and educated workforce measured through a number of deployed and completed awareness modules	🔄 On Track
Enhance Social Connections & Culture	Enhance employee engagement through actively connecting people globally through both formal and informal programs	✅ Complete
Evolve DE&I Program	Evolve defined diversity targets and action plans, track and report on metrics	🔄 In Progress
Launch Volunteerism Program	Support employee participation, especially on community-based programs	✅ Complete



2022 ANZ Staff Conference



Developing our People

Talent Management

We prioritize the creation of an inclusive and enriching work environment that not only attracts top talent but also fosters their professional growth and retention.

We understand that our employees are our most valuable asset and as such, we are committed to offering competitive benefits and opportunities that contribute to their overall well-being and career advancement.

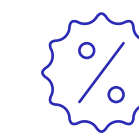
Through the benefits provided to our people, we aim to enable our employees to maintain better work-life balance by providing flexible work arrangements and options for remote work, investing in the continued education and professional development of our employees by offering tuition reimbursement for approved courses and programs

and support continuous learning and development by covering membership fees for professional associations, enabling our employees to stay updated with industry trends and best practices.

By prioritizing our employees' well-being and development, we strive to create a fulfilling and rewarding experience that helps them thrive at Northwest. As such, Northwest has witnessed multiple instances of returning staff members who, having experienced the positive work environment cultivated within our organization, choose to rejoin our team after a few years or have transferred to another office, underscoring the enduring appeal of our supportive and engaging workplace culture.



Flexible Work Arrangements & Working from Home



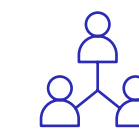
Employee Discount Programs



Parental Leave Top-up Program



Professional Associations Membership Fees



Employee Referral Bonus



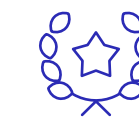
Employee Assistance Programs



Group Health Benefits



Tuition Reimbursement



Tenure Awards



Social Events



Global Secondments

INCLUSIVE COMPANY

Training & Development

Our culture of continuous learning and development means that we are dedicated to equipping all employees with the knowledge and skills necessary to thrive in their roles and contribute to our collective success.

We have implemented mandatory training courses for all new hires globally, covering key areas such as diversity and inclusion, mental health and well-being and sustainability.

Our internal training programs consist of several key modules that address Northwest’s expectations and available resources around unconscious bias, inclusion and respect, managing and coping with stress and mental health in the workplace. Through LinkedIn Learning we also require all employees undergo training around sustainability—specifically what it is, how individuals can support sustainability initiatives within the organization and why sustainability is a strategic imperative. Employees at the Director level and above undergo more in-depth training dedicated to how business leaders can navigate sustainability. We aim to review and enhance our training program in 2024.

All employees benefit from 24/7 access to LinkedIn Learning's extensive library, comprising over 20,000 courses covering ESG topics, job-specific skills and general education. Team members can engage in micro-courses or pursue full certification programs at their convenience.

In addition to our global opportunities, we have introduced region-specific learning and development initiatives. Careerbase is a dedicated learning and development platform. Individuals are annually allocated learning and development points, allowing them to access a diverse range of industry-specific, technical, soft skills courses and well-being offerings through the system. Those involved in ESG-related activities and reporting regularly participate in industry education and training events, including webinars and in-person sessions related to the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework.

In Brazil, the Asset Management team has implemented an internal training initiative aimed at disseminating knowledge across departments, ensuring collective expertise and preventing centralization within any single individual or area. This program underscores our commitment to ESG principles by prioritizing the involvement of every team member in all aspects of operations, fostering comprehensive understanding and effective collaboration within Northwest.

We are committed to ongoing growth by continually expanding our team and attracting top talent to lead our organization into the future. Our Executive leadership team now comprises 50% women.



Tracey Whittall
Chief Operating Officer

We are excited to announce the appointment of Tracey Whittall as our new Chief Operating Officer. Tracey joined Northwest in February 2024 and brings a wealth of experience and strong commitment to sustainability that aligns perfectly with Northwest’s values and long-term strategic goals. With over 20 years in the financial services industry, Tracey has a proven track record of operational excellence and innovative leadership.

“At Northwest, we believe that sustainability is not just a set of goals but a fundamental part of who we are. As a real estate company, we understand the impact our actions have on the planet and the communities around us. I am thrilled to be part of a team whose passion for building a more sustainable future is evident in our past achievements and our future initiatives. From being a sector leader in GRESB, to our advancements in educating our

workforce and creating a culture that embodies sustainability, we have a strong foundation to build upon. Launching our Volunteer Policy, our RAP plan and contributing to charities we believe in, we continue to reaffirm our commitment to our communities. We continue to make progress in gender diversification at the Board and Leadership level with women representing 50% of our Senior Executive team. We plan to continue these efforts to further advance our Board and workforce composition in 2024. Looking ahead, we are focused on driving operational efficiency, exploring (and investing in) emerging green technologies and sustainable business models and continuing to bring innovative solutions to the forefront. Recognizing the critical importance of sustainability, we are confident in our ability to create solutions that have a lasting and meaningful impact to our tenants, our communities, our employees and our investors.”

Employee Engagement

Employee Engagement Survey

Northwest has implemented a variety of initiatives aimed at fostering engagement and empowerment among its workforce. In December 2022, Northwest launched our first “Better Together” global employee engagement survey via Peakon, to gather feedback from all employees across the REIT. The survey covered several key topic areas such as accomplishment, autonomy, health and mental well-being, growth, brand and values, transformation and management support. The results will form the baseline for future benchmarking and help identify areas of focus.

This survey had a response rate of 77%. Northwest received a Net Promoter Score (NPS) of 34, which is classified as “great” through the NPS scoring system.

We are committed to conducting this survey every 2 years. Since our first global engagement survey in 2022, we have had a number of organizational changes and we look forward to gauging feedback from our employees later this year. We are evaluating strategies to increase the level of engagement from employees, both in terms of the response rates, as well as through more regular surveys, or “pulse checks,” throughout the year.

We continue to lead various other global initiatives to ensure ongoing communication, feedback and involvement with employees.

Our Coffee Chat program, which focus on regional connections, saw a participation rate of nearly 45% in 2023, with over 93% of attendees sharing that they found the sessions beneficial. Every quarter, our executive leadership team host regional town halls, which play a crucial role in maintaining open communication and aligning the workforce with organizational goals. Ongoing communication from leadership is coordinated through our Northwest Teams Hub platform. In addition to regular one-on-one manager catch-ups, our 360-performance review process has provided employees with comprehensive feedback to guide in their professional development.

Coffee Chat sessions held in 2023 which concentrated on regional matches

45%

Participation rate

93%

Found the Coffee Chat program beneficial



2023 International Women's Day celebration in the Ontario office

Diversity, Equity & Inclusion

We continuously aim to strengthen the diversity of our workforce and our initiatives to foster an environment of inclusion and belonging.

In 2022, this commitment was underscored through the global rollout of unconscious bias training for all staff, enhancing awareness and promoting equitable practices across all levels of the organization. We do not tolerate harassment or discrimination in any form, as outlined in our Workplace Anti-violence, Harassment and Sexual Harassment Policy. In Canada, acknowledgment of this policy is required of all employees as part of the onboarding process. Any reports of discrimination can be submitted directly to the Chair of the Audit Committee, which ensures that such concerns or violations are addressed responsibly and effectively at the highest level of governance.

On an annual basis, we conduct gender reports and pay comparisons to analyze the gender distribution across different levels of the organization and to ensure we maintain pay equity within Northwest. To promote inclusion, we regularly host our Success in 60 speaker sessions, which feature a diverse array of leaders and experts sharing insights and strategies on ESG and topics in line with our International Days. These sessions are designed to inspire and educate our employees, providing them with practical tools and knowledge to embrace and celebrate diversity in all its forms.



Northwest – Brazil

Northwest Brazil has recently joined “Programa Empresa Cidadã”, an optional benefit that extends parental leave. Employees who have given birth or adopted a child up to 12 years old are eligible to join the program and extend the duration of their parental leave. Mothers can extend their leave from 120 to 180 days and fathers can increase their leave from 5 to 20 days. This initiative underscores Northwest's commitment to taking care of our team members' well-being.

Vital – New Zealand

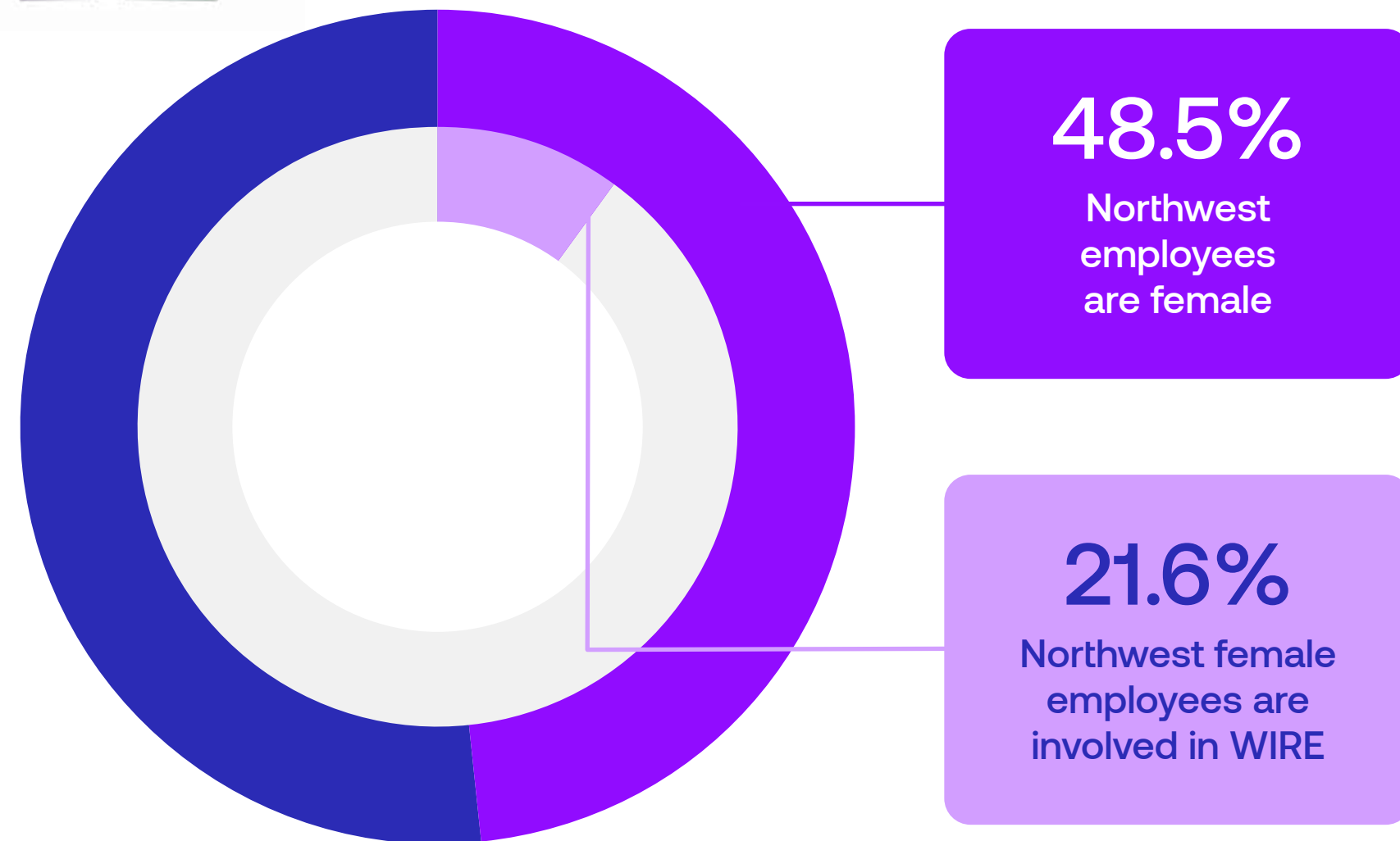
As a Keystone Scholarship Partner, we offer scholarship assistance and continuous industry mentorship to a student enrolled at the University of Auckland. The Keystone Trust focuses on nurturing young individuals with a keen interest in the construction and property sector by offering financial aid and networking opportunities during their tertiary education. With a robust network comprising over 200 program alumni, students receive substantial support throughout their academic journey. Charlotte Simpson is this year's (2024) Keystone Scholarship recipient, a 2nd-year student at the University of Auckland, studying a Bachelor of Property and Bachelor of Commerce conjoint degrees.



WIRE Committee

Our Northwest Women in Real Estate (WIRE) Committee is dedicated to promoting and facilitating diversity, inclusion and the advancement of women leaders within Northwest and the broader commercial real estate sector. Throughout 2023, WIRE expanded its reach, attracting a larger membership which enhanced global collaboration efforts. The increase in participation at conferences and events, specifically those focused on elevating women in real estate, provided WIRE members with exceptional opportunities for networking and professional growth.

As WIRE continues to develop, it remains a vibrant and crucial platform for our global teams to foster connections, engage in meaningful dialogue and strengthen the sense of community, diversity and inclusion throughout our organization.



Health, Safety & Wellness

The health and safety of our tenants, employees, contractors, visitors and the communities in which we operate is paramount. We comply with all relevant local, national and international health and safety laws and regulations. Our Health and Safety Policy, outlined in our Employee Handbook, establishes standards to promote health and safety of all our employees by mitigating the risk of injury or occupational disease and creating a safe and healthy work environment. We maintain the following policies, procedures and strategies to uphold our strong health and safety standards:

Risk Management Framework

We employ a systematic approach to identify, evaluate and manage safety risks.

Workplace Safety Training

Regular training programs are conducted to ensure employees are knowledgeable about our safety practices. A register is maintained to track participation and ensure compliance.

Business Continuity Plans

Our emergency preparedness plans are crafted to address potential emergencies in our offices, ensuring a swift and effective response.

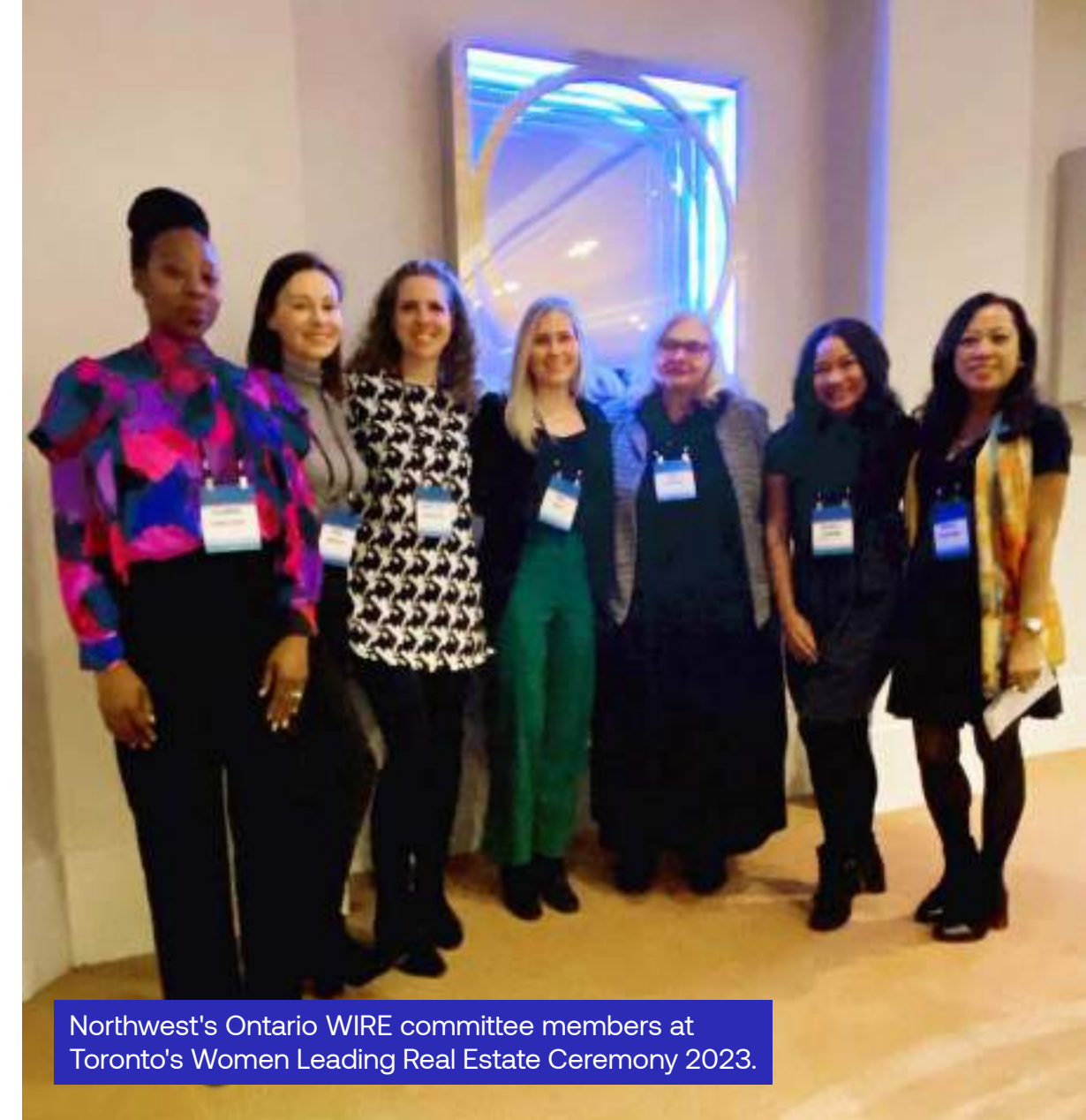
In addition to safeguarding physical safety, our company is deeply committed to supporting the physical and mental health and well-being of our employees. We offer Employee Assistance Programs (EAP) that provide confidential counseling and support services, helping staff navigate personal and professional challenges effectively. Every year, we also actively support World Health Day and World Mental Health Day by promoting various initiatives that highlight the importance of physical and mental well-being. Employees are encouraged to engage in activities that raise awareness and provide support for mental health issues.

Operational Risk Committee

This committee oversees our safety protocols and implements strategies to address operational risks.

Supplier and Contractor Safety

Safety expectations are integrated into our supplier contracts and tender/RFI procedures to ensure consistency across all external partnerships.



Northwest's Ontario WIRE committee members at Toronto's Women Leading Real Estate Ceremony 2023.



Strong Communities

Commitment	KPI's (2022 - 2027)	Status
Advance Research and Innovation	Fund \$5 million of research and leverage its findings for maximize impact	On Track
Establish Community Development Program	Leverage organization's healthcare focus to execute community improvement plan	In Progress



Northwest's journey towards reconciliation. Artwork by T'Keyah Ware

Reconciliation & Cultural Awareness

Northwest is committed to cultural acknowledgment to achieve better health outcomes in communities we serve and improve reconciliation outcomes with Australia's First Nations peoples. In support of these goals, we established a Reconciliation Working Group in 2023 in Australia and New Zealand to promote cultural awareness and align our community development initiatives with Indigenous health and education priorities. In early 2024, we published our inaugural Reflect Reconciliation Action Plan (Reflect RAP), a four-stage, multi-year process developed with the support of expert internal advisors, to demonstrate our efforts to foster inclusive and lasting relationships that are mutually beneficial. Northwest's Reflect RAP, which is available on the Sustainability page of our website, seeks to:

- Build baseline cultural knowledge and understanding with our staff in the region.
- Drive tangible, targeted actions with measurable benefits.
- Leverage our influence with community stakeholders, staff, construction partners, tenants and operating partners to improve reconciliation outcomes.

Māori cultural awareness training has been deployed across New Zealand and Australia with a focus on Tikanga Māori (Māori customs), te Tiriti o Waitangi (the Treaty) and te reo Māori (language).

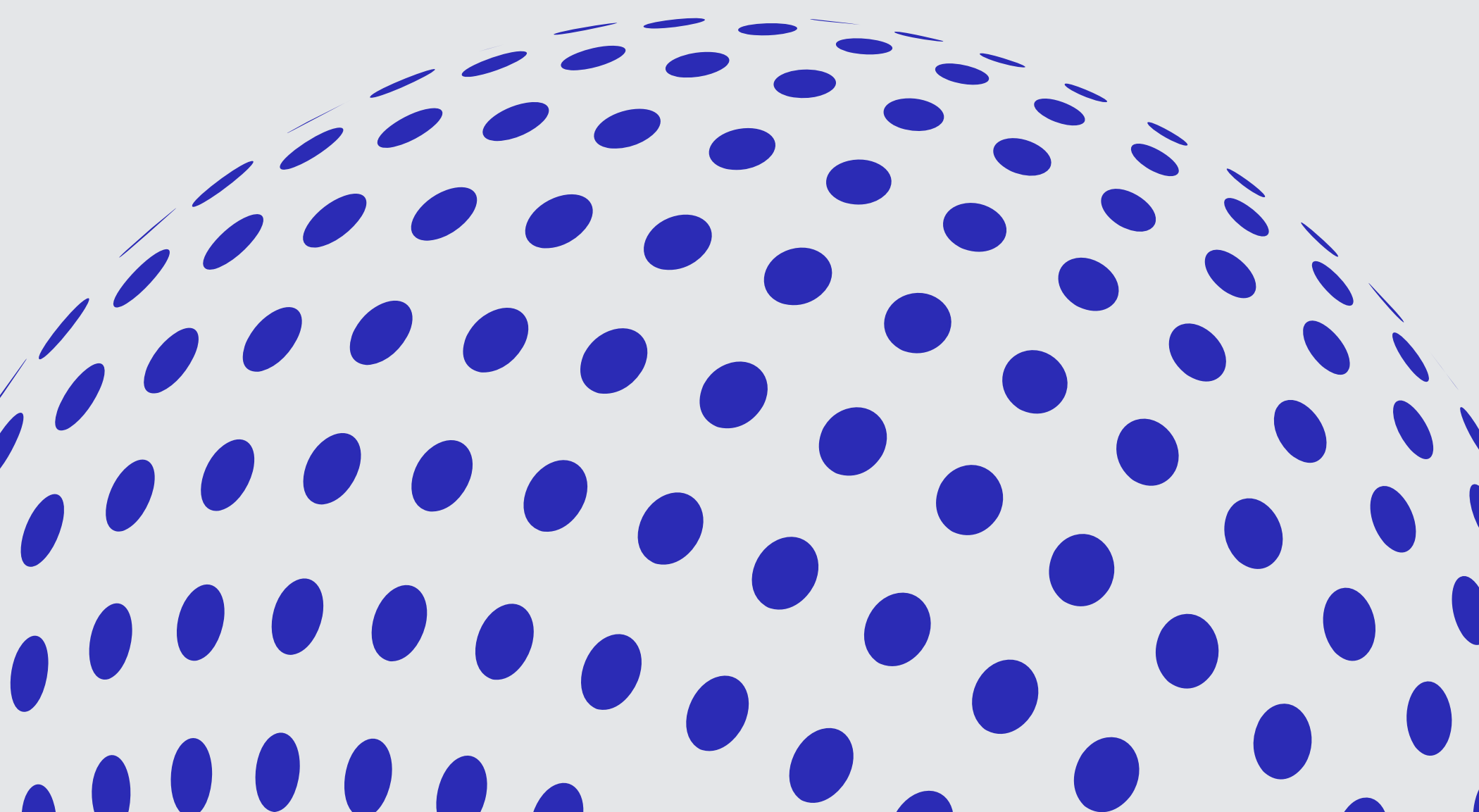
Community Development Program

One of our core KPIs for 2023 involved leveraging Northwest's healthcare focus to execute a Community Development Program, where we invested in new projects, such as the Brooklyn Park inpatient hospital expansion. Northwest funded and managed the development and construction of a 30,000 square foot expansion of Brooklyn Park Inpatient Hospital in partnership with PrairieCare. This expansion allowed for an additional 30 inpatient beds, increasing access to desperately needed mental healthcare for adolescents and young adults in Minnesota. The completion of this project removed barriers that too often stand in the way of children and youth receiving the mental healthcare they need, in an environment that is specially designed with their unique needs in mind.

Vital Supported Two New Zealand Children's Hospitals

Vital supported two New Zealand children's hospitals—Starship Children's Hospital in Auckland and Maia Health Foundation in Christchurch—providing toy cars to accompany children into operating theaters. This initiative has been adopted globally in pediatric hospitals and wards, to ease distress and improve children's recovery from surgery, as studies have shown it helps reduce their anxiety.

Starship Hospital is New Zealand's national children's hospital, providing acute and chronic care for children from across the country.





Continuing to advance research on the global impacts of the pandemic on health systems, Northwest has proudly fulfilled the third of its five annual \$1M commitments to the Dalla Lana School of Public Health at the University of Toronto, who in turn collaborates with other academic institutions globally on its research projects.

STRONG COMMUNITIES

Advancement of Research and Innovation

Northwest is actively advancing global health care through strategic investments in research and education.

Northwest is driving pivotal progress across several groundbreaking research projects that tackle both immediate and long-term health challenges exacerbated by the COVID-19 pandemic.

The research team focuses on a major systematic review and in-depth case studies concerning governance reforms in primary care, aiming to uncover root causes and viable solutions for the challenges facing primary care and health system performance globally. Their research extends to exploring innovative outcomes-based contracts as mechanisms to enhance health system efficiency, drawing on international experiences to inform policy decisions in countries like Canada, Australia and beyond.

In Phase 1 of the multi-year research program, the Northwest Healthcare Properties REIT— International Policy Network (NWHP-IPN) team launched a partnership with researchers at two Australian universities: the Melbourne School of Population and Global Health at the University of Melbourne and the Menzies Centre for Health Policy and Economics at the University of Sydney. Collaborative projects initiated in December 2022 are currently focused on two main areas: assessing surgical backlogs and developing policies to address them and evaluating recent

reforms aimed at enhancing primary care systems in both Canadian provinces and Australian states. These efforts include the creation of regional networks designed to foster collaboration among independent practices and the implementation of strategic purchasing to improve access, quality and care coordination within these health systems. The NWHP-IPN Research, Education and Engagement Fund has funded trainees and research assistants to participate in ongoing comparative policy research.

Supported by Northwest, the University of Toronto is rapidly expanding its influence and establishing robust international connections. Its progress noted in systematic reviews, policy reports on primary care reform and strategies for emergency department diversion and integrated care, alongside active participation in national and international conferences, positions it to broaden its network into Europe and Brazil, other healthcare markets of interest to Northwest. This expansion will amplify the impact of its findings on public, academic and policy audiences worldwide, effectively enhancing policy and practice in health systems management. Northwest is proud of its support for these initiatives.

”

The generous support provided by Northwest Healthcare Properties REIT has kickstarted the Northwest Healthcare Properties International Policy Network, a multi-institution collaborative project that started with Canada and Australia and is in the process of expanding to Brazil and Italy. We were also able to leverage this support to catalyze additional investments, such as from the University of Toronto to launch and expand the Institute for Pandemics. We believe this comparative health policy research will lead to fundamental insights into the causes and solutions to pressing challenges within primary care and health system performance and inform policymakers in their efforts to reform health systems in Canada, Australia and beyond.”

Adalsteinn Brown

Dean & Professor
University of Toronto
Dalla Lana School of Public Health

Volunteerism

Northwest has a responsibility to help strengthen the communities in which we live and work.

Our Volunteerism & Corporate Social Responsibility Policy provides full-time employees with two paid volunteer days during work hours each calendar year (part-time employees with one). The policy aligns with our commitment to our five key international days and is backed by Northwest's WIRE committee.

In 2023, our team dedicated a combined total of 1,788 hours to volunteering. This marks our inaugural year of volunteering events and we remain committed to enhancing our volunteer programs and anticipate increased engagement from our global workforce with the aim to double our community involvement in 2024.

1,788 hours

Total hours of volunteer time by employees





STRONG COMMUNITIES

Australia & New Zealand

Our team in Australia and New Zealand have volunteered within the communities we serve, including with the Starship Foundation, Ronald McDonald House Charities and Magic Moments Foundation's Sydney Basket Brigade.

Sydney

The Sydney team joined the Magic Moments Foundation's Sydney Basket Brigade to pack more than 1,000 baskets of food, necessities and toys for families in need during Christmas. In addition to being a fun and festive team-building activity, this important work brings much-needed holiday warmth and joy to our community members who receive them.

Melbourne & Auckland

Over several days in Q4 2023, Auckland and Melbourne office volunteers prepared, cooked and served meals to families staying at Ronald McDonald Houses in Auckland and Melbourne. These heartwarming outings saw the teams serve a variety of sweet and savory treats in Melbourne and at a family dinner service in Auckland. At Ronald McDonald Houses, families can

stay together, rest and recharge to remain strong for their child, interact with families going through similar experiences, enjoy home-cooked meals and receive compassionate hospitality from staff and volunteers — all just minutes from the hospital where their child is receiving care.



Melbourne Ronald McDonald Houses



Sydney Basket Brigade Volunteering Day



Auckland Ronald McDonald Houses



Auckland Ronald McDonald Houses



Hospital Santa Helena, Brazil

STRONG COMMUNITIES

Brazil

Northwest's volunteer initiatives in Brazil encompass a variety of impactful activities aimed at supporting the community and the environment. Across 2023, Northwest participated in initiatives to promote various objectives:

Empowerment through Education

In honor of International Women's Day, Northwest donated to the NGO "Nova Mulher," to fund a waxing course for women seeking entry into the job market by improving family income, as well as overcoming situations of personal and social vulnerability.

Environmental Conservation

In collaboration with the Aron Birmann Foundation, Northwest participated in a reforestation event at Parque Burle Marx in São Paulo. Team members Isabella and Roberto helped plant seedlings native to the Atlantic Forest, with each tree receiving an ID plate marking it as a Northwest donation.

Health Awareness

Northwest supported the "Passos que Salvam" walk, an event aimed at raising awareness about the symptoms of childhood cancer to enable early and rapid diagnosis. Additionally, the walk organizers provided a lecture to the Northwest Brazil team in June 2023, educating them on how to detect early symptoms of cancer in children.

Community Engagement & Support

Northwest participated in the "Viagem Fantástica," or the Fantastic Journey, an event organized by the José Luiz Egdio Setúbal Foundation (Hospital Sabará—a Brazilian tenant) in October. The event focused on raising awareness about foster families and included charitable activities like improvements and small renovations to five units of the Institutional Reception Service for Children and Adolescents in the São Paulo's Penha neighborhood.



Passos que Salvam



International Women's Day



Brazil Earth Day Tree Planting



Barrie Primary Care Campus, Barrie, Canada



Princess Margaret Ride to Conquer Cancer



Queensway Tree Planting



Toronto Community Cleanup

STRONG COMMUNITIES

Canada

Northwest has engaged with various organizations and programs across the Canadian provinces to promote community service and environmental care, as well as raise funds and awareness for healthcare:

Calgary Drop-In Centre

In Calgary, the local team resumed volunteer activities at the Calgary Drop-In Centre, which had been paused due to the COVID-19 pandemic. The same team took part in the City of Calgary's River and Pathway cleanup, maintaining a designated public pathway.

Winter Warmth Trees

The West team also held Winter Warmth Trees, placing Christmas trees in building lobbies and requesting tenants and visitors to decorate the tree with new scarves, mittens or gloves and socks of all sizes. The items were then donated to community members in need in Calgary and Edmonton.

Earth Day

Teams in Ontario and Alberta celebrated Earth Day by picking up litter and planting flowers to beautify their communities.

Princess Margaret Ride to Conquer Cancer

Over CAD\$25,000 was raised through the Princess Margaret Ride to Conquer Cancer in Ontario, with riders cycling 200+km.

14th annual Holiday Helpers Adopt a Family

The Ontario region and the Toronto corporate office participated in the 14th annual Holiday Helpers Adopt a Family holiday fundraiser, with teams raising funds to purchase winter clothing, household items and gifts from "Santa" for a widowed mother raising six children on her own.

One Million Trees Mississauga

The Mississauga team and tenants participated in "One Million Trees Mississauga", planting 160 trees. This initiative was launched to help conserve and enhance the city's open spaces and forested areas for future generations to enjoy.



STRONG COMMUNITIES

Europe

Throughout Europe, we have also reflected our commitment to social responsibility and collective well-being through involvement in local initiatives:

Germany

Berliner Herz Frühlingsfest - Berlin Heart Spring Fest

We participated in the construction and setup of animal protection gardens to celebrate Spring's arrival with the community (Kinderhospiz).

Weihnachten im Schuhkarton - Christmas in a Shoebox

Northwest provided a €1.000 donation and participated in the preparation of present-filled Christmas shoeboxes for people in need.

Arche Berlin Hellersdorf

We engaged in a fencing construction project to separate and isolate trash onsite, for an area that is trying to improve its green spaces for children to play.

The United Kingdom

Bethnal Green Food Bank

Northwest actively engaged with this charity to provide emergency food supplies to those who are in crisis due to financial difficulties. Team members helped pack food bags for attendees, distributing 293 adult food parcels and an additional 169 family parcels for families with children. A total of 2.5 metric tons of food, pantry and hygiene items were provided through this effort.





Healthy Planet

Commitment	KPI's (2022 - 2027)	Status
Establish Building Utility Performance Metrics	Efficiently collect, track, analyze and report energy and utility data to meet and refine targets	In Progress
Formalize Energy Management Plan	Inform 2024 (and beyond) capital budgets with consistently evaluated programs to improve energy management	In Progress
Establish Environmental Building Certifications Program	Evaluate development of global plan for pursuing certifications, including for tenant-controlled properties	In Progress
Establish Renewable Energy Strategy	Evaluate status of multi-year renewable energy strategies for higher-priority properties	In Progress
Formalize Tenant Sustainability Strategy, Program and Guide(s)	Develop and implement global tenant sustainability guide, adapted regionally as needed	On Track
Evolve Sustainable Development Strategy and Program	Implement standard guide across each region	Complete

Environmental Management

Energy Audits

We are committed to environmental stewardship through the robust environmental management system (EMS) that we maintain, with rigorous energy audits and strategic energy management across our properties.

Building on the groundwork laid in 2022, this year we have undertaken extensive equipment inventory and utility meter identification which will be mapped in technology platforms. The next phase consists of creating energy optimization plans and renewable energy strategies for all regions.

In one region, we have completed an energy audit process that involved the verification of meters and metering systems within individual assets and the thorough collection of utility information including electricity, gas, water and waste. This data collection has been a crucial component for us to understand our environmental footprint in total energy consumption and establish a GHG emission baseline for each asset. In Canada, we have also completed ASHRAE Level II Energy Audits for all properties, incorporating all audit recommendations into our capital expenditure approval plans.

The insights gained from the audits pinpointed various energy conservation measures and opportunities to align with our ambitious carbon targets. We have identified focus areas such as the potential for electric vehicle (EV) charging facilities and managing the current use of refrigerants, which are integral to enhancing the sustainability features of our assets. In the region, these findings and initiatives have been formalized into actionable roadmaps, which include our launched decarbonization plan, as well as capital expenditure planning and funding approval for achieving our targets.

Energy Procurement Strategy

As part of our energy management and decarbonization plan, we are pursuing green power procurement strategies. We have committed to securing 100% green power on all expiring contracts going forward in one region, with 3 sites already implementing green power contracts. This includes the Tennyson Centre, which operates an embedded network where all but one tenant purchases 100% of their electricity—sourced from solar energy—directly from us. Embedded networks like this allow us to efficiently manage and distribute renewable energy, optimizing our building’s overall energy consumption and reducing carbon emissions. In Europe, we are seeking to implement similar initiatives and are currently in negotiations for onsite Power Purchase Agreements (PPAs).

Sustainable Fit Out Guide

A Sustainable Fit-Out Guide was launched in 2022. Tenants are encouraged to follow this best-practice guide, with recommendations for sustainable materials, energy efficiency and reduction measures and overall promotion of environmental quality through process and design.

Data Collection & Consumption



In 2023, we worked toward consolidating, standardizing and centralizing the efforts of our global teams to collect, collate and analyze meter data for company-wide utilization.

This initiative is designed to enhance our understanding of meter configurations at each property and region, providing a more detailed analysis of Scope 1, 2 and 3 emissions. Additionally, it provides insights into how consumption patterns vary across different tenancy types, which aims to improve transparency within the healthcare property sector. Both Northwest and Vital have engaged external verification providers to assure our 2022 baseline year and 2023 emissions data.

As a REIT, collecting data and managing waste and water efficiently can present unique challenges, particularly in ensuring coverage across the tenant-controlled and landlord-controlled properties within our real estate portfolio. For tenant-controlled spaces, Northwest engages collaboratively with tenants to collect data and implement sustainable practices. We have implemented in-region environmental data reporting training to scale the availability and accuracy of data collected.

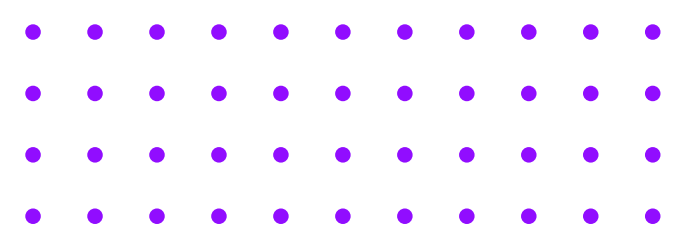
Energy Use by GRESB Property Type (MWh)	2022		2023		2022 vs 2023 % change	
	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled
Healthcare Centre	7,419	301,933	7,662	253,501	+3%	-17%
Laboratory/Life Science	1,984	37,867	1,646	33,004	-19%	-14%
Medical Office	142,728	29,432	129,628	29,230	-10%	-1%
Senior Care	-	5,922	-	4,405	-	-29%
Total	152,132	375,154	138,936	320,140	-9%	-16%
Data Coverage	98%	87%	99%	85%	-	-
Data Completeness	100%	98%	96%	88%	-	-

Energy Use by Service (MWh)	2022		2023		2022 vs 2023 % change	
	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled
Electricity	91,949	213,742	90,952	180,545	+0%	-16%
Fuel	52,078	161,412	41,611	139,595	-20%	-14%
District Heating	9,105	-	6,373	-	-30%	-

Energy Intensity by GRESB Property Type (MWh/m2)	2022		2023		sqm
	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled	
Healthcare Centre	0.26	0.36	0.30	0.34	985,401
Laboratory/Life Science	0.52	1.39	0.43	1.21	31,084
Medical Office	0.25	0.34	0.23	0.36	668,139
Senior Care	-	0.19	-	0.14	31,853
Total	0.26	0.38	0.23	0.36	1,716,480

Water Use (m3)	2022		2023		2022 vs 2023 % change	
	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled
Water	8,894,281	1,044,562	10,260,061	1,107,256	+15%	+6%
Data Coverage	95%	66%	94%	66%	-	-
Data Completeness	99%	99%	96%	97%	-	-

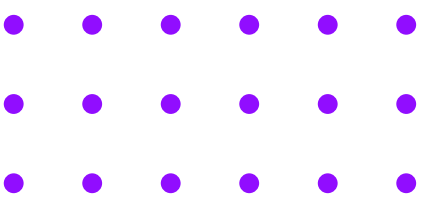
Waste* (MT)	2022		2023		2022 vs 2023 % change	
	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled	Landlord controlled (operational control)	Tenant Controlled
All Output	6,831	8,037	4,679	20,683	-32%	+157%
Data Coverage	93%	28%	88%	50%	-	-
Data Completeness	99%	99%	95%	92%	-	-



Metrics & Targets

Northwest remains committed to achieving net zero by 2050.

While we understand and assess our commitment to emission reduction targets that are science aligned, setting and refining these remains a priority. From a 2022 baseline year, Northwest’s portfolio improvement targets to reduce GHG emissions include:



Target

2%

Energy Consumption

Annual intensity reduction target for properties within operational control

1%

Water Consumption

Annual intensity reduction target for properties within operational control

20%

Waste Diverted from Landfill

Annual waste diversion rate to achieve

80%

GHG Emissions

GHG Reduction by 2050 from 2022 Baseline

80%

Data Coverage

Increase overall energy data coverage

2023 Results

7%

Energy Consumption

Reduction in annual energy intensity

14%

Water Consumption

Increase in annual water intensity*

21%

Waste Diverted from Landfill

Waste diversion from landfill

10%↓

GHG Emissions

GHG Reduction in one year**

89%

Data Coverage

Energy data coverage

*We identified a significant leak at one of our assets during the reporting period which contributed to an increase in water usage. A number of vacant standing assets became operational during the year. We are continuing to identify sources of these increases and opportunities to reduce consumption across the portfolio.

**Emission reductions are measured against our 2022 baseline. We have utilized a third-party software to determine this GHG inventory but intend to undertake an updated scoping boundary exercise to determine material emission categories for reporting in line with the GHG protocol. Additionally, we note that the emissions factors applied are location-based and we intend to report on market-based emissions in the future. As such, we expect to update our GHG inventory in the coming years.

Environmental Building Certification Program

Environmental certifications are continually broadening to align with industry needs, while global sustainability initiatives are establishing standardized best practices.

We assessed a variety of sustainability rating systems and adopted energy-building certifications within each of our regions. In Australia and New Zealand, we are committed to obtaining Green Star certifications from the Australian Green Building Council. Green Star Performance ratings range from 0 to 6 stars, with 2 stars representing average practice, 3 stars indicating good practice and 6 stars showcasing a globally-leading green building. Renewals for certifications are scheduled for 2025.

In North America, we have undertaken WiredScore and Energy Star certifications. These certifications adhere to stringent standards, yet they offer a framework that ensures all project stakeholders are committed to delivering buildings that are

designed and constructed to meet sustainability and efficiency benchmarks, including greenhouse gas emissions. Aligning with our corporate values, these certifications also provide operational advantages, such as reduced energy costs from enhanced efficiency.

This highlights the collaborative efforts between regional heads and the sustainability team in the practical implementation and refinement process of environmental building certification. Additionally, there was engagement with various consultants to gather feedback on the most suitable certification program, based on asset class and portfolio size within the Canadian context.



Epping Private Hospital & Medical Centre, Melbourne, Australia

Northwest UK has made substantial improvements to Energy Performance Certificates across its hospital portfolio. In collaboration with our tenants, we have carried out LED lighting upgrades, boiler replacements and other energy improvement initiatives at a cost of £2.5m+ to future-proof the portfolio from an energy perspective. The hospital portfolio is now 100% compliant with UK government energy standards (Minimum Energy Efficiency Standards) and the proportion of hospitals which are compliant to 2030 standards has doubled since the hospitals were acquired. We are also seeing the additional benefit of the energy improvements via reduced operating expenses and improved EBITDAR across the estate.

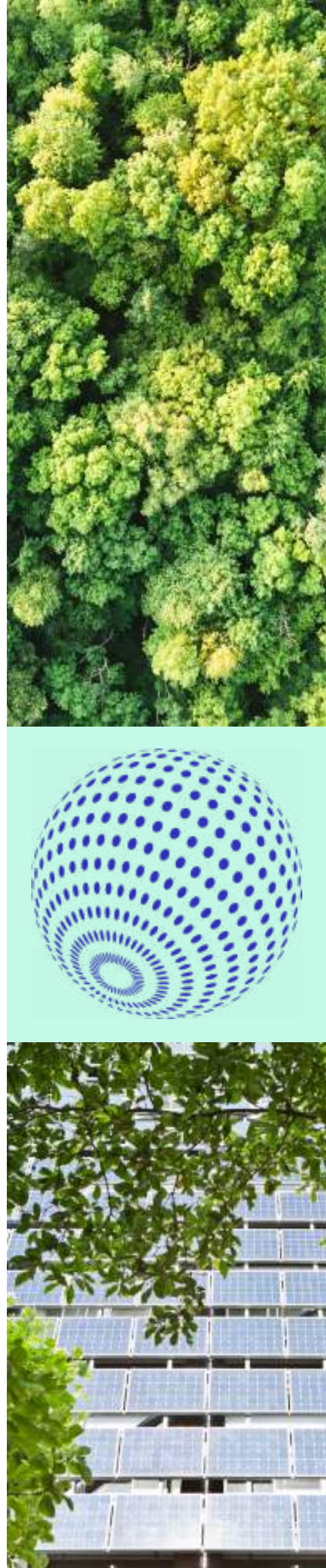
Building Certifications

31	42	7
Assets achieved Green Star Performance 1 star or above ratings	Assets achieved WiredScore/WiredScore - Operational Certified	Registered Green Star Design & As Built projects

Building Energy Ratings

3	15	19
EU EPC - A++ ratings	EU EPC - A ratings	EU EPC - B1 ratings

*Refer to the Data Pack for a full list of Building certifications and energy ratings.



Green Buildings

Green Leases

All new leases will now incorporate green lease clauses, following coordination across regions to ensure updated agreements are in place. These clauses are designed to promote environmentally responsible practices within our leased properties. By integrating specifications such as energy efficiency standards, waste management protocols and sustainable building materials, we aim to minimize our environmental footprint, while also fostering healthier and more productive spaces for our tenants. This strategic approach not only aligns with our corporate values, but also contributes positively to the broader sustainability goals of our organization.

Waste Management Strategy

Managing and measuring waste is challenging, particularly in the healthcare sector. In Australia, Northwest has partnered with Wasteflex to streamline our waste management systems through a national contract, ensuring that waste is managed and measured and that data is reported accurately and consistently. This arrangement allows us to find solutions as part of the waste industry across all of our sites, as opposed to through a single waste management provider.

Asset Monitoring & Maintenance

Through the Prism roll out in Europe, we have been able to identify service providers and End-of-Life risks where maintenance is not being carried out as promptly as we would like. We take pride in our assets and believe a well-maintained building will perform better. For example, filters being changed and cleaned regularly and water systems being purged can have massive impacts on energy efficiency. We are currently tracking the maintenance and our next step is to digitize the utility data tracking to see the live impacts of our work.



Green Star Commitment

Vital is committed to targeting a minimum of 5 star Green Star ratings for all new development projects and currently has 9 new developments registered to achieve the below ratings:

Targeting 6 Star Green Star Design & As-Built Rating

- RDX, Queensland.
- Macarthur Health Precinct—Stage 1, Campbelltown (Design Certification Achieved, As-Built Certification on track to be achieved 2024).
- Playford Health Hub—Stage 2, Elizabeth Vale (Design Certification Achieved, As-Built Certification on track to be achieved 2024).

Targeting 5 Star Green Star Design & As-Built Rating

- Kipling Avenue, Auckland.
- Coomera Health Precinct—Stage 1, Queensland.
- Logan Private Hospital, Meadowbrook.
- Buranda Health Hub, Woolloongabba.
- St Asaph St, Christchurch.
- 61-71 Park Road, Auckland.

End-of-Life Upgrades

All end-of-life upgrades take into account energy efficiency measures to ensure sustainable and environmentally responsible practices are implemented.



Macarthur GenesisCare, Campbelltown Sydney, Australia

HEALTHY PLANET

Macarthur Health Precinct

Campbelltown, Sydney, Australia

Sustainability has been a key focus for the Macarthur Health Precinct, which has been registered as a 5 Star Green Star Community, under the Green Building Council of Australia's Green Star Communities v1.1 Rating Tool — and making it the first Health Precinct to register under GBCA's Green Star Communities Rating Tool.

Stage 1 of the Macarthur Health Precinct was initially targeting a 5 Star Green Star rating and through Northwest's involvement and collaboration with key stakeholders, a pathway to 6 Star Green Star was identified. As a result, the project registration was increased to targeting 6 Star Green Star (Design and As-Built v1.3).

Now that the project has reached Practical Completion (Feb 2024) the project team is in the process of submitting all supporting documentation to support with certification. Whilst certification won't be confirmed until mid-2024, testing and commissioning results to date have been extremely favorable, with the building airtightness results achieved (3.8L air loss per minute)—which is significantly less than a standard healthcare building (>20L air loss per minute).



3.8L

Air loss per minute

Significantly less than a standard healthcare building (>20L air loss per minute)



HEALTHY PLANET

RDX

Gold Coast Health & Knowledge Precinct, Queensland, Australia

RDX is a premier health, research and innovation building located within the Gold Coast Health & Knowledge Precinct—one of Asia Pacific's fastest-emerging health and innovation precincts.

RDX offers 12,000 sqm NLA of specialized health-oriented services across 9 levels, supported by a 180-bay, 3-level basement car park. Strategically co-located adjacent to Gold Coast Private Hospital — with a proposed link bridge — RDX offers a premium proposition for practitioners seeking to provide services across the public and private sectors.

RDX is registered with the Green Building Council of Australia to achieve a targeted Design and As-Built 6 Star Green Star Rating under the v1.3 Rating Tool. This would see RDX recognized as the first 6 Star Green Star certified building within the Gold Coast Health and Knowledge Precinct and the Gold Coast itself. RDX is currently going through the Green Star design review assessment, with sufficient points being targeted to achieve a 6-star rating outcome. An all-electric building services design with an 80kW solar PV array and high-performance façade — together

with reduced embodied carbon in construction and materials—are key initiatives contributing to the Green Star rating target. The high-performance façade is being fabricated in China, with recent visits undertaken by the RDX design team to review performance mockups, ensuring all performance parameters were met before full fabrication. Tenants moving into RDX will undertake fit-out design and construction to support the intent of the Green Star rating, by complying with a sustainable fit-out guide specific to the project.



HEALTHY PLANET

Australian Red Cross Blood Service Facility

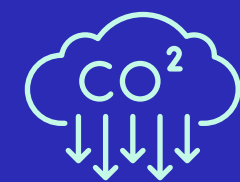
Mechanical Upgrade and Thermal Ice Storage Project

The ARCBS (Australian Red Cross Blood Service) Facility mechanical upgrade and thermal ice storage project comprises three main components:

- Replacing the Building Management System (BMS) and chillers, both of which have reached the end of their serviceable life cycle and implementing a thermal ice storage solution recommended in the Level 2 energy audit.
- The integration of the thermal ice storage system with chiller replacements, alongside the installation of a solar system, facilitates the internal consumption of solar energy to produce thermal ice storage, which can be utilized during evening hours.

- Primarily aimed at replacing outdated assets with more efficient equipment and introducing energy-saving measures to reduce operational costs, as well as upholding ESG commitments, the project is set to reduce carbon emissions by 898 tons of CO₂e annually.

In line with Northwest's environmental principles, this project demonstrates the company's commitment to renewable energy adoption and energy efficiency, while offering cost benefits to tenants and creating an eco-conscious healthier workplace.



898 tons
of CO₂e

Carbon emissions
reduced annually



Task Force on Climate-Related Financial Disclosures

We have taken a proactive approach to tackling climate change to address key risks and opportunities and prepare for both existing and emerging regulations.

We have modeled our physical climate risks at the portfolio level since 2021 to understand and manage property exposure in seven areas — flooding, both fluvial and coastal, extreme heat, extreme cold, water stress, tropical cyclones and wildfires — across three climate scenarios and time horizons.

Our executive leadership team and business function leaders across various disciplines and geographies review these findings to further assess the risks and enact mitigation programs. We have also reviewed the transition risks associated with our business. Moving forward, Northwest is focused on integrating these risk assessments and mitigation opportunities into our overall business planning process, from strategic development through to execution.

Building on this progress, we are focused on the deployment of our decarbonization plan and the development of robust transition plans. This holistic approach ensures that we are not only addressing immediate concerns but also ensuring our properties and operations are resilient to the impacts of climate change and our business is positioned for long-term success.

We will continue to evolve our climate risk analyses, strategies and reporting, particularly based on new and evolving climate legislation across the regions that we operate in.

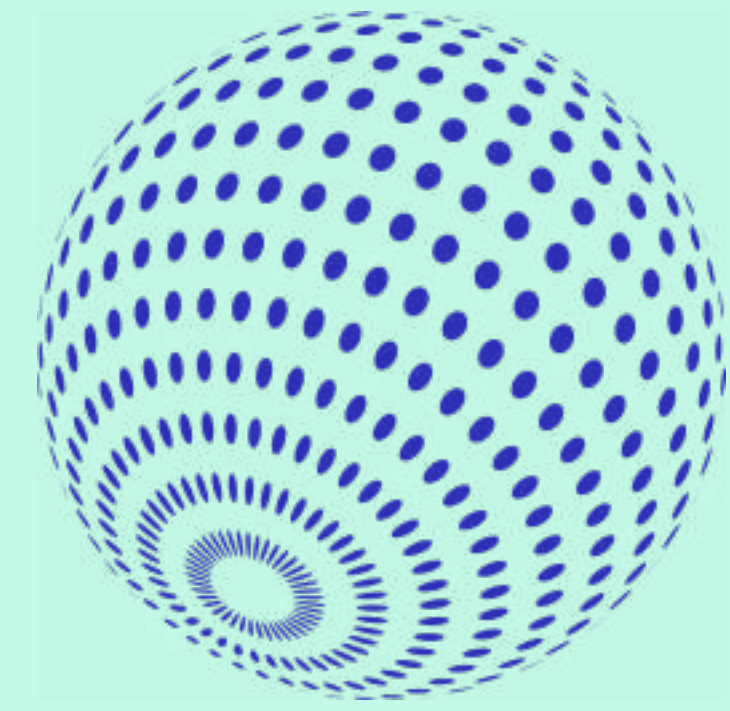
Under the new Financial Sector (Climate Related Disclosures and other matters) Amendment Act 2021 legislation in New Zealand, Vital will be required to comply with the reporting regulations, which align with the Taskforce for Climate-related Financial Disclosures (TCFD) framework. Vital is prepared for its first submission due in October 2024.

Climate legislation is advancing in Canada as well with the introduction of the Canadian Sustainability Disclosure Standards (CSDS), which align with the global baseline standards developed by the International Sustainability Standards Board (ISSB), but with modifications to serve the Canadian public interest. We are preparing for preliminary reporting in the coming years, with a transition to full reporting by 2027.



Governance

Disclose the organization's governance around climate-related risks and opportunities



A. Describe the board's oversight of climate-related risks and opportunities

Climate-related risks and opportunities are incorporated into the overall oversight that the Board of Trustees has regarding sustainability. The Board is kept informed of any necessary information pertaining to climate-related risks and opportunities through quarterly reports or as required.

B. Describe management's role in assessing and managing climate-related risks and opportunities

The Board is advised by the Executive Team, which oversees our Global Sustainability Team (GST). The GST is comprised of eleven members with responsibilities relating to advancing the Sustainability Strategy.

The Chief Operating Officer leads and manages the Global Sustainability Team by providing strategic direction. As a member of the Executive Team, the COO has the responsibility to communicate activities and material issues, including identified climate-related risks and opportunities, that are assessed and managed by the GST.

Regional Heads of Sustainability have the responsibility to identify and assess climate-related risks as they are presented.



Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning

A. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including disclosure under a 2°C or lower scenario

B. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term

C. Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning

Primary physical risks associated with climate change include variability in weather patterns, increased severity of weather impacts, increased fluvial and pluvial flooding and the repercussions of rising sea levels, all posing potential threats of property damage or loss.

A fundamental strategy for mitigating these climate-related risks involves maintaining a geographically diversified portfolio. With holdings spanning eight countries worldwide, risk is spread reducing the likelihood of a regional climate-related catastrophe causing significant harm to our overall portfolio. Given that property acquisition and development are integral aspects of our operations, we embed climate risk management within the due diligence phases through physical climate-related risks assessments. This comprehensive approach, coupled with ongoing risk management for operational properties, ensures that we address climate risk across the entire property life cycle.

Northwest conscientiously considers various transitional risks stemming from climate change as part of long term risk management. This includes macroeconomic

factors such as increasing energy expenses, legislative and policy risks such as carbon taxation and reputational risks associated with evolving consumer (e.g., tenant) and investor preferences favoring businesses perceived as more sustainable. To mitigate transitional risks, we employ diverse strategies. We prioritize energy conservation through efficiency enhancements collaborative efforts with our tenant partners, who often oversee property operations. Regarding policy risks, we annually review regulatory and legislative mandates across all regions of our portfolio, ensuring compliance at local levels while also leveraging insights from policy implementations in one jurisdiction to inform practices across the entire portfolio.

We view sustainability not only as a risk but also as an opportunity, particularly in terms of reputation. By transitioning the portfolio through sustainable operations and buildings that prioritize occupant health and well-being, we believe that Northwest can enhance its appeal to both existing and potential healthcare tenants, their staff and clientele, thereby aligning with evolving preferences for sustainable business practices.

Risk Management

Disclose how the organization identifies, assesses and manages climate-related risks



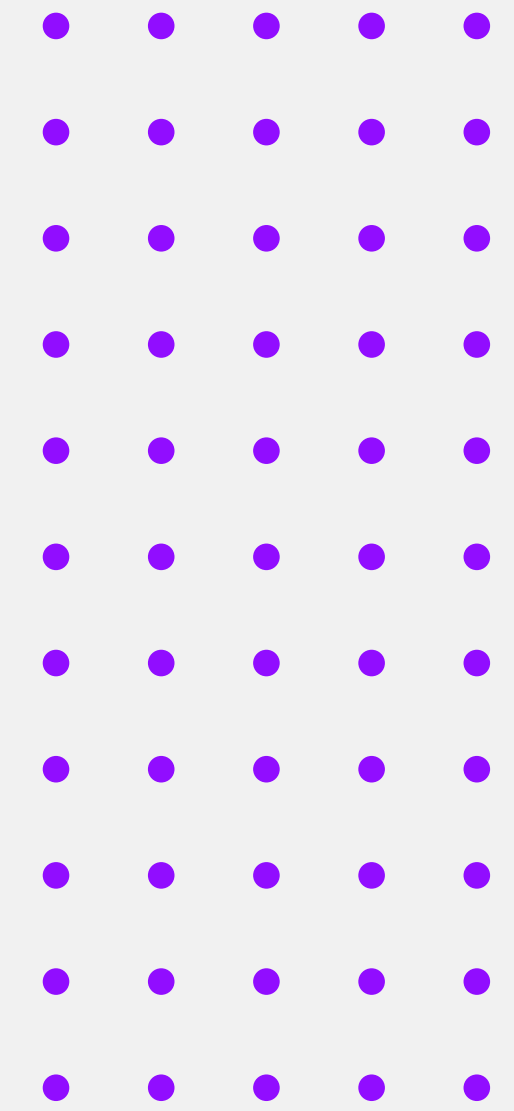
A. Describe the organization's processes for identifying and assessing climate-related risks

B. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management

C. Describe the organization's processes for managing climate-related risks

Our risk management framework encompasses the evaluation of both physical and transitional risks, encompassing climate change mitigation efforts such as resource efficiency and emissions reduction, as well as adaptation strategies including the integration of climate resilience into our investment decision-making process. As a result of these initiatives, Northwest maintains a geographically diversified real estate portfolio that, on a global average, is perceived as having low risk in terms of physical climate impact. Commencing in 2021, we initiated the modeling of physical climate risk at the portfolio level, utilizing specialized climate risk software that assesses property exposure across seven distinct areas: flooding (both fluvial and coastal), extreme heat and cold, water scarcity, tropical cyclones and wildfires. These risks are evaluated across three climate scenarios and over three time horizons. The climate risk profile of each property is predominantly influenced by its unique characteristics, physical location and adherence to local regulatory standards.

Any assets that are identified as having material risk are raised within the Global Sustainability Team for assessment and consideration. Any immediate impacts from climate-related risk are considered in asset specific Emergency Preparedness Plans.



Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities

A. Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

B. Disclose Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions and the related risks

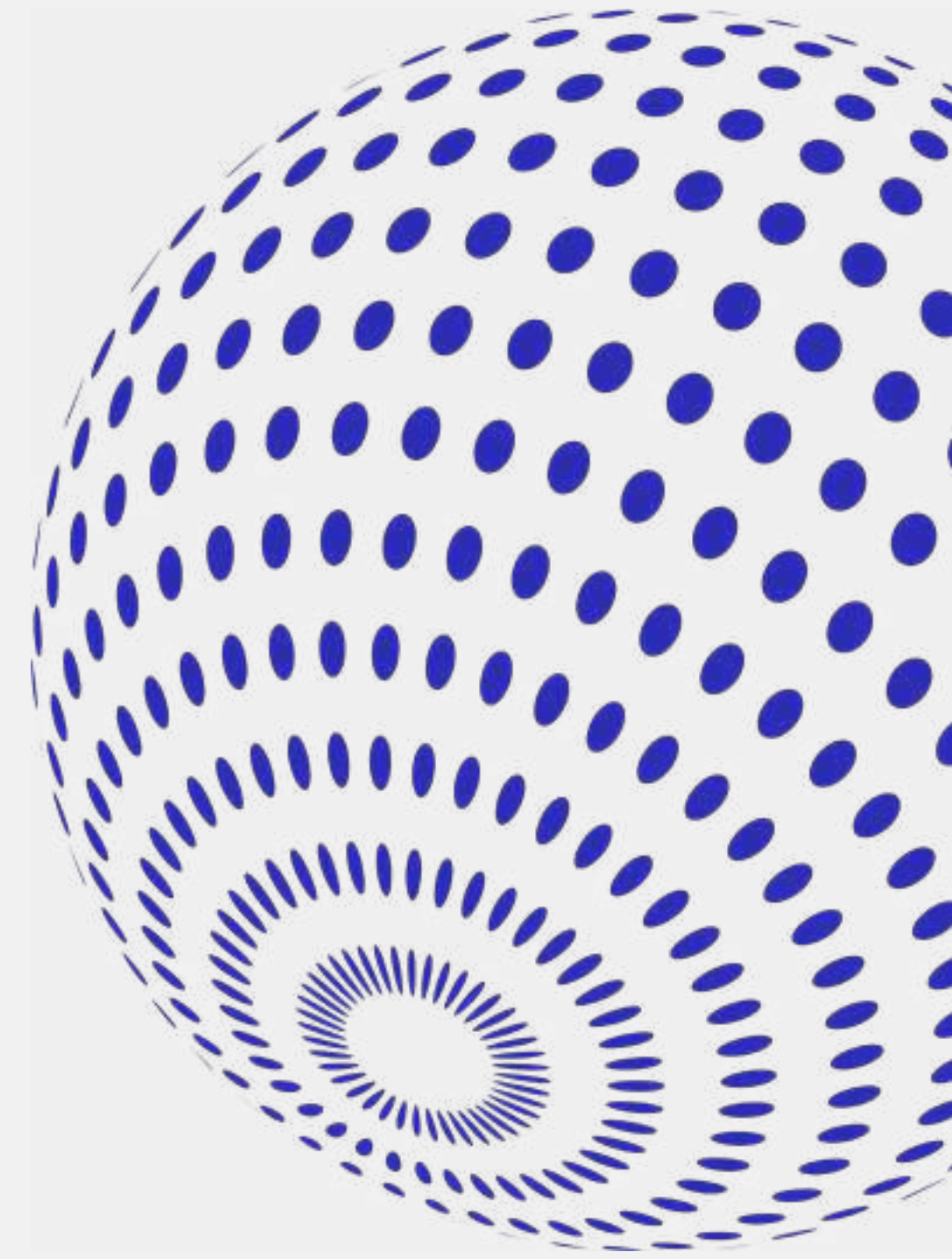
C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets



The metrics associated with assessing and managing climate-related risks and opportunities encompass a wide range of factors, including greenhouse gas emissions, energy consumption, water usage and waste generation.

Understanding our energy consumption and sources can help to identify efficiency opportunities and transition towards renewable energy sources. Water usage consumption metrics highlight areas for conservation and potential risk mitigation, particularly in regions vulnerable to water scarcity.

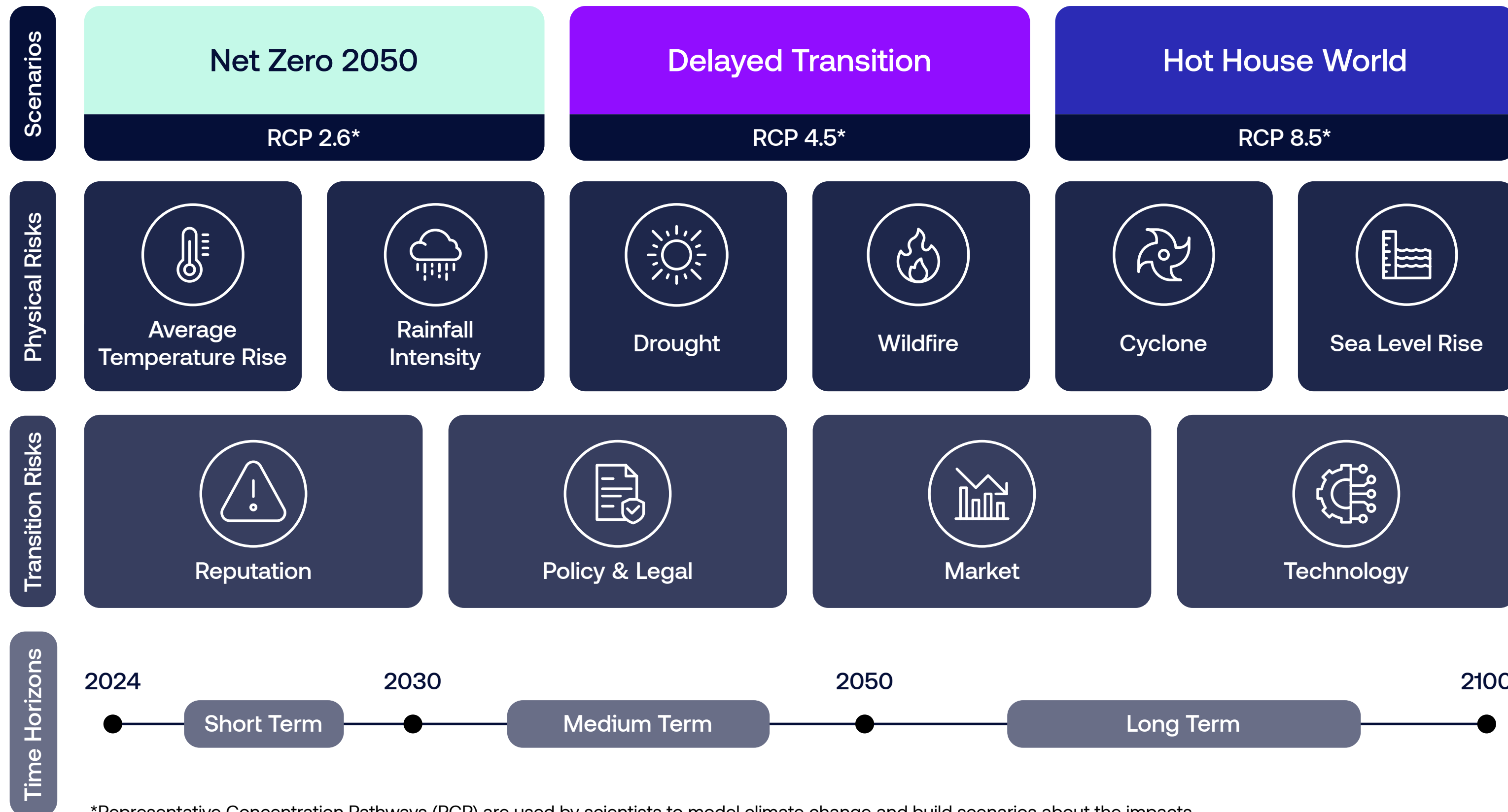
We have set targets aligned with climate-related goals, such as reducing energy consumption, diverting waste from landfill and setting a net zero 2050 target. These targets are informed by the latest climate science, stakeholder engagement and industry best practice. By incorporating these metrics and targets into our overarching ESG strategy, this not only aids environmental performance but also strengthens resilience to climate-related risk and climate change challenges.



Physical Risk Assessment

We assess our assets on an annual basis against six physical risks and four transition risks, across three time horizons for each of the three climate scenarios noted below. We have heat-mapped our standing assets against these risks through a third-party platform.

This assessment concludes in a hot house world scenario, some assets will experience a great risk of water stress, wild fires and temperature extremes. In the short term, we are conducting further assessments to identify priority actions and costs associated with transitioning assets that are likely to be affected by temperature extremes by 2030. Please refer to the following pages for business impacts and potential mitigation strategies.



Northwest Portfolio Assessment

Severity of Impact
of assets over \$0.5M modeled average annual loss

- Significant 2 – 5
- Serious 6 – 10
- Major 11 – 20
- Severe 21+

	Net Zero 2050 RCP2.6			Delayed transition RCP4.5			Disorderly / Hot house world RCP8.5		
	2030	2050	2100	2030	2050	2100	2030	2050	2100
PHYSICAL RISKS									
Time horizons									
Tropical Cyclone									
Water Stress	●	●	●	●	●	●	●	●	●
Fluvial Flooding			●			●			●
Pluvial Flooding			●			●			●
Drought									
Coastal Flooding									●
Temperature Extremes	●	●	●	●	●	●	●	●	●
Wildfires			●			●			●
TRANSITION RISKS									
Policy & Legal									
Technology			●			●		●	●
Reputation			●			●			●
Market						●			●

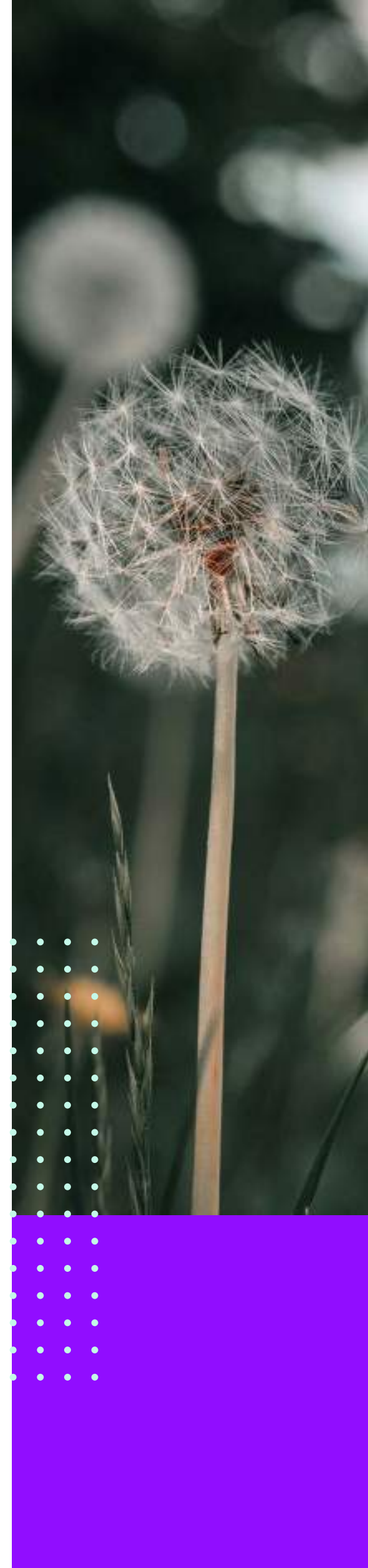
*Blank fields in the above table represent no or minor risk.

Climate Risk Overview

We have assessed the exposure to climate-related physical risks for each of our assets using a third-party software as either **Minor, Significant, Serious, Major or Severe.**

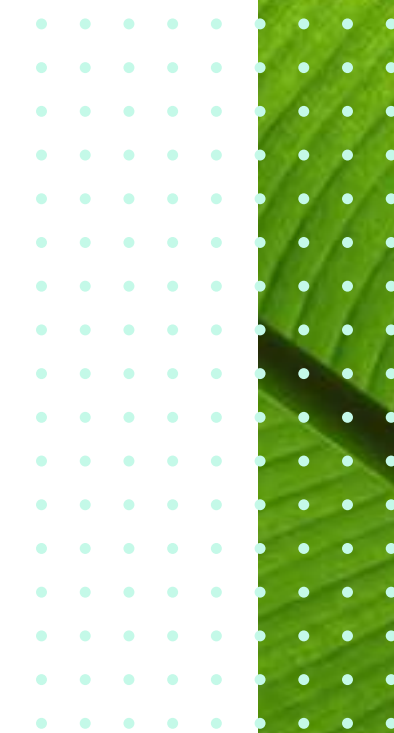
Prioritizing high-risk properties, we have implemented or are implementing strategies to mitigate the identified risks. Specific mitigation measures have been contemplated for each physical risk category (as evidenced by the table below).

	Physical Climate Risk	Potential Business Impacts	Potential Mitigation Strategies
CHRONIC	<p>Coastal Flooding and Sea Level Rise: Risk related to the expected local area flooded and depth of flooding by sea level rise that year.</p>	<p>Rising sea levels could lead to storm surge and other potential impacts for low-lying coastal properties. This risk is exacerbated by increases in frequency and intensity of storms and extreme weather events. Northwest has identified risks leading to property damage, loss of property value, increased insurance premiums and pose a threat to business and healthcare operations.</p>	<ul style="list-style-type: none"> → Incorporation of temporary flood barriers into building design and operation. → Ensuring on-site supply of and staff training on, critical flood-fighting equipment and supplies (e.g., sandbags, sump pumps, portable). → Ensuring on-site back-up generator can power critical equipment (e.g., at least one elevator, sump pumps, HVAC and life safety equipment). → Incorporating minimizing of water infiltration into building design. → Minimization of use of below-grade space for critical functions for building or tenant(s).
	<p>Temperature Extremes: Risks related to the number of days with higher-than-average and lower-than-average temperatures.</p>	<p>Increases in extreme heat intensity and duration pose a risk to both human and asset capital. Increased temperatures may also lead to increased operating costs, notably for energy consumption and for labour costs for capex work given reduced construction season and/or productivity. Heat stress on local power grids may also lead to unscheduled power interruptions. Decreased temperatures may also lead to increased operating costs and energy consumption.</p>	<ul style="list-style-type: none"> → Increasing of building’s cooling capacity. → Increasing of building’s back-up power / generator capabilities. → Enhancement of building’s energy conservation, including education and training for building staff and tenants. → Incorporating minimizing exterior air into building design (e.g., double entry doors, revolving doors).
	<p>Water Stress: Risks related to when expected demand for water exceeds the local supply of usable water.</p>	<p>A decrease in available water supply could lead to supply interruptions, posing a threat to the operations of the property and its tenants, especially healthcare tenants. Restricted supply could also lead to higher costs.</p>	<ul style="list-style-type: none"> → Implementation of water-saving measures including, efficient plumbing/fixtures, “smart” watering technologies. → Increasing water conservation education and training for building staff and tenants. → Introduction or expansion of on-site water storage.

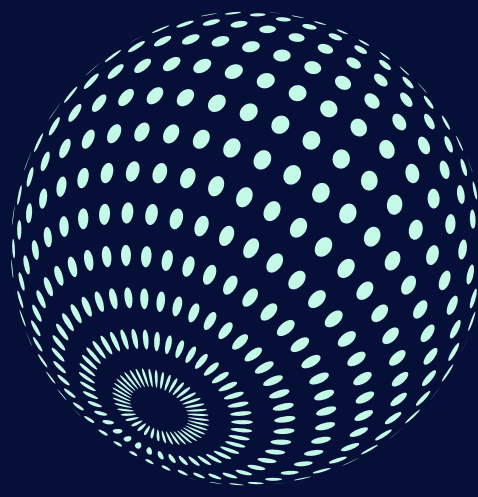


Climate Risk Overview

	Physical Climate Risk	Potential Business Impacts	Potential Mitigation Strategies
ACUTE	<p>Wildfire: Risks related to the share of an area's vegetation at risk of burning per climate models.</p>	<p>Increases in fire potential pose a risk to both human and asset capital. Impacts on air quality may affect human health as well as business and healthcare operations. Northwest has also identified risks in property damage, increased insurance premiums, higher operating costs and stress on ecosystem services.</p>	<ul style="list-style-type: none"> → Ensuring landscaping is carefully planned and maintained. → Regular inspecting of building envelope to ensure no combustible materials are present (e.g., gutters). → Ensuring all building envelope openings are designed and maintained to combat air and heat infiltration. → Consideration of a secondary water supply, such as fire pump & tank, on site.
	<p>Tropical Cyclone: Risks related to the expected number and strength of hurricanes based on historical data.</p>	<p>Increases in frequency and intensity of storms and extreme weather events may lead to unforeseen property damage, loss of property value, increased insurance premiums and pose a threat to business and healthcare operations.</p>	<ul style="list-style-type: none"> → Prioritizing roof maintenance, including pre-emptive repairs. → Utilization of highest quality windows and doors. → Ensuring on-site back-up generator can power critical equipment (e.g., at least one elevator, sump pumps, HVAC and life safety equipment). → Incorporating minimizing of water infiltration into building design. → Minimization of use of below-grade space for critical functions for building or tenant(s).
	<p>Fluvial Flood: Risks related to river, lake, or stream overflows.</p>	<p>Change in rainfall conditions leading to increased frequency and severity of flooding could lead to property damage, loss of property value and pose a threat to business and healthcare operations.</p>	<ul style="list-style-type: none"> → Ensuring on-site supply of and staff training on, critical flood-fighting equipment and supplies (e.g., sandbags, sump pumps, portable). → Ensuring on-site back-up generator can power critical equipment (e.g., at least one elevator, sump pumps, HVAC and life safety equipment). → Incorporating minimizing of water infiltration into building design. → Minimization of use of below-grade space for critical functions for building or tenant(s).



Transitional Climate Risk Overview



	Climate Risk	Potential Business Impacts	Potential Mitigation Strategies
TECHNOLOGY	<p>Transition Cost: Risks related to the capital cost of transitioning to more sustainable technology and operations.</p>	<p>Our asset mix mainly consists of medical office buildings (MOBs) and hospitals. Northwest has operational control of MOBs. Most, but not all, MOB leases permit the landlord to recover the costs of sustainability-related capital upgrades and, subject to materiality for their business, most healthcare operators should be able to afford such costs.</p> <p>Our hospital properties are controlled by our tenant partners who may not be willing or able to absorb the costs of transitioning to lower- carbon technologies, which could impair property value.</p>	<ul style="list-style-type: none"> → Ensuring landscaping is carefully planned and maintained. → Regular inspecting of building envelope to ensure no combustible materials are present (e.g., gutters). → Ensuring all building envelope openings are designed and maintained to combat air and heat infiltration. → Consideration of a secondary water supply, such as fire pump & tank, on site.
POLICY & LEGAL	<p>Changes in Regulations Developments: Risks related to new standards and minimum performance requirements at current and future developments.</p>	<p>Changes in regulations and laws may expose Northwest to more stringent standards and higher capital costs to meet these standards.</p> <p>Developments associated with higher efficiency requirements may incur higher costs, cause delays, or make projects unfeasible.</p>	<ul style="list-style-type: none"> → Prioritizing roof maintenance, including pre-emptive repairs. → Utilization of highest quality windows and doors. → Ensuring on-site back-up generator can power critical equipment (e.g., at least one elevator, sump pumps, HVAC and life safety equipment). → Incorporating minimizing of water infiltration into building design. → Minimization of use of below-grade space for critical functions for building or tenant(s).
	<p>Changes in Regulations - Existing Buildings: Risks related to new standards, minimum performance requirements and reporting measures at existing buildings.</p>	<p>Changes in regulations and laws may expose Northwest to more stringent standards and higher capital costs to meet these standards. Regulations and monitoring may result in environmental liabilities at existing buildings.</p> <p>Increasing regulations for our tenants may also result in economic hardship for them.</p>	<ul style="list-style-type: none"> → Ensuring on-site supply of and staff training on, critical flood-fighting equipment and supplies (e.g., sandbags, sump pumps, portable). → Ensuring on-site back-up generator can power critical equipment (e.g., at least one elevator, sump pumps, HVAC and life safety equipment). → Incorporating minimizing of water infiltration into building design. → Minimization of use of below-grade space for critical functions for building or tenant(s).
MARKET	<p>Enabling Quality Care: Risks related to the growing market demand for sustainability measures in leasing and renewal decisions.</p>	<p>Northwest could face a decrease in leasing and renewal demand and thus revenue, if we cannot meet current or future tenant demands for sustainability features.</p>	<ul style="list-style-type: none"> → Ensuring ongoing dialogue with key tenant partners to ensure alignment on sustainability issues. → Monitoring of sustainability metrics required to be industry leader and reporting of same to tenant community.



Biodiversity

We recognize the importance of biodiversity in tackling climate-related risks, opportunities and impacts beyond greenhouse gas emissions.

Northwest's development and redevelopment activities may impact local ecosystems and we aim to mitigate this by integrating environmental considerations into every stage of our development projects.

We prioritize the preservation and enhancement of natural habitats by incorporating substantial green spaces and undertaking environmentally sensitive practices that support local flora and fauna. One of our key strategies involves the selection of native, drought-resistant plants. This approach not only reduces the need for water and maintenance, but also supports the local biodiversity by providing a stable environment for native species.

We have installed beehives to support pollinator populations essential for the health of natural ecosystems and agricultural productivity. These beehives also promote ecological education and awareness among our tenants and the local community.

By combining these ecological initiatives with our broader sustainability goals, we aim to contribute to the conservation of biodiversity and enhance the environmental resilience of our properties. These efforts reflect our commitment to responsible development and recognise that healthy ecosystems are fundamental to sustainable communities.



Bee Hives - Ascot Hospital

To help boost New Zealand's healthy bee populations, we initiated a pilot project at Ascot Hospital in Auckland, introducing bee hives to enhance urban biodiversity and pollination. This ongoing project enriches the local ecosystem and produces honey, which is shared with our on-site tenants. We plan to replicate this successful initiative across several of our properties in Germany, aiming to extend the environmental benefits and community engagement.



Green Roofs

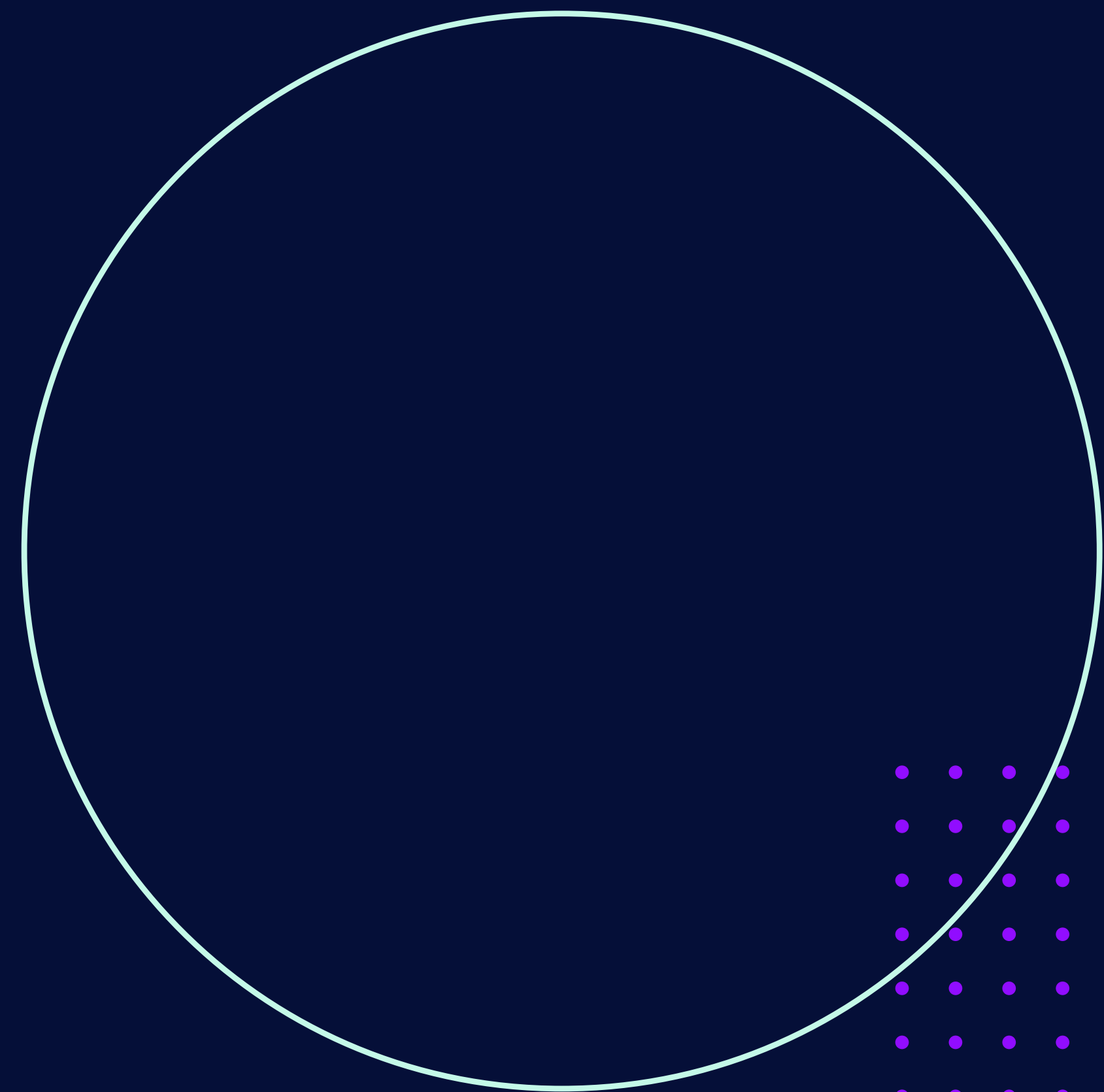
Green roofs provide shade, remove heat from the air and reduce temperatures of the roof surface and surrounding air. Using green roofs in cities or other built environments with limited vegetation can moderate the heat island effect, particularly during the day.



Bird Hutches

The introduction of integrated bird boxes at our properties in the Netherlands offer crucial nesting spaces for various bird species and bats and enhance biodiversity by providing a safe environment for animals to raise their young. This initiative supports local wildlife in line with the standards to qualify as Certified Wildlife Habitats under the National Wildlife Federation's guidelines.





Glenmore Professional Centre, Canada

Appendices

Amplifying What Matters Most

During the course of 2021, Northwest established a sustainability committee to lead the development of our organizational sustainability strategy. This process started with a materiality assessment that allowed us to explore and define the topics most relevant to Northwest and our stakeholders. We will undertake a review of our materiality assessment at the end of 2024.

Our Process

Define

We began with a comprehensive list of 28 topics informed by the specifics of our business, peer benchmarks, financial data and industry standards such as the Global Real Estate Sustainability Benchmark (GRESB) and the Sustainability Accounting Standards Board (SASB).

Engage

We surveyed 38 leaders, as well as all eight members of the Northwest Board of Trustees. In addition, we facilitated 20 interviews with Northwest leaders and key external stakeholders to inform materiality opportunities and risks.

Assets

With a narrowed list, we defined and prioritized the sustainability topics most material for the organization, factoring in perspectives from our internal and external stakeholders and considerations from peers, standard setters and society at large.

Material Topics

According to the Global Reporting Initiative (GRI), material topics have a direct or indirect impact on an organization’s ability to create, preserve, or erode economic, environmental and social value for itself, its stakeholders and society at large.

From this analysis, 10 core topics emerged as most material, forming the basis of Northwest’s sustainability strategy.



Sustainable Development Guidelines

The following provides a summary of the key sustainability priorities and initiatives in Northwest's Ecologically Sustainable Development guidelines. Taken together, these guidelines are aspirational and, as such, are applicable to varying degrees across our continuum of projects, reflecting the specifics of the project as well as local market conditions and practices.



Net Zero Emission Buildings

In line with our commitment to net zero, all projects are required to plan for net zero emissions by incorporating renewable energy, maximizing energy efficiency and water conservation, transitioning from natural gas, reducing waste to landfill and supporting sustainable forms of transport.



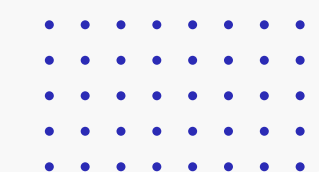
Renewable Energy Powered, All-Electric Buildings

All major projects are intended to use 100 percent electricity from renewable sources for base building services. This includes a minimum 15 percent onsite renewables coupled with a 100 percent accredited renewable energy contract and we're working with our tenants towards all energy being sourced from renewables.



Climate Resilience

With climate change-related impacts a key risk to both the built environment and the people using our facilities, we are ensuring climate change adaptation is incorporated into the design and operation of facilities. All projects are required to undertake a climate change risk assessment and develop design responses to increase climate resilience.



Low Embodied Emissions

Embodied carbon emissions associated with building materials are a significant driver of increasing greenhouse gas (GHG) emissions and are a priority for all projects. A minimum 20 percent reduction in embodied emissions is targeted, increasing gradually to 40 percent by 2026 to ensure we continue to demonstrate leadership as our operational emissions reduce.



Energy Efficiency

Efficient use of power is a key priority in support of the transition to 100 percent renewable-powered buildings, with high-performance physical plants, equipment and services integrated into all projects. A 10 percent improvement above minimum code compliance is our target, with guidelines increasing to 20 percent from 2024 and 30 percent from 2026.



Water Efficiency

Water conservation is a priority, with all projects targeted to reduce potable water consumption by at least 15 percent compared to the average consumption intensity of similar asset types. Alternative water supplies such as rainwater or recycled shall be used where available.



Waste to Landfill

With methane emissions from landfills a significant source of GHG emissions, we're aiming to divert more than 90 percent of our construction and demolition waste from landfill on all major projects. All projects are also required to include operational waste separation, with landfill, recycling and organic waste streams provided as a minimum, aiming for an 80 percent landfill diversion.



Sustainable Transport

Active and sustainable forms of transportation are supported to reduce staff and visitor vehicle emissions, with facilities such as showers, lockers and bicycle storage provided and electric vehicle charging infrastructure mandated.



Certification

To ensure projects achieve verifiable outcomes, a minimum Green Star rating of 5 (out of 6) is being targeted on all major ANZ building projects, while North American projects will use Energy Star ratings and Europe is using BREEAM-In-Use standards. Additional certifications considered include WELL, LEED and NABERS, along with carbon neutrality.



Sustainable Design

The ESD guidelines will continually be reviewed to drive performance and demonstrate leadership, with many recent projects exceeding the main sustainability targets by embedding sustainability into the design from the outset.

