



# Beyond the Balance Sheets: Quantifying Social Impact in the Canadian Real Estate Industry to Improve Sustainability Performance and ESG Reporting Practice

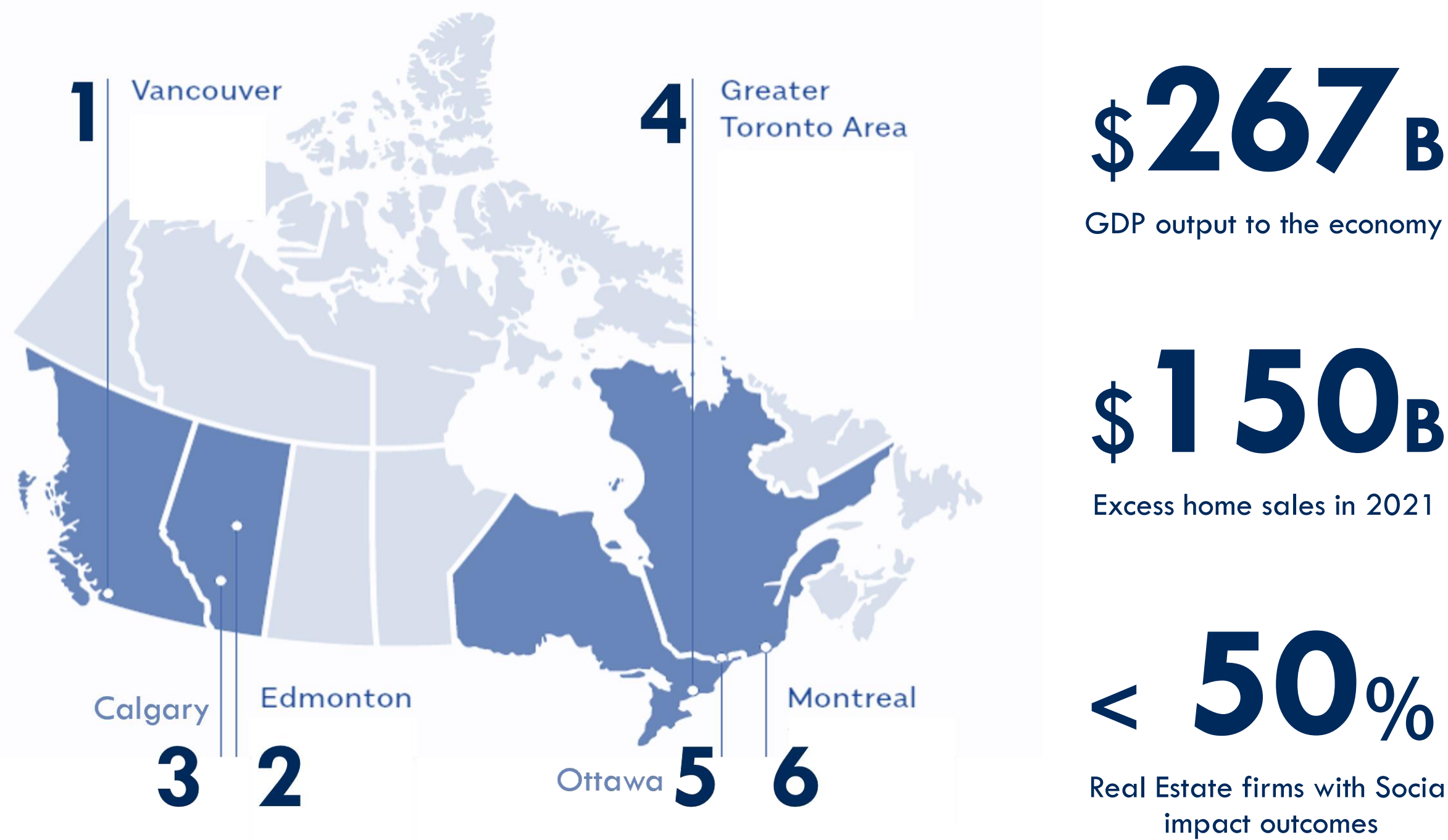
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SSM1101Y Research Paper Course – Poster



## Background Analysis

- The Canadian real estate sector is a significant driver of the national economy
- Real estate practices have far-reaching implications for urban development, social welfare, and community well-being across major Canadian markets, such as *Toronto, Vancouver, Montreal, Calgary, and Edmonton*.



- Current state of social impact assessment:** Fragmented landscape focusing primarily on basic metrics such as volunteer hours and charitable donations.
- This research study aimed to address the gap by generating recommendations for an adaptable social impact framework that captures the complex and nuanced effects of real estate practices on diverse stakeholder groups, including Indigenous communities, tenants, employees, suppliers, investors, regulators, veterans, and civil society.

## Research Question



What standardized social impact framework should Canadian real estate companies use to measure their impact on their stakeholders and disclose their social sustainability performance in ESG reports?

## Social Value Framework

- Guiding principles:** The social value framework should be based on:



| Diverse Stakeholders    | Indigenous Communities  | Tenants   | Employees  | Suppliers  |
|-------------------------|---|---|--|--|
| Social Value Indicators | 1. Partnerships<br>2. Cultural initiatives<br>3. Mentorship   | 1. Quality of life<br>2. Community engagement<br>3. Social services | 1. Inclusion<br>2. Well-being<br>3. Professional development     | 1. Supply Chain Sustainability<br>2. Diverse Suppliers<br>3. Local economic growth |
| Diverse Stakeholders    | Investors   | Regulators  | Veterans   | Civil Society  |
| Social Value Indicators | 1. Impact investing<br>2. ESG education<br>3. Risk assessment | 1. Affordable housing<br>2. Green buildings<br>3. Equity & justice  | 1. Employment<br>2. Housing supply<br>3. Entrepreneurial support | 1. Community resilience<br>2. Cohesion<br>3. Health support<br>4. Green spaces     |

- Implementation guidance:**
  - Align framework with investment thesis & stakeholder priorities.
  - Actively engage stakeholders to identify material issues.
  - Integrate social value considerations into operations & decisions.
  - Regularly collect, analyze & report on social performance data

## Research Design & Methodology

- Conducted a mixed-method study, synthesizing quantitative ESG report data and qualitative insights from interviews based on:

**35 FIRMS**  
Sample Selection

- Presence in **6 major Canadian markets**
- Diversified portfolios across retail, residential, and industrial assets

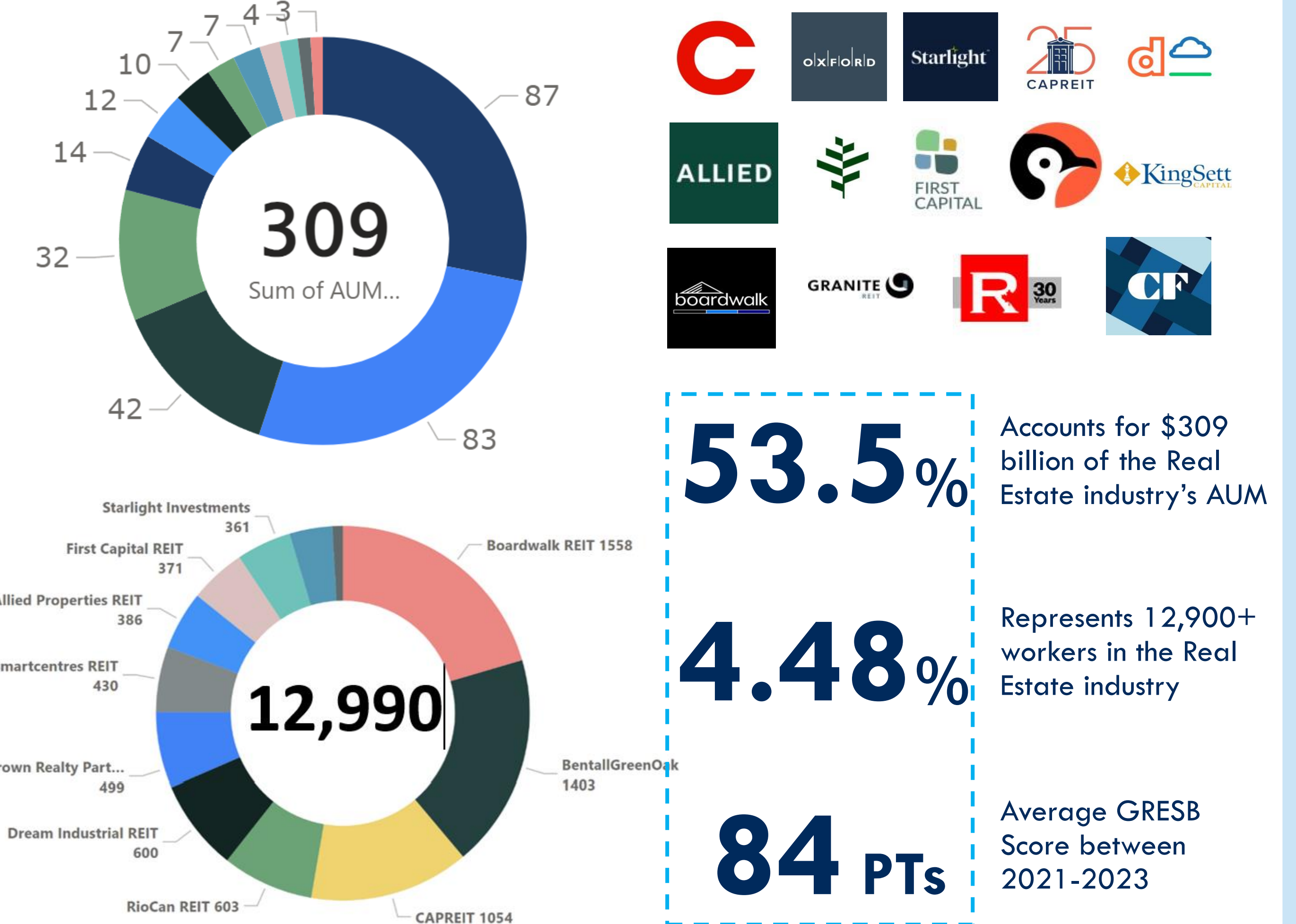
**15 REITs**  
In-depth Study

- High Global Real Estate Sustainability Benchmark (GRESB) scores
- Sufficient disclosure in ESG reports

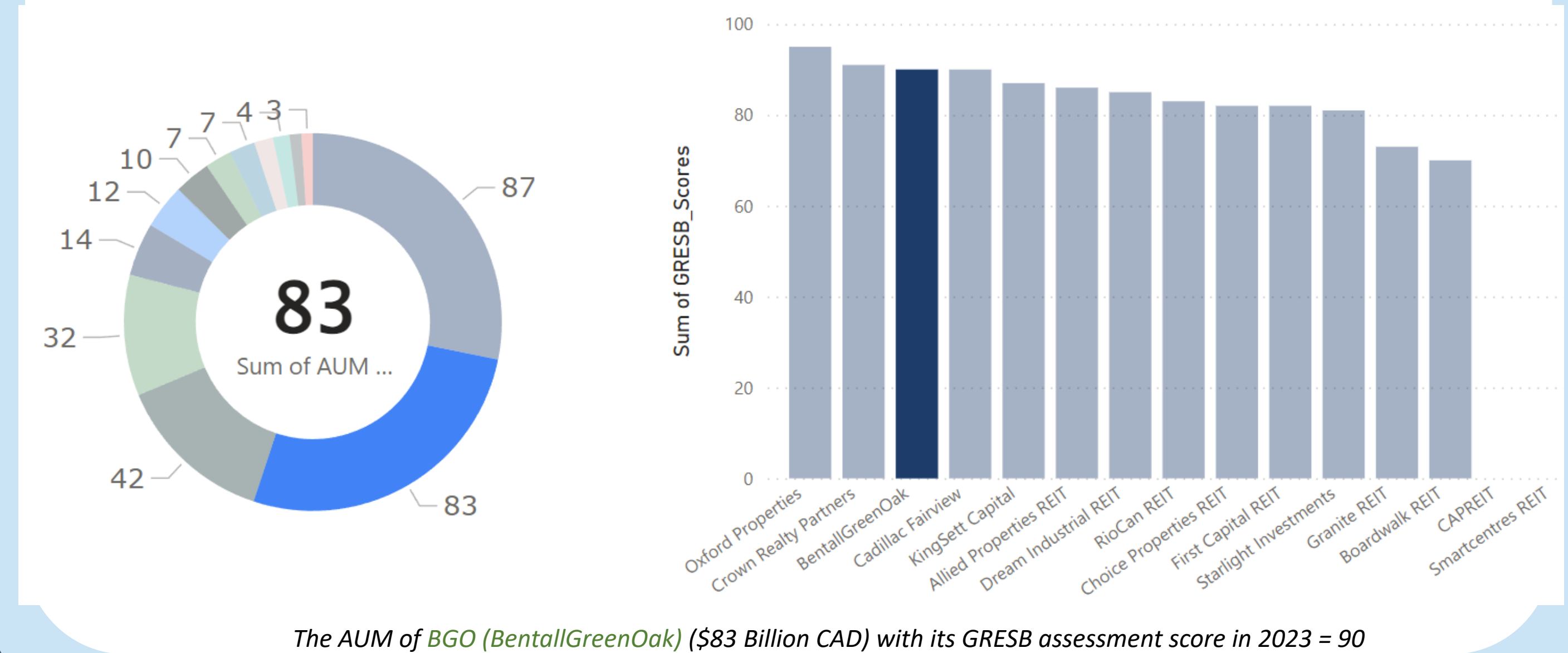
- Conducted **6 semi-structured interviews/chats** with middle management sustainability practitioners from real estate firms.
- Integrated quantitative benchmarking with qualitative insights to generate social value framework recommendations.

## Key Research Findings

- Economic significance of the 15 selected REITs:**



- Correlation between AUM and GRESB scores:** Higher AUM REITs have better GRESB scores and indicates more resources to measure & disclose social impacts



## References

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