

2025 ESG REPORT

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A Message from Leadership

Since its inception, UTILE has worked in service of a clear mission: developing affordable, high-quality housing throughout Quebec that aligns with students' needs and lifestyles.

This mission has progressed from objective to reality as we've developed our housing offer, carried out large-scale projects and implemented an integrated business model to develop, own and manage our buildings. Today, our responsibility has grown well beyond our role as a housing provider to encompass the creation of sustainable living spaces, a responsible management of our assets and the need to safeguard our social mission for years to come.

Environmental, social and governance issues are an integral part of that responsibility. They influence our decisions, guide our practices and support our capacity to continue our mission into a future where expectations on organizations continue to rapidly evolve.

In 2025, we took an important step by carrying out our first formal prioritization exercise for ESG issues. This allowed us to identify our organization's most significant concerns and develop a collective approach that ensures that these considerations are integrated across all of our activities.

This first ESG report is a reflection of that shared goal. It covers the practices already in place within our organization, the results we are now able to measure and the work that remains to be done to support this process over the coming years.

As you will see, UTILE's activities already have major positive social impacts. These will only increase in the coming years as we welcome thousands of new tenants into our buildings.

As our housing stock continues to grow and new projects get underway across Quebec, we remain determined to build a high-performing, responsible and sustainable organization in which social impacts, operational excellence and healthy governance co-exist and benefit both current and future tenants.



Laurent Levesque
President and CEO



Gabriel Fournier Filion
Chief Executive Officer

About UTILE

UTILE is a non-profit organization that develops, builds and manages affordable student housing in Quebec. Its mission is to support academic success by providing high-quality living environments that are specifically designed to meet students' needs.

Since its creation, UTILE has developed an integrated model that allows it to take action across every step of the real estate cycle, from identifying development opportunities to managing newly constructed buildings. This approach supports project quality, ensures the long-term success of housing stock and maintains long-term affordability for housing.

In 2025, UTILE has continued its growth throughout the province with a real estate portfolio of projects in development, in construction and in operation. This growth is accompanied by continued efforts to bolster our organizational capacities: UTILE benefits from the support of a multi-disciplinary team and an independent governance structure composed of individuals from a wide range of professional fields. Together, this diverse group of individuals guides the organization's strategic decisions and supports the sustainable continuation of its mission.

Buildings in
operation

5

Buildings under
construction

4

Projects in
development

8

Units in
operation

752

Units under
construction

1 002

Tenants
housed

923

Employees

44

A Growing Organization

The growth in our housing stock is accompanied by the continued professionalization of our management practices, operational tools and organizational capacities. In the past few years, UTILE has consolidated our teams, developed new processes and strengthened our governance mechanisms to support our growth while maintaining high standards of quality, rigour and performance for our projects and the management of our housing stock.



2025 ESG Dashboard

The table below offers a summary of the ESG indicators monitored by UTILE in 2025.

Housing



INDICATOR	2025 RESULTS	INDICATOR	2025 RESULTS
Average difference between UTILE rent and the unit's fair market value	-28%	Students housed	923
Annual savings generated for tenants	\$2.9M	Total occupancy rate	99%
Units in operation	752	Tenant satisfaction score	8 / 10
Units under construction	1,002	Average ticket response time	3 days

Construction & Operation



INDICATOR	2025 RESULTS	INDICATOR	2025 RESULTS
Buildings that don't use fossil fuels	100%	Ratio of bike parking/unit	0.51
Reduction in energy and GHG emissions in UTILE buildings completed in 2025	27%	Ratio of automobile parking spaces/unit	0.17
		Average walking score for buildings in operation	73.6/100

Sustainable success



INDICATOR	2025 RESULTS	INDICATOR	2025 RESULTS
Women within the organization	48%	Number of Board Committee meetings	6
Women on the Board of Directors	55.6%	Number of employees	44
Ratio between highest/median salaries	2.05x	Average training hours per employee	9.73 hrs
Number of Board meetings	8		

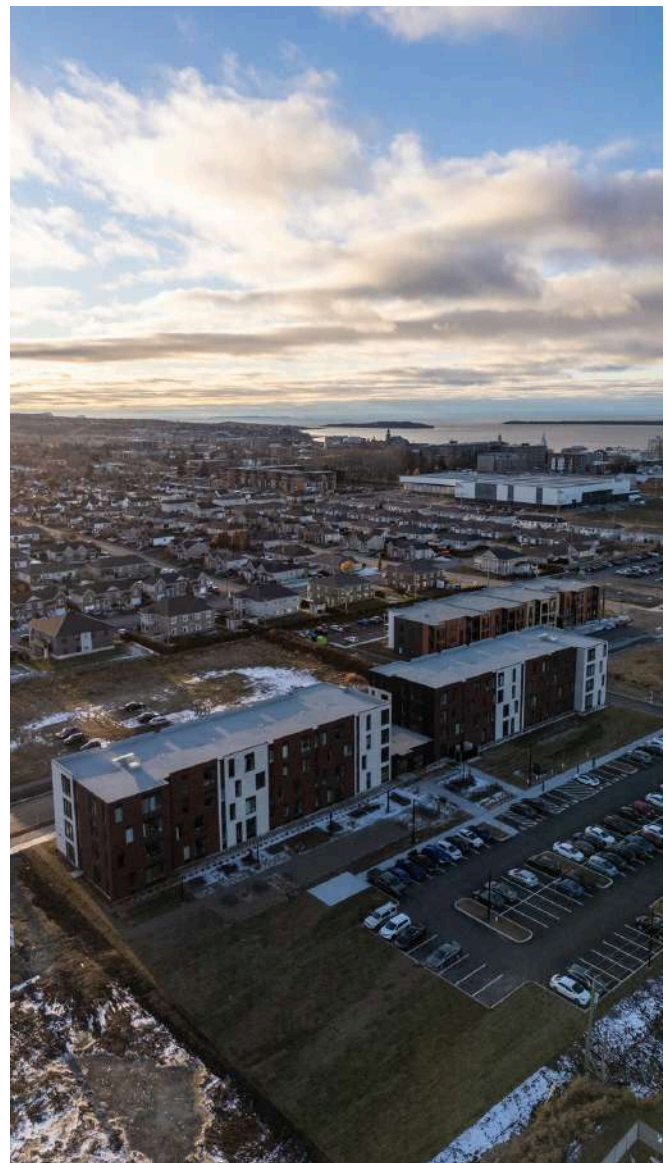
Our ESG Approach

As a social economy enterprise, UTILE has always sought to prioritize and maximize the social impacts of our activities. This is why environmental, social and governance concerns are fully integrated in our approach towards project development and operations, as well as the organization's governance.

This first report is a decisive step toward formalizing UTILE's ESG framework. Certain indicators are already tracked regularly and draw on consolidated data. Others are still in development and will be built on in the years to come as our data collection and validation methods evolve.

This approach makes it possible to present a faithful portrait of the organization's current performance, all while building a solid baseline that can be used to track our progress in the future.

The indicators presented in this report were selected based on their relevance to UTILE's activities, the data available and their ability to illustrate the evolution of the organization's performance.



Our Framework Across Three Dimensions

Housing



This first dimension highlights the social impacts of UTILE's model and the quality of the residential experience provided to residents in its buildings.

It brings together issues related to housing affordability, access to high-quality living environments and tenant satisfaction.

Construction & Operation



The second dimension covers UTILE's commitments to the sustainable design, construction and operation of its housing stock.

This includes the environmental performance of our buildings, reducing environmental impacts, sustainable mobility and the continued improvement of our development and operations practices.

Sustainable Success



The third dimension focuses on key factors that ensure the sustainability of UTILE's business model and support its capacity to generate long-term impacts.

It brings together issues related to governance, risk management, talent development, equity, diversity and inclusion, as well as strengthening organizational capacities.

Housing

Creating affordable
and inclusive living
environments

Housing
Affordability

Affordability is the cornerstone of UTILE’s social impact and model.

In the context of constant rent increases and housing scarcity throughout the province, access to high-quality and affordable housing is increasingly difficult for many students. This results in increased financial precarity for students, which leads to negative impacts on their academic success and overall well-being.

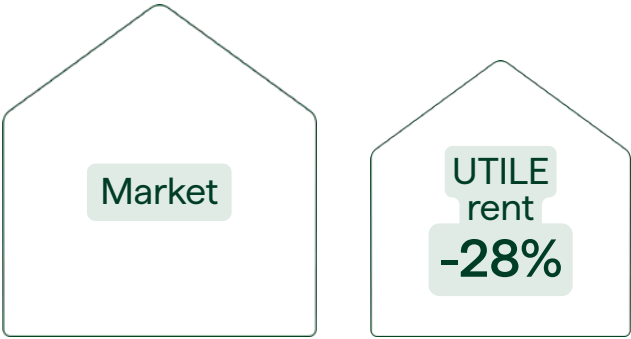
Providing students with housing that aligns with their budgets allows them to relax and focus on their studies.

UTILE’s approach draws on a vision of long-term affordability. To ensure that future student cohorts can also benefit from housing that is both affordable and in good condition, UTILE ensures that apartments remain affordable over the long term while providing adequate funds for building maintenance.

To measure the impact of our work, we track the difference between our rents and those observed in comparable rental markets, as well as the savings generated for tenants that live in our buildings.

In 2025, UTILE tenants saved nearly \$3 million compared to what they would have paid on the private rental market. This number is likely to increase significantly as the number of units offered by UTILE increases and the difference in affordability continues to grow between our buildings and comparable units on the private market.

Average difference
between UTILE rent
and the unit’s fair
market value



Annual savings
generated for tenants

\$2.9M

The difference between UTILE rents and their fair market value (FMV), as defined by a study conducted by independent evaluators, is calculated across all of UTILE’s units.

Annual generated savings correspond to the average difference multiplied by the number of units and twelve months.

Development of Student Housing

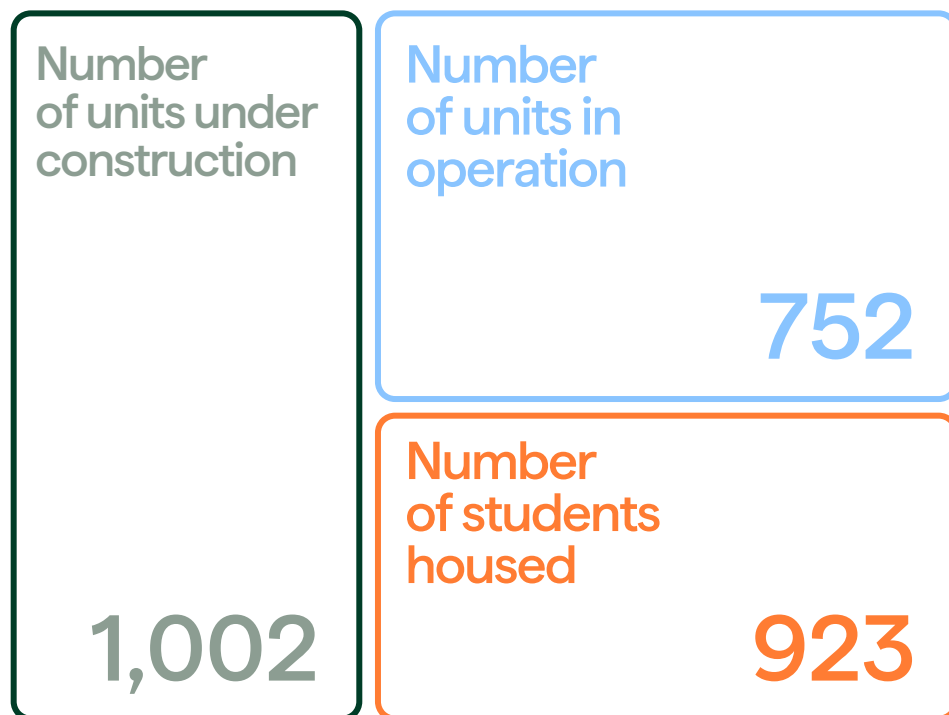
Increasing the offer of affordable student housing is one of the levers through which UTILE creates social impact, for three main reasons.

First, increasing the number of units available through UTILE helps us meet the housing needs of more students—this is the essence of our work.

Further, adding a significant value of non-profit student housing into a given market helps reduce the pressure that students are putting on that sector. In the absence of dedicated housing, students tend to dominate rental markets near educational institutions, increasing rent and, to give just one example, making it harder for households with children to find larger units. Beyond its tenants, UTILE's expanding housing stock has positive impacts on all tenant households in the sectors where it operates.

And finally, as UTILE's housing stock increases, so does its financial resilience, creating a snowball effect: by supporting the organization's capacity to carry out new projects, UTILE can house even more students and contribute toward reaching the 20% target for off-market housing in Quebec's housing market.

As such, the extent of our housing stock and the number of people housed will be key indicators to measure the scope of our mission and changes in our social impact.



The number of tenants is greater than the number of units because certain units house more than one tenant.

Tenant Well-Being

UTILE's buildings are designed to support academic success, autonomy and student quality of life.

This vision informs how units and common spaces are designed, how buildings are developed and the management practices implemented across all UTILE buildings.

Buildings are developed near educational institutions, public transportation and essential services to encourage accessible living environments that are integrated into local communities. This proximity helps reduce travel time for students and facilitates the day-to-day experience of tenants.

UTILE also works to provide safe, inclusive and respectful environments. The organization has implemented measures to support tenants' quality of life, including our "Living and Studying Safely" policy, which covers tenant cohabitation and includes a procedure for interventions in cases of sexual violence or harassment. These measures are complemented by procedures for responding to requests and complaints, as well as a free subscription to an application that lets tenants share items among themselves.

Beyond the physical characteristics of our buildings, the quality of any living environment also depends on the experiences of those living there. UTILE conducts an annual survey to measure tenant satisfaction. Additional surveys to be administered when tenants arrive or depart will complement this process and help identify further improvements.

UTILE also monitors the vacancy rate of its buildings, which speaks to the attractiveness of the units available and the degree to which they align with student needs.

Total occupancy
rate



Tenant
satisfaction score



Satisfaction is measured by an annual survey ("On a scale of 1 to 10, what is your overall level of satisfaction?").

Tenant Relations

The quality of our relationship with tenants is at the heart of UTILE's management approach. Based on the principle of local management, every tenant has access to a designated building manager who is present on-site at least two days per week. As our housing stock continues to expand, UTILE's practices will continue evolving to ensure we are offering effective service that aligns with our tenants' needs.

Because the long-term affordability of our housing depends on the organization's ability to control operating costs, UTILE makes an effort to optimize its various building management processes (receiving applications, signing leases, collecting rent, answering tenant questions).

Over the coming years, the implementation of a client relationship management system will support these processes, make ticket tracking easier and more closely measure the performance of our building management using key indicators.

Average ticket
response time

3 days

Response time corresponds to the number of days between when a ticket is opened and when a manager responds to it (in business days).

Construction & Operation

Developing sustainable
buildings

Sustainable Construction and Energy Performance

Designing and operating sustainable buildings is a cornerstone of UTILE's approach to real estate development.

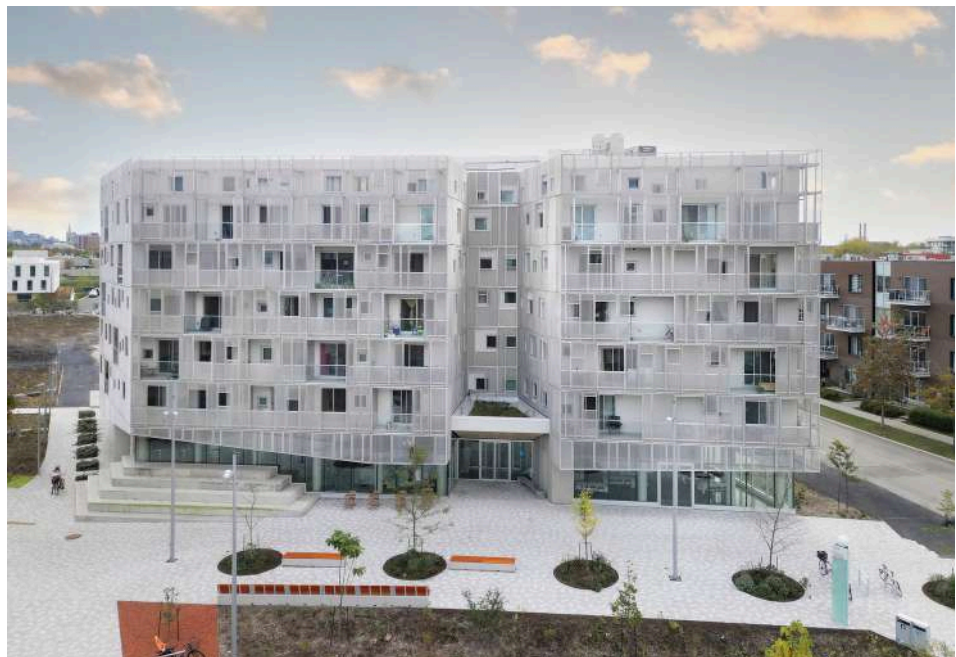
As buildings are expected to remain in operation for several decades, the choices we make during the design phase have a direct influence on their environmental performance, operating costs and ability to respond to the needs of future generations of tenants.

UTILE prioritizes an approach that improves the overall performance of buildings while preserving their long-term financial viability. This involves avoiding the use of fossil fuels to power equipment in the buildings, integrating energy-efficiency measures and using technology to help reduce buildings' energy needs, including the installation of ENERGY STAR-certified appliances in all units.

The organization also integrates strategies to improve the environmental performance of our projects, including the use of shared heat pumps, heat-recovery systems via air exchangers and water heaters with low carbon footprints, all adapted to the building's characteristics.

In parallel, UTILE has been exploring innovative construction methods to improve worksite efficiency and overall project performance. In 2025, these efforts led to the development of a modular project in Rimouski and the use of prefabricated concrete panels as part of the Griffintown project.

The projects that UTILE develops are designed to exceed the energy performance of a reference building. The energy simulations carried out for the Rimouski and Trois-Rivières projects found a respective reduction in energy consumption of 27% and 33% compared to applicable reference buildings. This performance helps reduce long-term energy needs and operating costs for our housing stock.



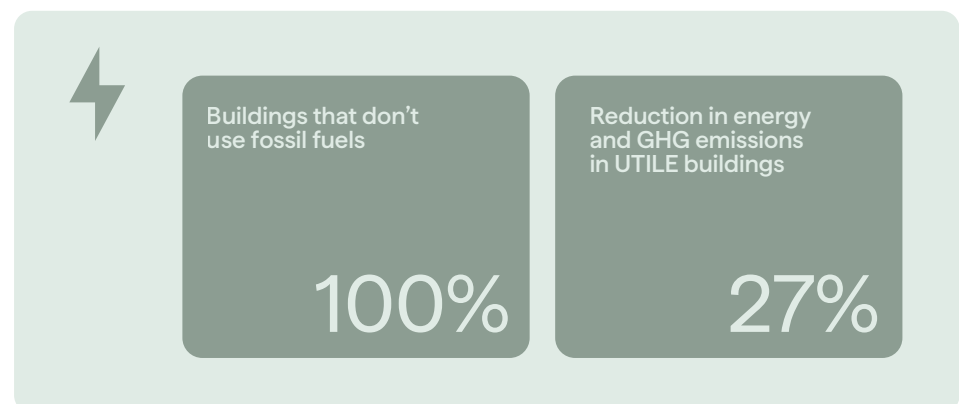
Reducing Embodied Carbon: The Case of Rimouski

In 2025, UTILE hired Groupe AGÉCO to conduct a life-cycle assessment (LCA) of our 155-unit project in Rimouski, which was constructed with softwood lumber using a modular approach. This assessment, conducted under ISO 14040/14044 standards and the EN15978 building standard, compared the performance of our building in Rimouski with an existing reference project built by UTILE in Trois-Rivières.

The study found that the embodied carbon of the Rimouski project was 253 kg CO₂e/sq.m—39% less than the Trois-Rivières project. Among the factors explaining this difference is the building's wooden structure, the production and use of which generates fewer emissions as compared to a conventional concrete structure.



Construction choices are based on both a project's specific characteristics and the context in which it will be operating. In urban environments, the use of concrete makes it possible to develop taller buildings, contributing to denser neighbourhoods that support sustainable lifestyles. At the same time, UTILE strives to reduce the carbon footprint of this material by using concrete with a lower carbon footprint whenever possible.



Performance is measured against a reference building designed according to the NECB 2020-QC. Building constructed in 2025: UTILE Rimouski.

Sustainable Mobility

Building location is an important element of UTILE’s approach to sustainable development. UTILE’s buildings are located near educational institutions, essential services and public transportation networks, which reduces tenants’ dependence on cars for transportation.

Because UTILE constructs dense real estate projects by redeveloping underused sites in urban areas, the organization contributes directly toward the objectives of increased urban density and reduced dependence on personal automobiles. As such, one of UTILE’s primary environmental contributions is through the development of living environments where tenants use active and collective transportation for the majority of their day-to-day needs.

UTILE also includes infrastructure to support active transportation in its building designs in response to tenant needs. In 2025, UTILE’s buildings had 381 bike parking spaces for 752 units, compared to 128 parking spaces for cars.



An average Walking Score of 73.6 places UTILE’s buildings in the category of “Very Walkable.”

Sustainable success

Supporting a sustainable
organization

Governance Structure and Role

Rigorous and independent governance is an essential condition for the success of UTILE's mission and the responsible management of its activities.

UTILE is governed by a Board of Directors made up of individuals from a variety of different professional backgrounds, from real estate to finance, law and student organizations. This diversity fosters rich discussions within the Board and helps guide the organization's strategic decisions.

The Board is also supported by several committees, including an Audit Committee, ensuring a rigorous oversight of strategic and operational matters within the organization. In 2025, the Board met eight times, including one special meeting, and Board committees held six meetings, of which four specifically addressed the audit. As UTILE grows in both scope and complexity, its governance will continue to evolve in order to support the organization's capacity to effectively oversee its activities.

Indicators	2025 results
Number of Board meetings	8
Number of Bord Committee meetings	6
Attendance rate for Board meetings	95%

Risk Management

The continued growth of UTILE's housing stock has been accompanied by a diversification of the risks to which the organization may be exposed, including financial, operational and real estate risks, or risks to the organization's reputation.

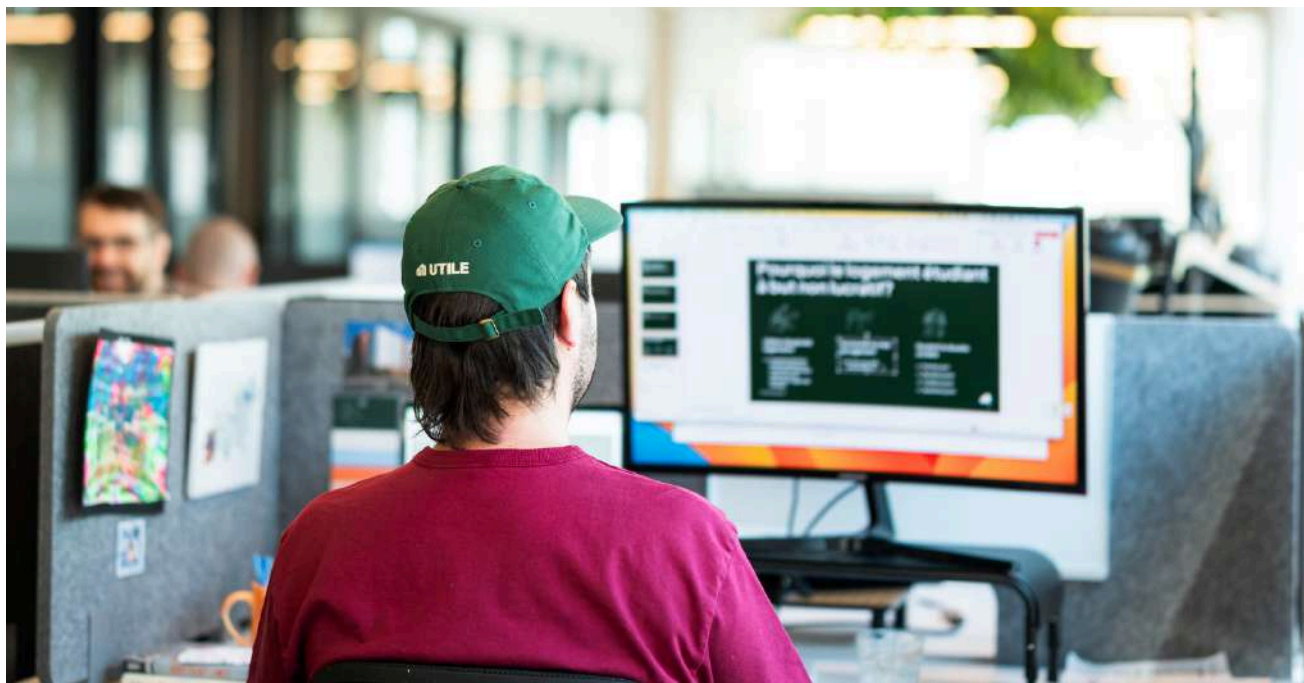
UTILE makes use of robust risk management practices to ensure that potential risks can be identified, evaluated and monitored. This process serves to anticipate risks related to real estate development, financial management, compliance and reporting, and the management of day-to-day operations.

We recognize the importance of having robust risk-management mechanisms in place. As a result, approval mechanisms for all new projects were introduced in 2025, allowing us to conduct a 360° risk evaluation that is integrated into our decision-making processes.

Business Ethics and Transparency

UTILE strongly prioritizes integrity in our business practices and transparent management, in keeping with our mission as a non-profit organization and the trust that our partners, lenders and tenants place in us.

In order to ensure adequate oversight and the responsible management of our projects, UTILE has adopted rigorous internal policies covering topics such as conflicts of interest, gifts and hospitality, and expense accounts. These mechanisms ensure the integrity of our decision-making and a responsible use of the organization's resources. They also serve to maintain high ethical standards.



Community Relationships and Social Acceptability

Developing new real estate projects involves close interactions with the local communities in which UTILE operates. The organization's ability to develop constructive relationships with municipalities, local residents and other stakeholders is a key factor in our projects' success.

To that end, UTILE usually hosts an information session open to local community members at the start of each project. These meetings are an opportunity to present the project, gather impressions and hear concerns. They also create a channel of communication to answer questions throughout the project's development. In 2025, an information session was held as part of UTILE's Hutchison project, located in the Montréal borough of Outremont.

UTILE also uses a newsletter, Info Chantier, to inform local residents about its projects under construction. By sending out updates throughout the construction process, the newsletter keeps residents informed of progress on the site, upcoming phases and potential nuisances, all while providing a point of contact through which they can send any questions or comments.

Equity, Diversity and Inclusion

UTILE recognizes that a diversity of backgrounds, experiences and points of view is an asset for the organization and supports the quality of its decisions and practices.

As part of our ESG framework, UTILE has monitored certain indicators related to equity, diversity and inclusion for several years, including the representation of women among our staff and equity in our salary scale. UTILE conducted its first salary equity exercise in 2019. Other indicators, including the representation of women in our governing bodies and the overall diversity of the organization, are being monitored and will be progressively added to our ESG reporting.

UTILE's organizational practices around respect and inclusion are supported and guided by our Policy to prevent and respond to psychological harassment, discrimination or violence in the workplace.

Our salary scale has been found to be especially egalitarian and compact, with a fairly limited difference between the median and highest salaries.



Indicators	2025 results
Women within the organization	48%
Women on the Board of Directors	55.6%
Ratio between highest/median salaries	2.05x

Ratio calculated between the highest and median annual salary at the organization.



Talent Recruitment and Retention

UTILE's capacity for continued growth rests largely on its team and its ability to attract, develop and retain skilled workers in a competitive labour market.

As the organization continues to expand, its needs for human resources are evolving, both in terms of the number of employees and the skills required to support its real estate development, construction and rental management activities.

UTILE offers its staff an exciting, respectful work environment that fosters professional development. This includes regular training opportunities for staff. We also plan to more closely monitor indicators related to staff mobilization and retention in the years to come.

Indicators	2025 results
Number of employees	44
Total training hours	428 hrs
Average training hours per employee	9.73 hrs

ESG Priorities for 2026-2027

The action plan developed as part of UTILE's ESG framework identified a number of priority projects to be accomplished in the next few years. These projects seek to consolidate our existing practices, fill in the primary gaps that were identified and support UTILE's capacity to rigorously monitor and communicate about its ESG performance.

Housing

- Implement a client relationship management system to better document responses to tenant concerns
- Improve the methods used to monitor tenant satisfaction

Construction & Operation

- Systematically use low-carbon concrete in our projects and study additional opportunities to reduce embodied carbon
- Complete an asset maintenance planning process to measure and plan for the lifespan of components and materials

Sustainable Success

- Formalize risk-management policies and procedures
- Develop a cybersecurity and personal information protection policy
- More closely monitor indicators related to talent recruitment and retention

This action plan will be revised on an annual basis to account for UTILE's evolving practices and expectations from its stakeholders.

Conclusion

This first ESG report marks an important moment in UTILE's history. It speaks to a desire to create a rigorous, transparent and evolving framework that aligns with our social mission.

The results presented show the concrete impact of UTILE's model on affordability in the rental market, while highlighting fundamental elements already in place to support the organization's sustainable growth. It also allows for the identification of consolidation efforts that have yet to be made in terms of governance, risk management, and the monitoring of social issues within the organization.

Over the coming years, UTILE will continue to develop its ESG practices based on the action plan presented in this report. This framework will evolve as the organization's housing stock expands and its management practices continue to mature.

Bolstered by the accomplishments presented in this report and the lessons learned from our first exercise, we plan to continue integrating ESG considerations across the breadth of our activities to support our long-term social, environmental and organizational impacts. To that end, we'd like to thank the Asthuce team at the Fonds de solidarité FTQ for their support as we embarked on this first ESG exercise.



Methodology and Technical Notes

Prioritization Process

This report is based on a prioritization process for ESG concerns conducted by UTILE. With support from the Asthuce team at the Fonds de solidarité FTQ, this process took place over four workshop sessions: 1) presenting ESG concepts, 2) prioritizing issues, 3) validating the status of current practices and 4) developing an action plan.

Eighteen ESG topics were evaluated based on their strategic importance for UTILE. The topics that were rated very highly or highly important were retained as part of the disclosure structure for this report.

UTILE is particularly grateful for the important contributions made by the Asthuce team in conducting this prioritization exercise.

Period of Interest

Except where indicated otherwise, this report covers the 2025 calendar year. Some contextual elements or initiatives that took place prior to 2025 may be mentioned for informational purposes when germane to an understanding of UTILE's current practices.

Disclosure Parameters

The data presented in this report cover all UTILE buildings in operation, under construction or in development as of December 31, 2025, as well as all staff within the organization, except where otherwise indicated.

Indicators in Development

UTILE will continue to develop its data collection mechanisms to progressively improve disclosure around these indicators over subsequent editions of its ESG report.

Data Sources

The data presented in this report were sourced from UTILE's internal management systems, its development, construction and real estate management teams, as well as analyses conducted by external partners, including the life cycle assessment for the Rimouski project carried out by the Groupe AGÉCO.

Limitations

This first edition of UTILE's ESG report serves as a reference exercise. Some calculation methods may be adjusted in coming years as the organization's practices and applicable ESG reporting standards in the real estate sector continue to evolve. The results of the life cycle assessment for the Rimouski project remain preliminary as of the publication date of this report.

