

Beyond Resilience

ESG REPORT 2022

CROWN
REALTY PARTNERS

Contents

About This Report

This report is guided by Crown’s 2020 sustainability materiality assessment and several recognized global reporting frameworks, including the Global Real Estate Sustainability Benchmark (“GRESB”), the Sustainability Accounting Standards Board (“SASB”) Real Estate Standard, and the Task Force on Climate-Related Financial Disclosures (“TCFD”). Refer to Appendices B and C for Crown’s SASB and TCFD reporting, respectively. This report provides an overview on Crown’s ESG strategy across our Fund Portfolio with focus on our Core Fund, unless otherwise stated.

Crown’s ESG Committee prepared the data. The report was written by Crown’s internal ESG professionals and reviewed internally by appropriate senior leaders and partners for accuracy.

As part of our commitment to providing accurate and consistent data, our environmental data has been verified by a third-party. Refer to Appendix D for the Statement of Assurance.

All financial figures are reported in Canadian Dollars (CAD).

All figures and data refer to the 2022 calendar year, unless otherwise stated.

The performance data show a gradual increase in physical occupancy throughout 2022. We have not normalized our data for occupancy, consistent with industry practice at this time.

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We anticipate that the primary catalyst for the outperformance of commercial assets will be the transformative force of ESG. Our value-add skillset positions us at the forefront of innovation and opportunity, allowing us to transition to a sustainable and low carbon future.

Crown is pleased to release our third annual ESG report. Since our first report, we have continued to improve disclosures, guided by the important standards put forward by SASB and TCFD. Recognizing that the long-term value of our assets will be affected by how we navigate the global energy transition in the years ahead, we have worked hard to incorporate climate-related factors. While full alignment will take time, we are always striving to ensure comprehensive and transparent communication of our ESG performance.

We believe that a significant part of the best-in-class theme revolves around identifying and investing in upgrades that achieve decarbonization and other ESG-related goals. It not only reduces asset risk, but it also creates meaningful value. Crown's value-add mindset, expertise in retrofitting buildings, and vertically integrated platform have accelerated our ability to embrace ESG principles, allowing us to enhance energy efficiency, reduce carbon emissions, identify near zero pathways, and improve the overall sustainability of our assets. Reflecting on the past year, we are proud of the progress we have made and the accomplishments of our team, including the following:

- Expanded our Sustainable Investments team to improve integration of ESG principles across the firm and further our decarbonization planning across the Fund Portfolio
- Achieved sustainability certifications for 100% of our Fund Portfolio
- Recognized as one of Canada's Top Small and Medium Sized Employers for the second consecutive year
- Placed 2nd out of 59 non-listed core, closed end office participants in the GRESB performance score, within the Americas (Core Fund)
- Completed decarbonization plans for the Core Fund, identifying potential GHG emissions reductions of 1,885 MTCO₂/year (reductions of over 80%) and incorporated these into our asset strategies
- Initiated decarbonization planning for an additional 2.4 million sq. ft. of assets across Crown's Fund Portfolio

As we move forward, ESG will continue to be a powerful driver of value for our platform and integral to our acquisitions and investment process. We will continue to seek new and innovative ways to maximize returns for our fund investors and enhance the sustainability and resilience of our portfolio and our firm. We will work to find new opportunities and engage in meaningful collaborations with like-minded partners. We will continue to focus on creating vibrant, environmentally conscious office communities that foster well-being, social inclusivity and economic prosperity.

Sincerely,

Emily Hanna

Emily Hanna, PhD
Managing Partner, Investments





Since Crown was founded in 2001, we have aspired to be the manager of choice in commercial real estate in Canada, recognized for superior investment returns, quality service, innovation, growth, rewarding careers, and environmental sustainability.

Crown is a private Canadian investment and management firm specializing in commercial real estate. We acquire, manage, redevelop, and reposition commercial real estate assets. Crown seeks to provide exceptional returns to the investors who entrust us with their capital, while also providing quality premises and excellent service to the businesses that operate within our office communities. Investments are made through limited partnership funds, or through other investment vehicles, including co-ownerships.

Crown also supplies third-party asset and property management services for a select group of clients. With our value-add mindset, Crown can identify value where others do not. The majority of our Fund Portfolio consists of assets at varying stages of the repositioning and value-add process. We consider the application of ESG-focused initiatives an essential part of our value creation strategy, as we enhance the profile of our assets and returns for our investors.

21
YEAR TRACK RECORD

\$3.0B
GAV UNDER MANAGEMENT*

60
BUILDINGS MANAGED IN
GREATER TORONTO AND
GREATER OTTAWA AREAS*

10.4M
SQ.FT. GLA
UNDER MANAGEMENT*

40,000+
BUILDING OCCUPANTS

53%
OF SENIOR MANAGEMENT
ARE WOMEN*

9.6M
SQ. FT. GFA
SUSTAINABLY CERTIFIED**

33%
ANNUAL INCREASE IN
EMPLOYEE HEADCOUNT*

* Info as at March 31, 2023
** Includes fund properties and 3rd party managed properties

Crown considers ESG at every step of the investment lifecycle.

Crown's vertically integrated platform allows us to incorporate ESG considerations throughout the real estate lifecycle.

1. ACQUISITIONS

Our due diligence process incorporates a review of potential ESG risks, including financial, physical, environmental, and climate risk assessments. We identify risk mitigation strategies early in the real estate investment lifecycle and develop certification and management plans to ensure our stabilized assets are institutional quality.

2. ASSET MANAGEMENT

A Crown building is an actively managed one. Our multi-disciplinary team works together to develop a comprehensive business plan for each asset to deliver the best experience for our tenants and achieve higher returns for our investors. As a fiduciary, transparency, good governance, and alignment of interests have always taken precedence.

3. PROPERTY MANAGEMENT

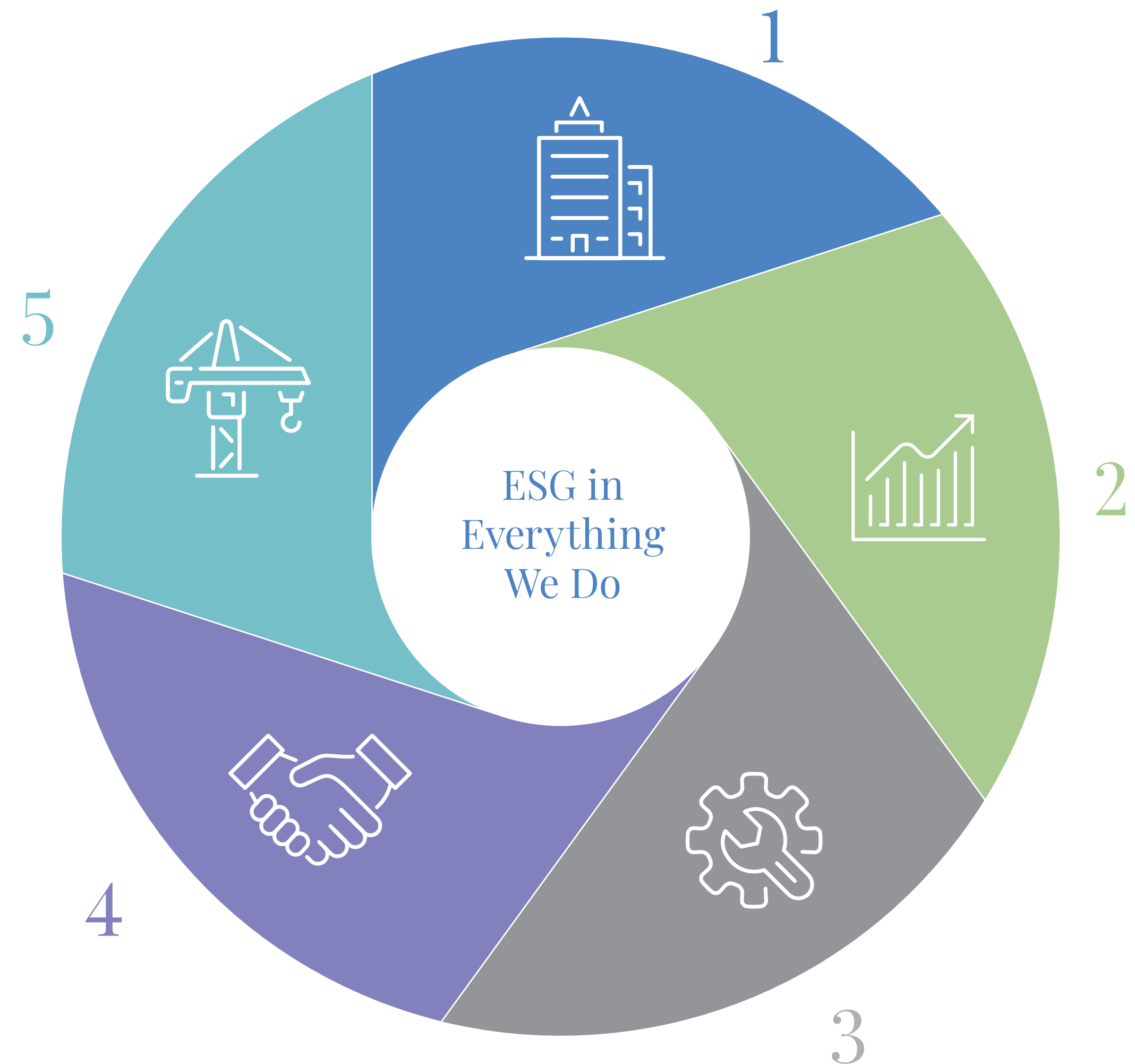
Crown's active management approach is efficient and responsible, offering a unique value proposition. We apply this management approach as we establish capital programs, engage with our building occupants, and connect with our surrounding communities.

4. LEASING AND MARKETING

Our leasing team ensures potential tenants are aware of the value proposition when locating within a Crown building. This team informs brokers and their clients of the benefits of sustainability certifications and sustainable building operations, including improved employee productivity, health and wellness, and potential cost savings.

5. DEVELOPMENT AND CONSTRUCTION

Crown's construction and operations teams are professional, experienced, and manage with precision. Our construction managers are dedicated to using low environmental impact building materials. The team is committed to reducing waste from construction activities to help conserve natural resources and reduce landfill loading.



Crown's Approach: Innovative Building Solutions

Crown is continually innovating to improve the workplace experience for its building occupants. As our office buildings become more full, Crown will continue to identify those innovations that offer the best experience possible.

1. Enhanced Cleanliness Standards

To enhance cleanliness, we have introduced hands-free washroom fixtures, placed antimicrobial films on high-contact surfaces, and increased the frequency of cleaning with a focus on high traffic areas.

2. Digital Connectivity

We have enhanced the digital connectivity across our portfolio, with the successful launch of Connect by Crown, our mobile app, across 100% of our Fund Portfolio. This enables contactless sign-in, bookings and reservations of amenities and seamless communications with tenants. 100% of our Fund Portfolio is WiredScore certified, with a notable Gold portfolio average.

3. Better Air Quality = Healthier Workplaces

We have increased air circulation hours and check the air quality supplied throughout our buildings in real time. Crown has committed to a new standard of air purification by achieving Fitwel's Viral Response certification at 95% of our Fund Portfolio.

4. Realtime Building Data

We collect and monitor real-time building data concerning occupancy, water, energy, and air to ensure our properties are running efficiently and safely for our tenants and visitors.

5. Outdoor Patios

Wherever possible, upgrades integrate outdoor terraces to offer tenants the ability to access fresh air and sunshine throughout the workday.



6. WorkFit By Crown Fitness Centres

Clean, safe workout facilities give tenants the opportunity to add wellness to their daily routines. Lockers, change rooms, shower facilities and programming are also available at our properties.

7. Rooftop Gardens and Beehives

We create and maintain rooftop gardens and responsible beehives. Our gardens supply fresh fruit, vegetables, and herbs, which are donated to Second Harvest. Crown's 850,000 honeybees pollinated approximately 340 km² and harvested approximately 240 kg of honey, which were enjoyed by tenants across the portfolio.

8. ESG-Related Operational Changes and Retrofits

We have made operational changes to reduce our electricity consumption and emissions, while incorporating intelligent retrofits to achieve our decarbonization goals for our buildings.

9. EV Chargers

To support green commuting and promote the use of electric vehicles ("EV") among tenants, visitors and employees, Crown has installed close to 150 EV charging facilities across our portfolio.

Our ESG Journey

2001



CROWN IS FOUNDED WITH A CLEAR MISSION, VISION AND VALUES THAT INCLUDE ENVIRONMENTAL SUSTAINABILITY

2016



AODA AUDITS COMPLETED FOR CORE FUND, AHEAD OF 2025 GUIDELINES

2018



LAUNCH OF CROWN'S ESG POLICY

2019



FIRST YEAR REPORTING TO GRESB FOR CORE FUND; 5-STAR RATING RECEIVED FROM 2019-2022

2023



CROWN FOCUSES ON CONNECTIVITY, ACHIEVING WIREDSCORE CERTIFICATION ACROSS 100% OF THE FUND PORTFOLIO

2022



CROWN COMMITS TO ADVANCING CLIMATE-RELATED DISCLOSURES, FOLLOWING TCFD FRAMEWORK

2021



FIRST ANNUAL ESG REPORT RELEASED, ALIGNED WITH SASB FRAMEWORK

2020



ESG COMMITTEE ESTABLISHED. MATERIALITY ASSESSMENT CONDUCTED TO GUIDE ESG REPORTING

2023



CROWN PLANS TO RELEASE ITS CLIMATE CHANGE COMMITMENT, WITH A GOAL TO ACHIEVE NEAR-ZERO BY 2040 FOR THE CORE FUND

2024



CROWN PLANS TO COMPLETE AODA AUDITS FOR ENTIRE FUND PORTFOLIO. THIS WILL INFORM PLANS TO UPGRADE ACCESSIBILITY STANDARDS, AHEAD OF 2025 PROVINCIAL GUIDELINES

2025



CROWN PLANS TO ACHIEVE FITWEL CERTIFICATION ACROSS ENTIRE FUND PORTFOLIO

2040



CROWN PLANS TO ALIGN OUR GTA PORTFOLIO WITH THE CITY OF TORONTO NET ZERO BUILDINGS TARGET

ESG Approach

ESG Oversight

Crown's ESG Committee is responsible for advancing Crown's ESG strategy. Partner-level responsibility for ESG rests with Emily Hanna, Managing Partner, Investments. Erica Lam, Director, Sustainability Strategy and Anna Huang, Director, Sustainable Investments, serve as Chairs of the Committee, steering the direction of the meetings.

The Committee meets quarterly and consists of a cross-section of Crown's leadership team across different geographies, departments, and roles. Committee members are champions of positive change and collaborate to ensure we achieve our goals. The Committee drives thought leadership and best practices throughout the organization. As at the time of drafting this report, the Committee consists of the following members:



Emily Hanna
Managing Partner,
Investments
(Partner Oversight)



Anna Huang
Director,
Sustainable
Investments
(Co-Chair)



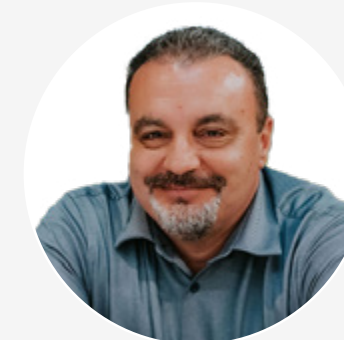
Erica Lam
Director,
Sustainability
Strategy
(Co-Chair)



Vivien Wong
Sustainability
Specialist
(Secretary)



Monica Di Zio
Marketing and
Innovation



Jorge da Silva
Operations



Fernanda Grist
Property
Management



Seyi Laja
Acquisitions



Melanie Miller
Tenant
Engagement



Jeannette Morrison
Construction



Michael Panetta
Ottawa Portfolio



Zachary Provost
Asset
Management



Rainu Singh
Human Resources



Stefan Teague
Leasing



Melanie Yu
Finance and
Reporting

Our ESG Progress to Date

As we continue to advance our ESG agenda, we look to the opportunities identified in our inaugural 2020 ESG Report and track our progress to date in the table below. Crown plans to revisit targets that we initially established, with a goal to launch new targets in our 2023 ESG report.

TARGET	STATUS	PROGRESS TO DATE
Environment		
Sustainability certifications for >90% of Fund Portfolio by 2023	<div><div></div>Achieved</div>	100% of our Fund Portfolio is sustainably certified.
WiredScore certification for 100% of Fund Portfolio by 2023	<div><div></div>Achieved</div>	100% of Fund Portfolio has achieved WiredScore certification, making Crown Canada's largest WiredScore Portfolio certified landlord.
15% reduction in energy use intensity by 2023 ¹	<div><div></div>Achieved</div>	A 24% reduction has been achieved as of 2022. ²
15% reduction in water use intensity by 2023 ¹	<div><div></div>Achieved</div>	A 51% reduction has been achieved as of 2022. ²
80% waste reduction for non-hazardous waste by 2023 ¹	<div><div></div>In progress</div>	A 66% reduction has been achieved as of 2022. ²
15% reduction in GHG emissions by 2023 (Scope 1 & Scope 2) ¹	<div><div></div>Achieved</div>	A 23% reduction has been achieved as of 2022. ²
Note: Further details pertaining to the targets in this table can be found within the report.		

¹ Applies to the Core Fund.
² Changes are compared to our base year of 2018
³ Applies to Core Fund; ranked 2nd out of 59 in our peer group of North American un-listed office participants.

TARGET	STATUS	PROGRESS TO DATE
Social		
Incorporate Green Lease clauses and improve implementation and tracking across Fund Portfolio	<div><div></div>In progress</div>	Crown's Standard Lease includes Green Lease terms; As renewals take place, green lease clauses are incorporated throughout the Fund Portfolio.
Fitwel certification for 100% of Fund Portfolio by 2025	<div><div></div>In progress</div>	47% of our Fund Portfolio is Fitwel certified; 22% is currently registered for review with Fitwel; we plan to certify the remainder of the Fund Portfolio by 2025.
Align Crown's charitable giving with our commitment to DEI	<div><div></div>Achieved</div>	Crown's ESG committee continues to support four key charities that help the underprivileged in our local communities. We continue to achieve our charitable giving and help our team to take part in their own philanthropic efforts.
Governance		
ESG Report aligned to TCFD	<div><div></div>In progress</div>	Current report incorporates TCFD recommendations. We expect to expand our disclosures to include additional climate related factors, with the release of our Climate Change Commitment in Q4 2023.
Year-over-year improvement in GRESB score ³	<div><div></div>Achieved</div>	Crown earned Canadian Honours with a score of 91, ranking 2nd in our peer group ³ based on performance score; Crown maintained a 5-star rating for 4th consecutive year.
Continue to align with best practices in governance	<div><div></div>Achieved</div>	Advisory Board was set up in 2022 to enhance governance and oversight at the firm.

In 2020, Crown undertook a sustainability materiality assessment to determine issues considered the most important to our business operations and stakeholders. We also reviewed our peers, industry standards, sector-specific reporting frameworks, and trend documents. We relied on the results of this assessment to guide our ESG reporting and strategy. Each issue was further assessed based on business impact, feedback from our team, our partners, and our investors. These "material" items can be classified into the broader categories represented in the chart to the right.

Crown plans to regularly review these key areas and report on significant updates in our ESG disclosures. In the process, we will also evaluate and refine them, together with identifying the KPIs that tie in with each theme, in the context of our business environment and the ever-changing needs of our stakeholders.

Environment

Building Certifications

—

Climate Change

—

Environmental Management

Social

Community Building

Tenant Engagement

—

Health and Wellness

—

Giving Back

Talent

Culture and Employee Engagement

—

DEI

—

Learning and Development

Governance

Core Values

—

Business Oversight

—

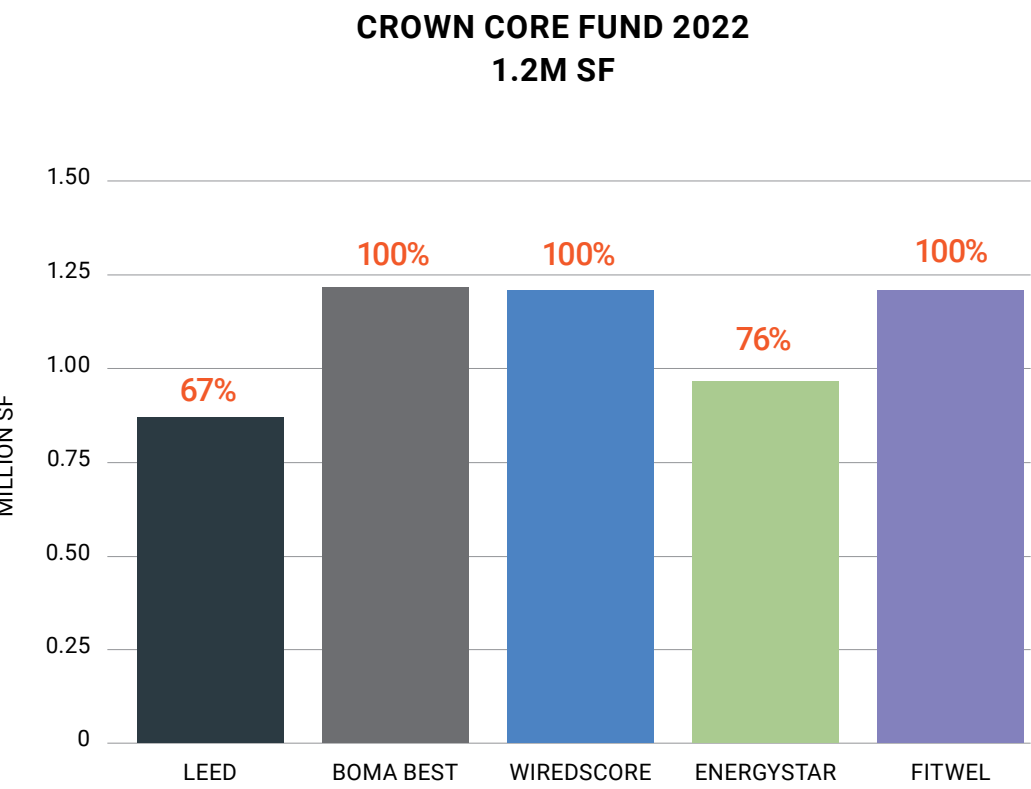
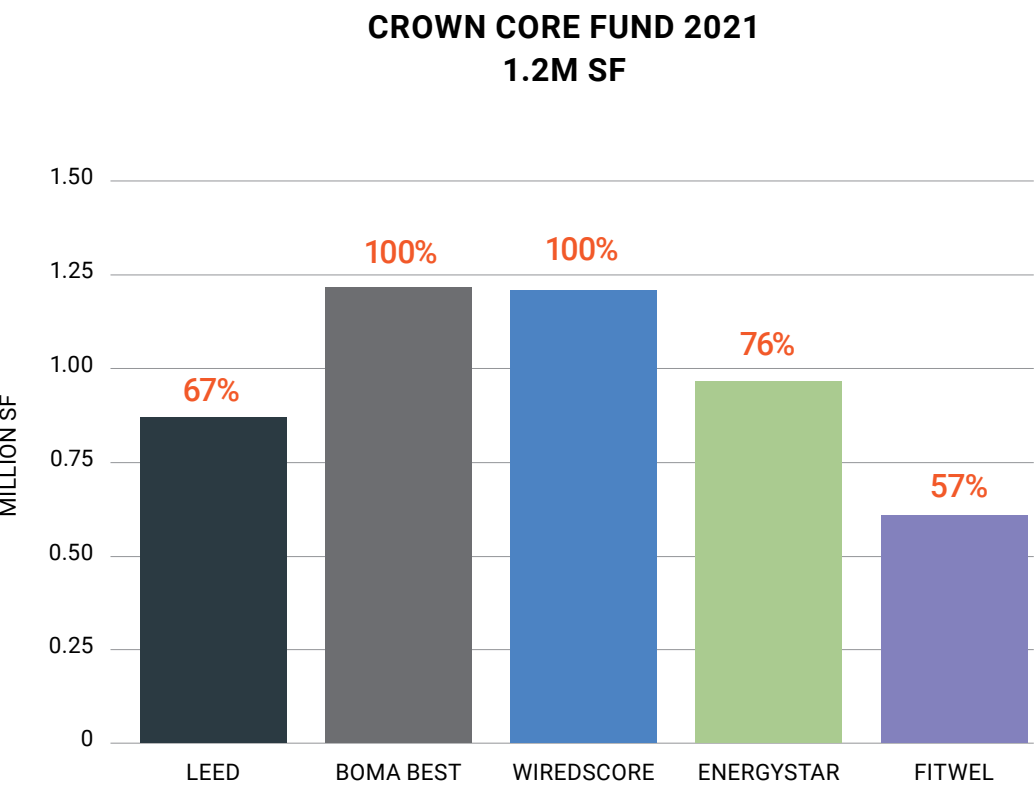
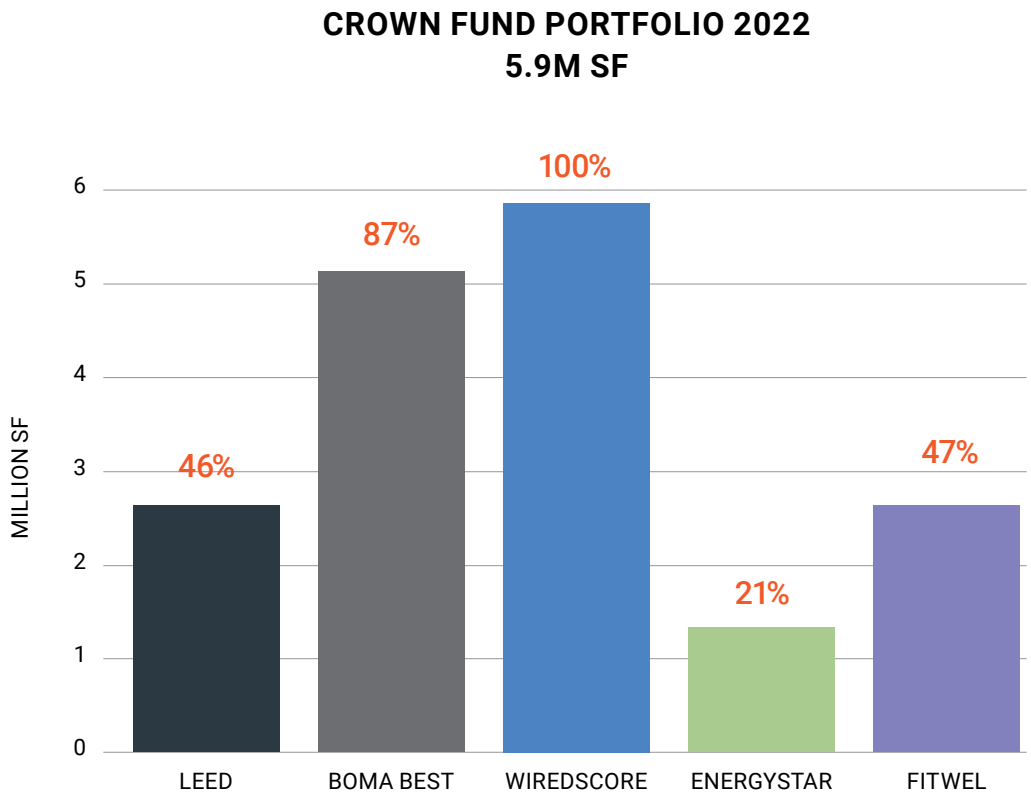
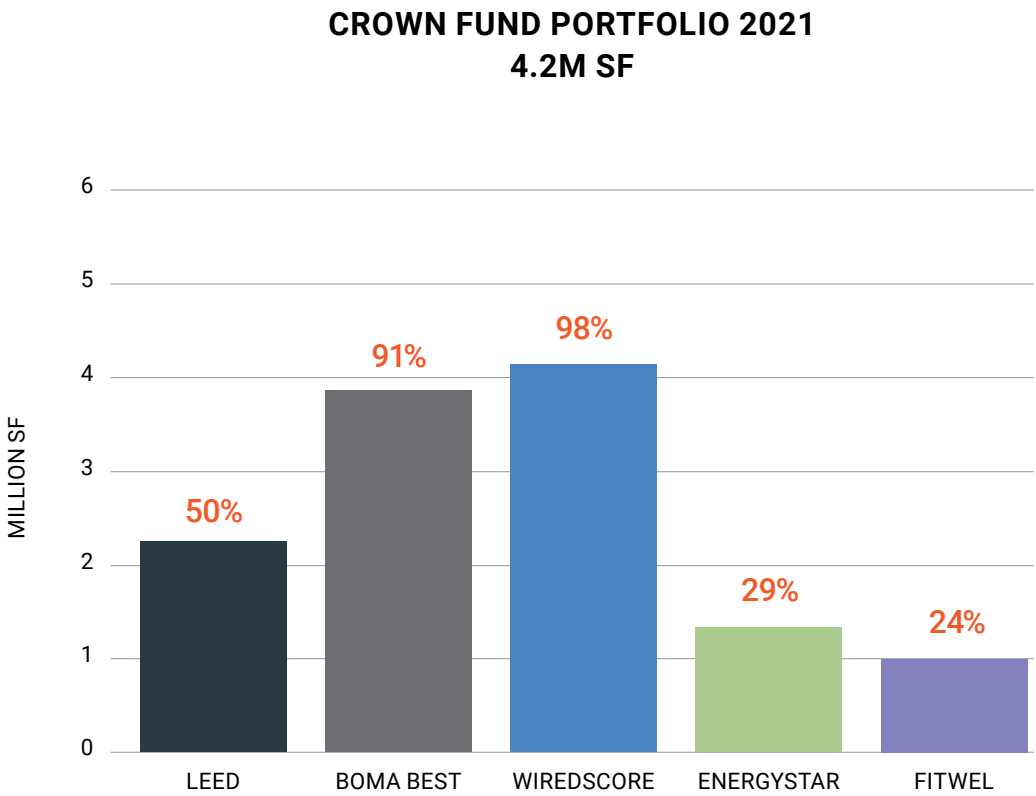
Transparency and Disclosures

—

Climate-Related Risk Management

CERTIFICATIONS BY GROSS FLOOR AREA (GFA)

(AT DECEMBER 31, 2022)



100%

OF OUR FUND PORTFOLIO ACHIEVED
SUSTAINABILITY CERTIFICATIONS IN 2022,
COMPARED WITH 98% IN THE PRIOR YEAR.

Sustainability certifications have always been a key part of Crown’s building operations. These certifications guide our operational team’s performance and identify opportunities for improvement. They also send a signal to investors that an asset that has been repositioned and managed by Crown is resilient.

LOOKING FORWARD →

- Crown plans to ensure that all assets within our Fund Portfolio are sustainably certified within 12 months of acquisition.
- Crown intends to register all new acquisitions for Fitwel certification within the first two years of acquisition.
- Crown intends to increase the number of Energy Star certifications across our Fund Portfolio.



901 King Street West Seeks ActiveScore Certification

Sustainable modes of transport are vital for the health of our cities and the people that live in them, helping to reduce air pollution while encouraging a more active lifestyle for commuters. The percentage of Toronto residents who report cycling to work continues to increase. According to a 2020 Statistics Canada survey, more people now walk or ride their bike to work than take public transit. It is no longer enough to simply provide bicycle parking at our buildings. The businesses occupying our buildings are expecting more as an increasing number of their employees choose active modes of transport to commute to work.

ActiveScore Certification creates the transparency and standards that assesses a building's active travel standards. An ActiveScore rating clearly communicates its future-proof credentials to prospective tenants, investors and occupiers.

Crown is pursuing ActiveScore Certification for 901 King Street West and plans to achieve certification by 2024.



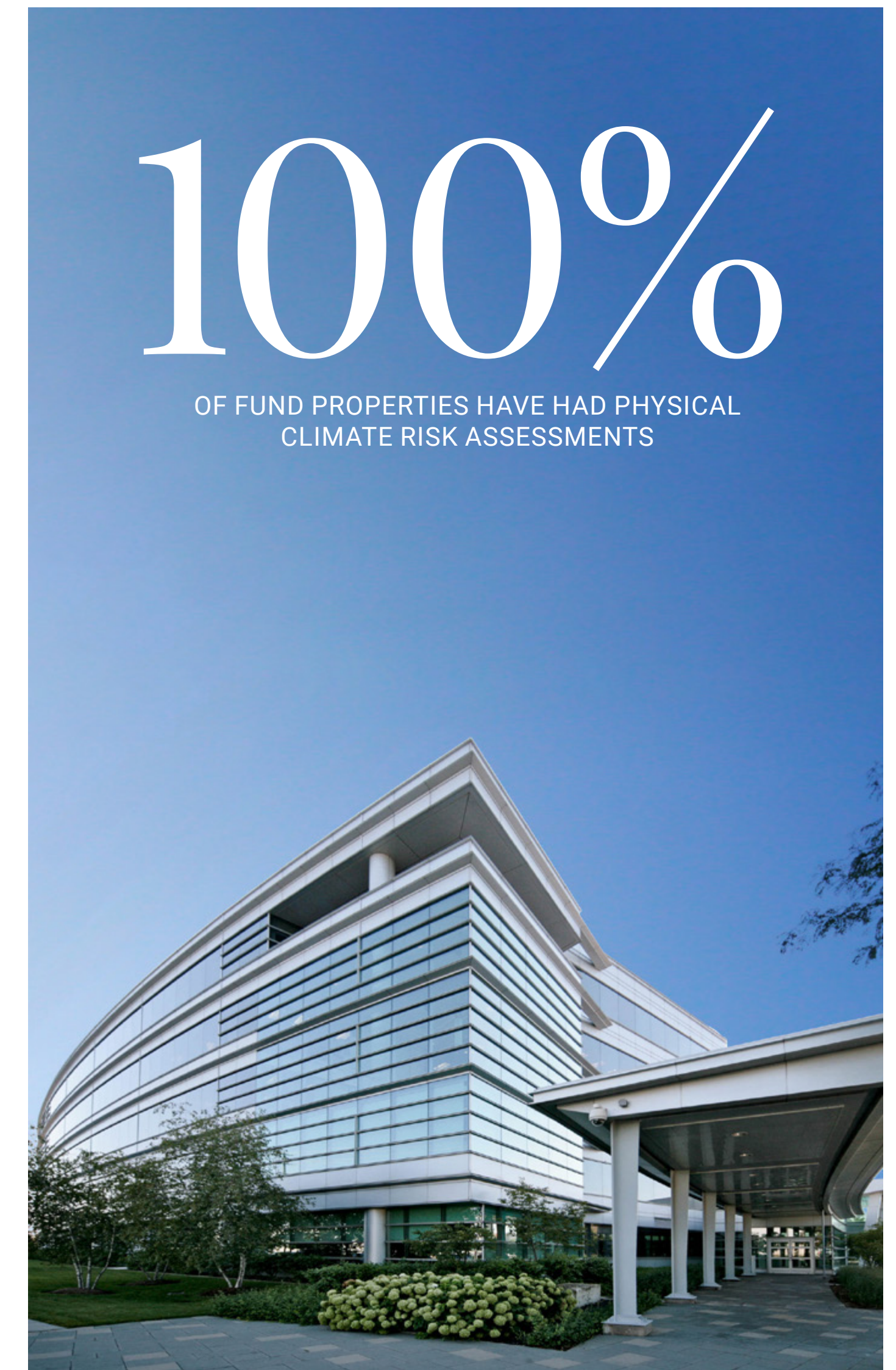
Crown has conducted climate risk assessments across the Fund Portfolio and considers climate hazards within the due diligence process on all new fund acquisitions since 2021. We believe this approach will ensure our assets can be considered resilient long-term investments.

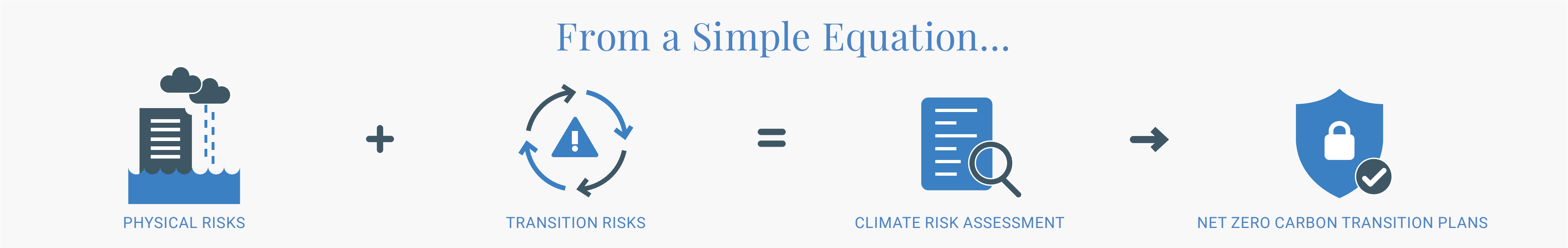


Crown recognizes the risks and opportunities presented by climate change to our business and to the resilience of our buildings. We thoughtfully implement risk mitigation and adaptation strategies and work to incorporate these into budgets and investment decisions.

We conducted our first physical and transition risk assessments with an independent consultant for the Core Fund in 2021. Guided by TCFD recommendations, Crown is taking steps to better position ourselves to manage climate-related risks and capture opportunities for sustainable investment management, strategic planning and building operations.



Since that original study, we have expanded our reviews to new acquisitions, to help identify physical and transition risks and opportunities, as well as potentially disruptive long-term issues at those properties. Crown has completed our physical risk assessment for 100% of the Fund Portfolio. We have also completed a detailed review of transition risks for the Core Fund and plan to expand our assessment to the remainder of the Fund Portfolio by 2024. Once identified, the risks and opportunities inform our property strategies, operations, business targets, and financial planning. For our climate risk assessments, we selected two distinct climate scenarios to determine the range of possible climate futures (i) a transition to a low-carbon scenario and (ii) a “business as usual” or RCP 8.5 scenario. A summary of key insights, including key points relating to Governance, Strategy, Risk Management, and Metrics and Targets, follows in the Appendix, below ([See Appendix C](#)).









...To Actionable Steps

Below are the results of our the key risks as a result of a physical and transition risk assessment for the Core Fund, together with actions we are taking:

Physical Risks			
	Risk	Financial Implications	Our Response
	Increase in the frequency and intensity of extreme heat	Increase in cooling demand and the associated costs across our portfolio	On-going optimization of the operating efficiency of HVAC systems to reduce electricity consumption despite rising temperatures
	Increase in the frequency of extreme precipitation and pluvial flooding	Potential risks to public safety and property damage	Improved crisis response plans or business contingency plans across the portfolio that align with international standards

Transition Risks			
	Risk and Opportunities	Financial Implications	Our Response
	Carbon tax policies	Increased operational costs	Committed to GHG reductions in line with international frameworks (i.e., SBTi or others)
	Changes to building code/regulations	Increased spending on building retrofits	On-going participation in industry working groups and regularly monitor changes in laws, policies and regulations to ensure compliance of our assets as early as possible
	Increase in energy and power pricing variability due to transformation of the energy sector	Increased operational costs	On-going optimization of operating efficiency of HVAC systems to reduce energy consumption
	Increase in market demand for climate-proof or low carbon buildings	Higher occupancy, rental rates or values by aligning with tenant preferences	On-going monitoring of GHG emissions for each building; participation in the Ontario Ministry of Energy’s Energy and Water Reporting and Benchmarking (EWRB) initiative; Disclosures that align with globally recognized frameworks (TCFD and SASB) to help assess our climate performance

Accelerating Our Action: More frequent extreme weather events highlight the escalating climate emergency.

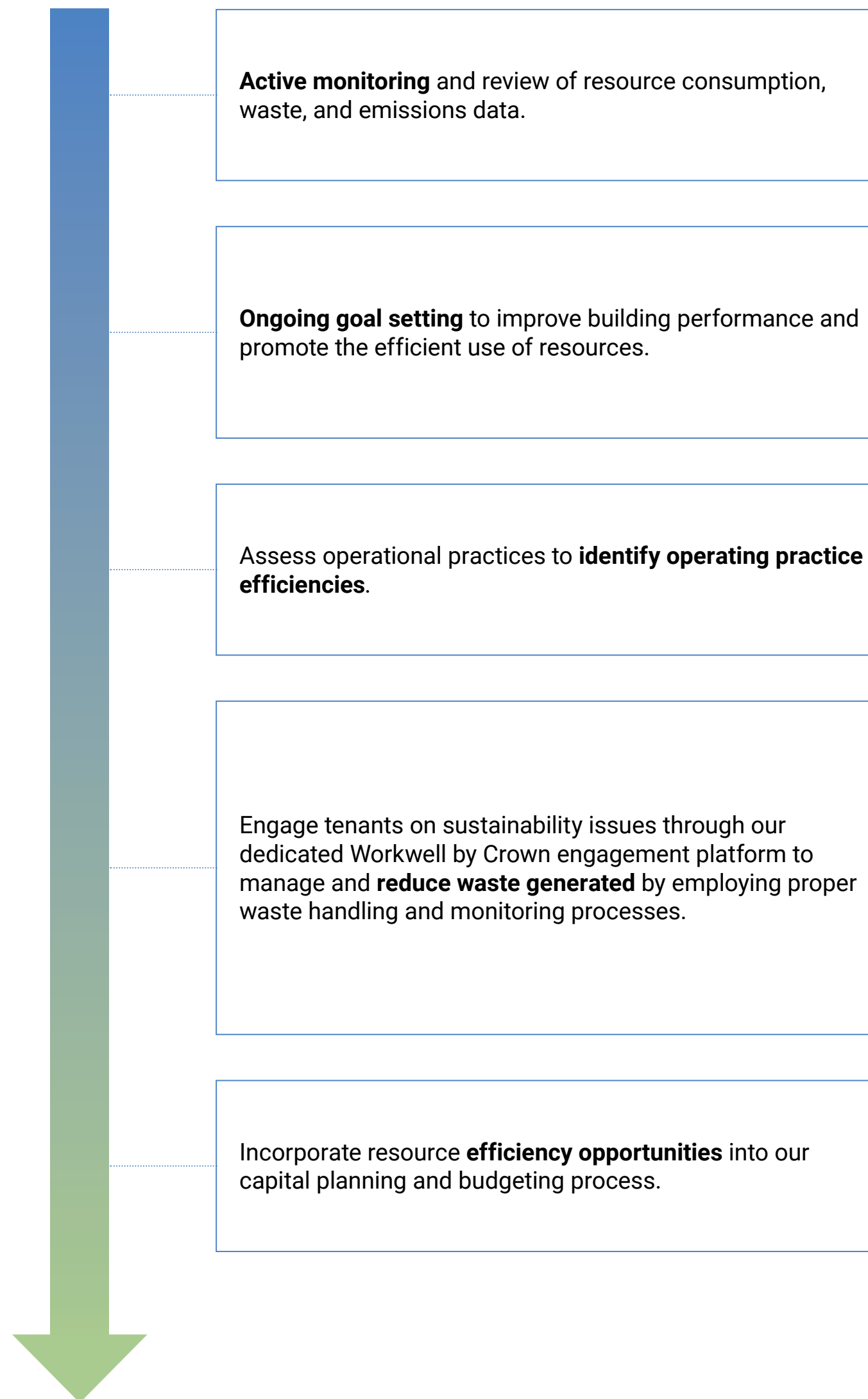
The call for accelerating the shift towards net zero following COP27, together with the need for disclosures and regulations on carbon emissions, bring a sense of urgency to the role of the real estate industry in the climate transition.

The built environment generates 40% of annual global CO₂ emissions. Of those total emissions, building operations are responsible for 28% annually.¹ By identifying operational efficiencies and actively managing and monitoring the resource consumption (energy, water, and other materials), together with the waste and emissions generated by our buildings, we have an impact on their environmental performance. We can achieve operating cost savings and contribute to the value of the assets we manage.



¹ Metric tonnes of carbon dioxide equivalent ("MTCO₂e")

OUR APPROACH CAN BE SUMMARIZED AS FOLLOWS:



CROWN'S JOURNEY TO NEAR ZERO APPLIES TO OUR BUILDINGS AND OUR OPERATIONS

Since our 2018 base year, we have been able to achieve material declines in energy, water, waste generation and carbon emissions (see [2018-2022 Performance](#)).

Crown has responded to the call for accelerated action on emissions reduction by establishing our Climate Change Commitment, with a goal to complete and release it by Q4, 2023.

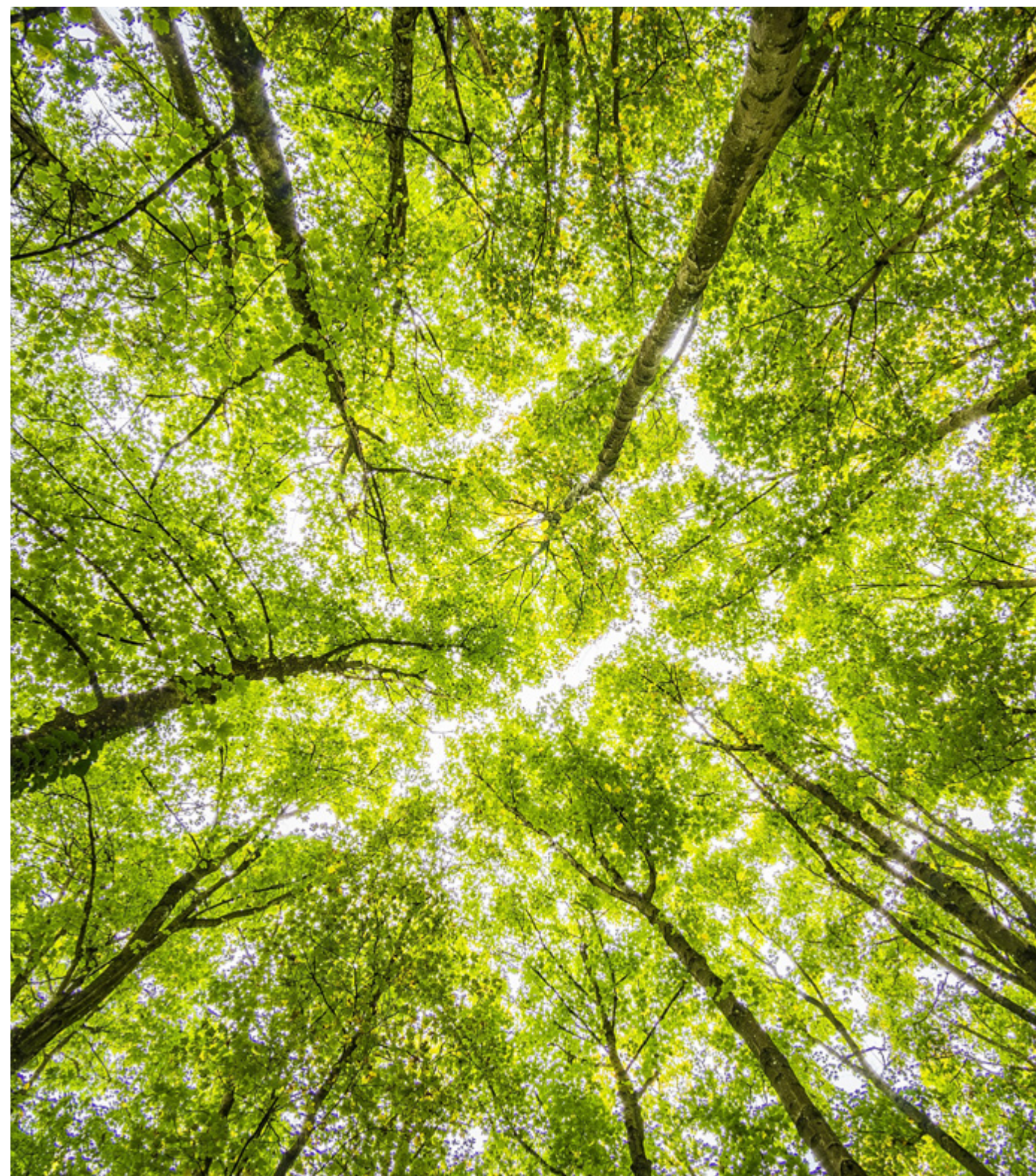
We are committed to reducing our corporate emissions and plan to better understand the carbon footprint of our corporate offices to build our corporate pathway to net zero. Our Climate Change Commitment will focus on energy efficiency, onsite and offsite renewables, fuel switching and offsetting of residual emissions and will be guided by a science-based target methodology.

There is a critical role for real estate to play in the climate transition and decarbonization efforts as governments and policymakers adopt ambitious strategies to reduce GHG emissions.

Approximately 2/3 of the global building area that exists today will still exist in 2040.¹ Transitioning to a low-carbon built environment will require significant intervention. Given our value-add expertise and skillset, we recognize this as an opportunity set for our investors.

By integrating the low-carbon transition into our value enhancement process, we can effectively manage climate change while also capitalizing on potential opportunities. This year, Crown has taken the following important steps:

- Completed decarbonization plans for the Core Fund, identifying potential GHG emissions reductions of 1,885 MTCO₂/year (reductions of over 80%) and incorporated these into our asset strategies.
- Engaged external consultants to carry out decarbonization planning for 12 more fund portfolio assets totaling 2.4 million sq. ft. across Crown's Fund Portfolio, representing 40% of GFA; evaluated the feasibility of achieving significant carbon reductions at these properties.
- Continued to include decarbonization planning within the first-year budgeting for any new fund acquisition.
- Marked one year of partnership with the City of Toronto through our participation in the Green Will Initiative, aligning 4 million sq. ft. of our Toronto Portfolio with a pathway towards Net Zero.
- Enrolled 1.5 million sq. ft. of our Ottawa portfolio in the city's Better Buildings Ottawa program, which seeks to identify decarbonization strategies and regulations.



LOOKING FORWARD →

- Crown plans to build on the learnings from our decarbonization studies and expand our approach to the rest of our Fund Portfolio and our operations.
- Crown plans to release our Climate Change Commitment by the end of 2023, to address the decarbonization of our corporate operations, targeting near-zero carbon by 2040.
- Crown will expand its training relating to ESG and Climate Governance approach to all team members.
- Crown plans to commence stranding year analysis for the entire Fund Portfolio.

STRANDING YEAR ANALYSIS

Stranding year analysis seeks to identify the year in which a building's GHG emission intensity exceeds guidelines based on a decarbonization pathway defined at a national or local level. The asset becomes "stranded" at that point, resulting in a significant expected depreciation in value, as it no longer meets regulatory requirements. Buildings may overcome stranding by reducing their emission intensity through intelligent upgrades or operational changes.

¹ <https://architecture2030.org/why-the-building-sector/>

Crown is an active participant in local initiatives focused on the transition to a lower carbon environment.

To drive positive change towards the energy transition and to achieve our country's goal of net zero, we collaborate with various levels of government, together with other industry players in initiatives such as the City of Toronto's Green Will Initiative, Better Buildings Ottawa, and York Region's ClimateWise Building Challenge.



CLIMATE ACTION WITHIN OUR PORTFOLIO

EV CHARGERS

To support green commuting and promote the use of EVs among tenants, visitors and employees, Crown has installed close to 150 EV charging facilities across our managed portfolio. With the support from the Zero-Emission Vehicle Infrastructure Program¹ administered by [Natural Resources Canada](#) ("NRCan"), we plan to add more EV charging spaces in 2023. Going forward, tenants will be able to manage their use of the chargers through Connect by Crown, our mobile app.



CROWN X THE GREEN WILL INITIATIVE

Crown is pleased to mark the one-year anniversary of our partnership with the City of Toronto through our participation in the Green Will Initiative, a program which aims to accelerate the reduction of greenhouse gas emissions of buildings. As part of the Green Will Initiative, Crown is aligning our entire Toronto office portfolio totaling over 4 million square feet on a pathway towards Net Zero.

Existing buildings contribute to more than half of Toronto's greenhouse gas emissions. Crown views this as an important opportunity to not only mitigate the risk of climate change but also ensure the long-term resilience of our properties. As an owner and operator of commercial real estate, Crown is committed to achieving our sustainability goals and contributing towards creating a healthier, more prosperous, and resilient Toronto. In addition, we believe that the decarbonization of our existing buildings through intelligent retrofits is an important tool in our value-add toolbox that will help increase the value of our investments while future-proofing our portfolio.

Over the past year, our team has continued to enrich our ESG platform, expanding our learnings and training with specialists in decarbonization. In addition to the Green Will Initiative, Crown has earned recognition in York Region's [ClimateWise Building Challenge](#), and has recently committed to the Better Buildings Ottawa program.

¹ The Zero-Emission Vehicle Infrastructure Program (ZEVIP) is a broad program aimed at making EV charging more accessible for Canadians coast to coast and will continue through to 2027.

3rd Annual Recognition for Crown at ClimateWise Awards

Crown is proud to announce its 3rd year taking part in the York Region's ClimateWise Building Challenge. This friendly competition between buildings has a goal of reducing greenhouse gas emissions and improving buildings' energy efficiency through education, innovation, and collaboration among the participants.

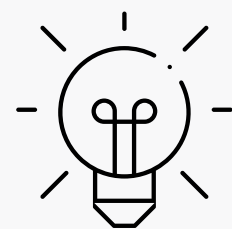
A Crown-managed property, 101 McNabb, achieved the "Biggest Reducer of Natural Gas, EUI and Greenhouse Gas Award" for our team's ingenuity. Previously, four boilers in the building were run in the summer months 24/7 to mitigate the muggy environment. Two of the four boilers were recently replaced with highly efficient models, which allowed the system to be redesigned to run on a sliding scale to maintain an ideal temperature while achieving the necessary dehumidification. As a result of the upgrades and operational changes, one boiler is now sufficient to maintain a comfortable environment in the building during the summer months.

Crown looks forward to our ongoing work with the ClimateWise Business Network to continue to take full advantage of energy, environmental and cost savings while acting on climate change, building healthier work environments and further reducing our carbon footprint.



Intelligent Building Operations

We recognize the extent to which buildings contribute to global energy consumption and carbon emissions. This means the way we run our buildings significantly affects global warming and climate change. Our operations team focuses on energy efficiency and emissions reductions by introducing some of the following simple modifications:



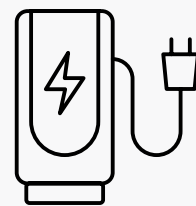
Energy-Efficient Choices

Replacing the existing lighting systems with LED lighting fixtures to reduce energy and maintenance costs.



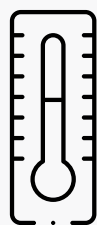
Occupancy Sensors

Installing motion and daylight sensors or timer controls in low-traffic areas.



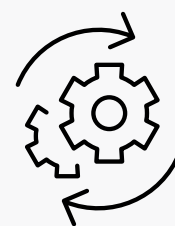
EV chargers

Promoting the use of EV to achieve climate change goals and encourage sustainable modes of transportation.



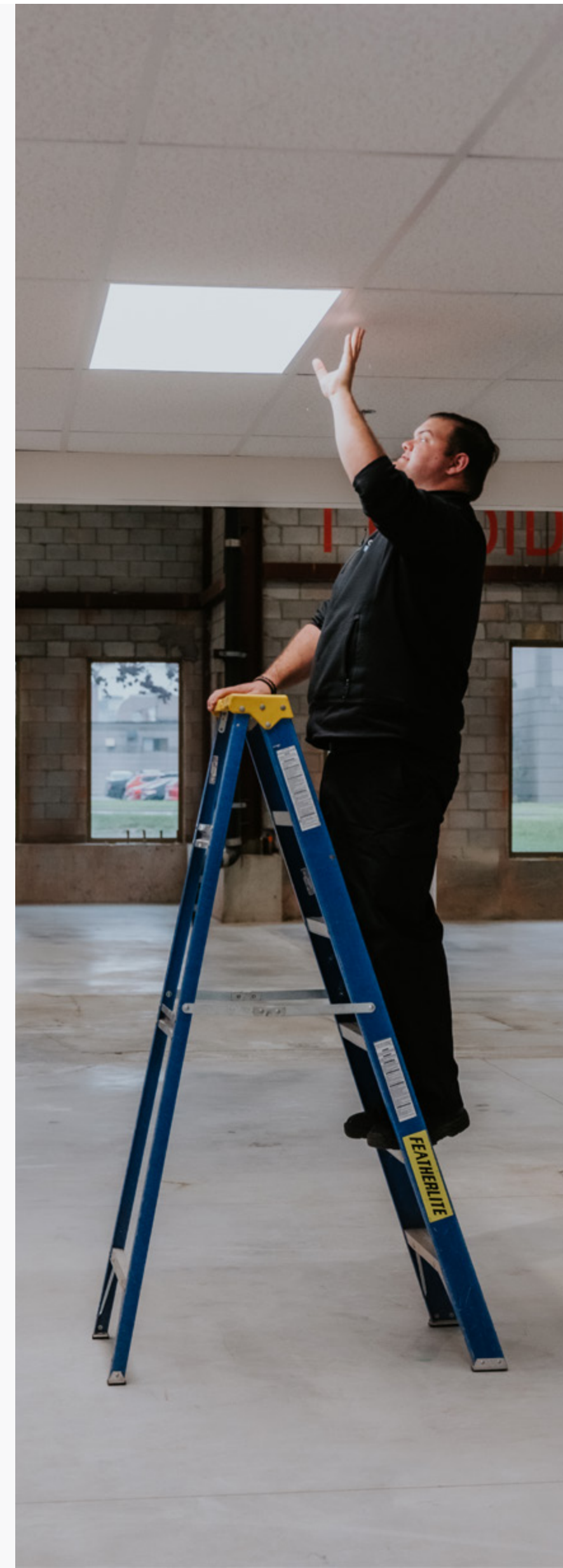
Programmable thermostats

Setting average room temperatures between 24°C and 26°C in the summer while maintaining thermal comfort.



Intelligent Retrofits

Finding more energy-efficient retrofits for older equipment.



REUSABLE ENERGY TO POWER A GREENER FUTURE

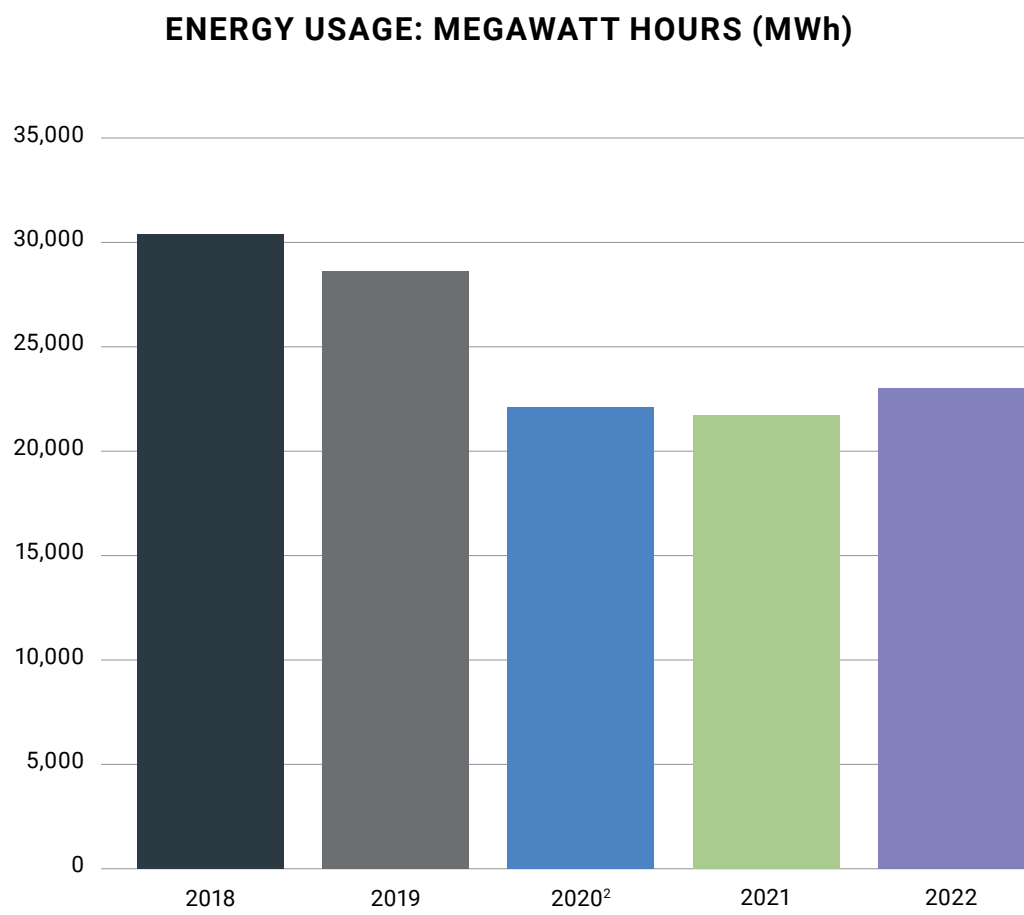
Crown has partnered with bullfrogpower to sustainably power Crown's Management offices across the GTA while supporting Canada's renewable energy industry. Through this partnership, Crown has purchased 245 MWh of green electricity and 1,344 GJ of green natural gas, reducing CO2 emissions by approximately 97.5 metric tonnes in 2022, an amount equivalent to taking 13% of our entire building operations team off the road for a full year!

LOOKING FORWARD →

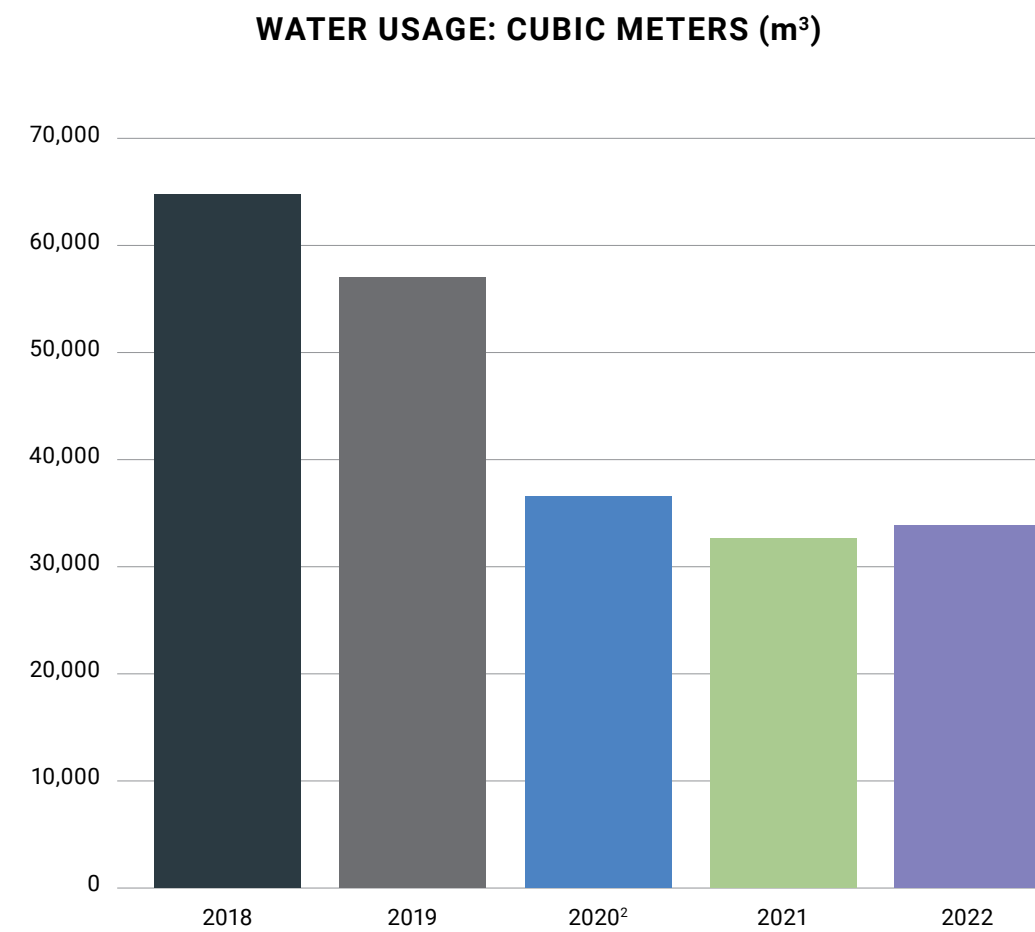
- Crown will evaluate our progress towards the goals we first set in 2018, with a goal to launch new targets in 2024.
- Crown will prepare our Scope 3 inventory for reporting and target-setting purposes by 2025 through a collaborative effort among internal business units as well as external partners.

2018 – 2022 PERFORMANCE

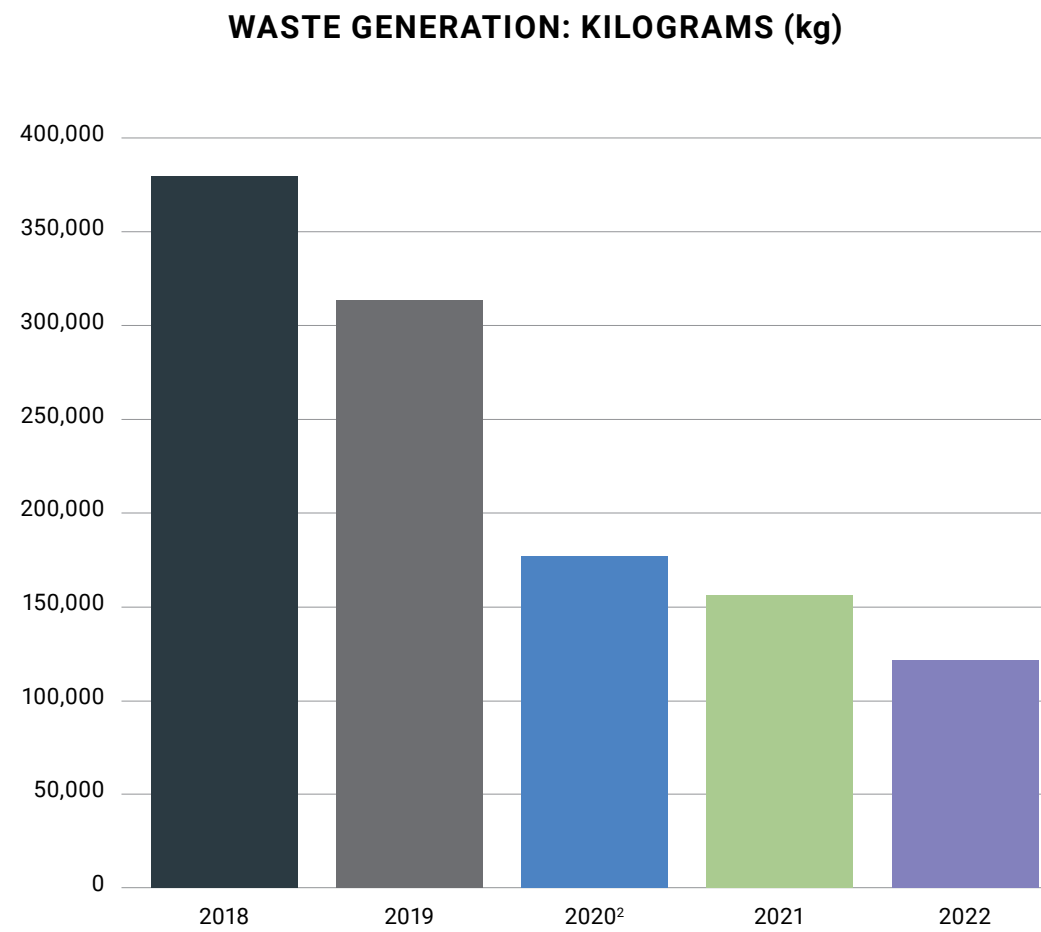
Since our 2018 baseline year, energy, water, waste generation, and carbon emissions have all been on a declining trend. Included below is a summary of these performance metrics for the Core Fund, and insights on how we achieved these reductions. Crown plans to establish new targets that will allow us to strive for further reductions across our Core Fund portfolio.¹



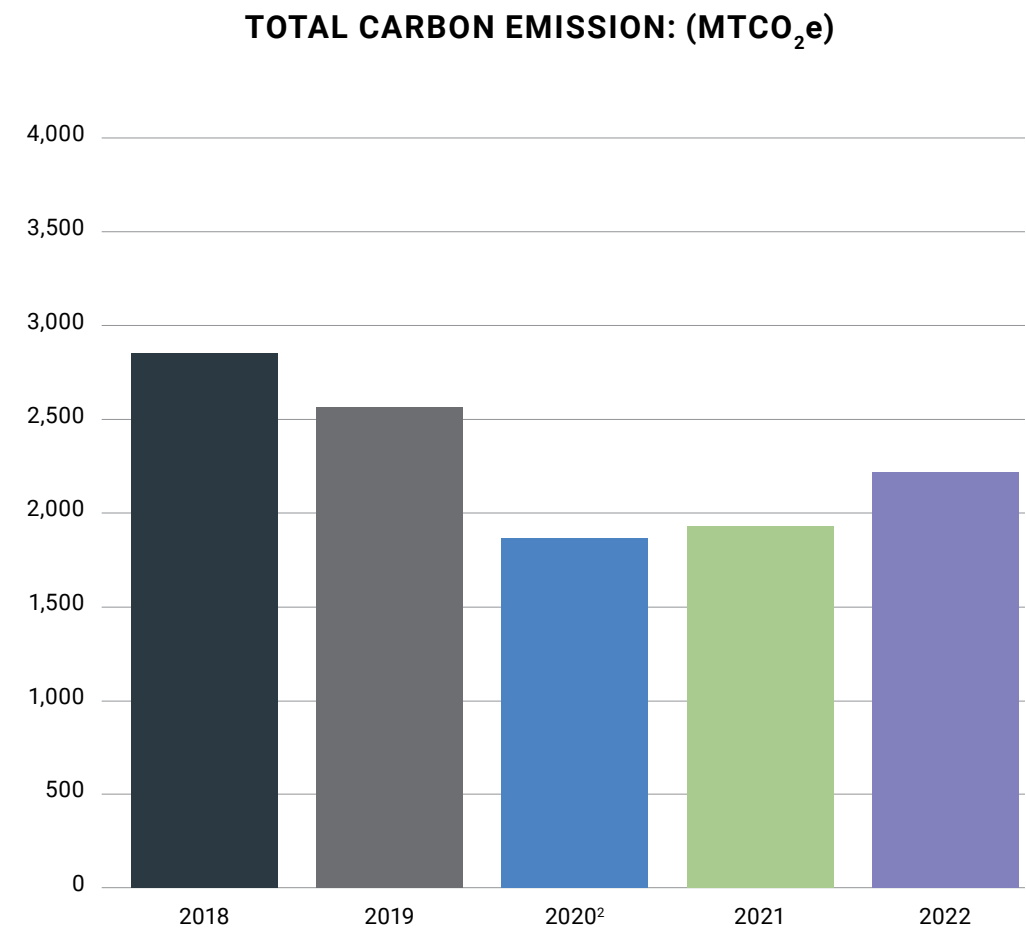
Energy Usage:
Energy consumption declined 20% in 2022 compared with the baseline year. Energy consumption saw a slight increase in 2022 relative to 2021 due to higher physical occupancy as occupiers implemented return-to-office policies.



Water Consumption:
Water consumption in 2022 saw a remarkable 48% decline compared to the baseline year. Similar to energy usage, it increased slightly relative to 2021, driven by higher physical occupancy.



Waste Reduction:
The waste generated decreased by 66% in 2022 compared to the baseline year. To achieve our target of 80% of waste reduction by 2023, we are focused on improving the recycling infrastructure and further engaging tenants to improve recycling behaviors to reduce contamination.



Carbon Emissions:
The Core Fund's carbon footprint decreased by 23% in 2022 compared to the baseline year. This was mainly driven by reduced electricity and natural gas consumption, which declined by 19% and 22%, respectively.

¹ In all cases, we use 2018 as a baseline year.

Staying Connected

Hybrid work is here to stay, as it grants employees the flexibility they desire while still promoting in-person collaboration. In fact, the majority of our tenants have embraced the hybrid work model in the wake of the pandemic.

Tenant engagement is more crucial than ever, considering that not everyone is present in the office simultaneously. Since the onset of the pandemic, there has been an increased demand for our amenities, services, and community events throughout our entire portfolio. Ongoing feedback from our tenants is of utmost importance, as it enables us to consistently provide the services and amenities that matter the most. The results from our Tenant Satisfaction Survey unequivocally demonstrate our dedication to continually enhancing the tenant experience.

Moreover, in this "phygital" and hybrid era, the importance of seamless digital connectivity cannot be overstated, as it directly impacts the productivity and well-being of our tenants, ultimately serving as a pivotal factor in leasing success.

CONNECT BY CROWN

Connect by Crown, released across our portfolio in 2021, is an app that gives tenants the ability to engage with their office community from their mobile device. Some of the features include:

- **Bookings and Reservations:** Access to fitness, conference and event spaces, EV chargers and more.
- **Direct Communication** between our tenants and Crown. Everyone's voice is heard.
- **Building Information:** All the details about our office buildings, in the palm of our tenants' hands for complete transparency.
- **Exclusive Tenant Perks:** Unique offerings from retailers within our portfolio and in our communities.



W
CONNECT
BY CROWN

IS LIVE AT
100%
OF OUR FUND PORTFOLIO

APPROXIMATELY
83%
OF TENANTS SURVEYED
ARE SATISFIED WITH THEIR
BUILDING, AMENITIES,
PROPERTY STAFF, AND THE
QUALITY OF SERVICE THEY
RECEIVE.



WIREDSCORE

Crown is thrilled to be recognized as Canada's largest WiredScore Portfolio Certified landlord, not only achieving certification on 100% of our Fund Portfolio, but also with a notable WiredScore Gold portfolio average.

The WiredScore Portfolio designation recognizes landlords who have committed to delivering a best-in-class, technology-enabled experiences across a significant portion of their portfolio. Maintaining a transparent and flexible digital and fiber optic infrastructure within our properties allows us to supply best-in-market service and connectivity and ensures our building occupants know exactly what digital infrastructure is at their disposal. This allows for enhanced productivity, collaboration, and connectivity both in-office and for hosting hybrid meetings.

The WiredScore certification has been proven to drive tenant leasing demand, with certified assets boasting 3.8% lower vacancy, 9 month longer lease terms, 1.5%-2.7% rental premiums and 2.2% higher rental growth compared to similar profile non-certified buildings.¹

LOOKING FORWARD →

- We are working on creating a fully digital portfolio to offer the ultimate tenant experience, expanding the number of mobile access points across the portfolio.
- We plan to increase tenant engagement via Connect by Crown, offering more on-site events and programming.
- We plan to expand building technology to ensure our buildings are running optimally, by collecting more data to inform operating improvements at our properties.

¹ Source: A Report from Moody's Analytics: Digital Connectivity and the Evolving Office Sector, Dec 2022

Beyond Our Office Walls: Crown and our Local Communities

The businesses that occupy our buildings seek forward-thinking property management and work environments that are healthy, rich in amenities, and represent their own corporate culture and brand.

The pandemic brought occupant health and wellness to the fore more than ever. Workplace wellness is a key priority for workers, and in turn their employers, who consider the space they occupy an important employee retention tool.

As an owner and manager of commercial real estate, we believe it is our responsibility to ensure the health and wellbeing of all stakeholders within and surrounding our office communities. This includes our own talented team!



FITWEL CHAMPION

Crown has been a Fitwel Champion since 2020 when we joined a select group of industry-leading organizations committed to optimizing buildings to enhance occupant health and wellbeing.

The Fitwel standard provides a blueprint for making positive changes that are scientifically proven to enhance well-being and occupier health. As a Fitwel Champion, Crown is committed to taking an integrated approach to how the design and operations of a building can improve occupant health and productivity. It also means that Crown will continue to consider health and wellness in the design, redevelopment, and operations of buildings.



INDOOR AIR QUALITY

At Crown, we recognize that Indoor Air Quality (“IAQ”) affects the health, comfort, and wellbeing of our building occupants. We are always improving our operating practices and policies to include better control humidification, improve ventilation and track airborne contaminants. Crown’s team is also constantly monitoring new technologies that can lead to improvements in IAQ, such as plasma or ultraviolet equipment installed in the main air handlers. Crown, in conjunction with its HVAC experts, create thoughtfully tailored solutions for each building, typically going beyond ASHRAE¹ standards to ensure the health, well-being, and comfort of building occupants.

As the pandemic brought occupant health to the forefront, Crown also committed to a high standard of cleanliness and air purification through Fitwel’s Viral Response certification. The module was founded by the Centre for Active Design, with input from health experts and industry leaders, and sets the industry standard for optimizing buildings in response to the broad health impacts of infectious respiratory diseases.

Over 95% of Crown’s Fund Assets have achieved Fitwel Viral Response certification.

Crown focuses on the following measures to improve IAQ:



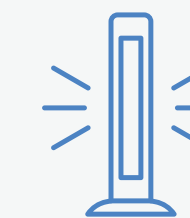
HUMIDIFICATION CONTROL

Automated and dynamic adjustments of humidity based on seasonal climates.



INCREASED FRESH AIR

Boosted air-exchange to have more fresh air circulated continuously.



UV LIGHT BARS

Healthcare-grade germicidal UV lighting installed to kill viruses and bacteria.



EXTENDED SYSTEM HOURS

Increased duty cycle of all air systems to ensure consistent air quality.



IONIZER PLASMA SYSTEMS

High-voltage negative ions to charge air molecules for enhanced air purification.



IMPROVED AIR FILTERS

Installed new air filters with higher MERV² ratings to maximize effectiveness.

¹ The American Society of Heating, Refrigerating and Air-Conditioning Engineers

² Minimum Efficiency Reporting Value (“MERV”) measures how effectively an air filter captures particles and contaminants, with a higher MERV rating indicating better performance.



WORKFIT BY CROWN

WorkFit by Crown fitness centers across the portfolio offer clean, safe workout facilities, lockers, change rooms and shower facilities to help support our building occupants in achieving their fitness and wellness goals.



WORKWELL BY CROWN

WorkWell by Crown is a portfolio-wide tenant engagement initiative that is focused on wellness programming across our office communities. This program has a strong focus on wellness, community, and fitness. Through WorkWell, we offer yoga and meditation classes, seminars, promotions, as well as lifestyle and work-life balance-related webinars for everyone within our office communities. We also use this venue to educate our tenants about the sustainability initiatives across our portfolio. We are excited about the future of this program and how it will continue to evolve with the needs of our tenants.



COLLABORATE BY CROWN

At Crown, we curate work environments that foster active engagement and creativity between people, ideas and technology, making your workplace #morethansquarefootage. With the vast majority of our tenants adopting either a hybrid work schedule or a full-time return-to-work, demand for our collaboration spaces is at an all-time high.

Accessibility

An estimated one in five Canadians over age 15 lives with a disability, and this number is steadily rising with our aging population. The Accessibility for Ontarians with Disabilities Act (“AODA”) was introduced in 2005, making Ontario the first province to enact legislation mandating organizations to improve accessibility for people with disabilities. To meet AODA’s goal, real estate owners will need to make significant progress over the next few years in removing barriers for people with disabilities, to enable their participation in their workplaces and communities.

Crown is committed to supplying equitable access and services to people with disabilities in a manner that respects their dignity and independence. To this end, we have prepared a multi-year Accessibility Plan that serves as our blueprint for finding and eliminating accessibility barriers as set forth by AODA. This plan includes key standards such as the Employment Standard, which ensures workplace inclusivity, the Information and Communications Standard, which guarantees accessible information flow and communications, and the Design of Public Spaces Standard, which emphasizes accessibility in public areas.

The first step in our plan included AODA audits across our Fund Portfolio to enact plans to achieve compliance with standards. We plan to complete all audits by 2024, with the recommendations to be used to inform upgrade and retrofit plans. Crown’s Accessibility Plan also includes mandatory training on AODA requirements and the Human Rights Code relating to people with disabilities. This training is provided to all employees, and third-party consultants and providers.

LOOKING FORWARD →

- Crown plans to review and update building AODA audits at least once every five years.
- By 2024, Crown plans to align the accessibility standards for our Core Fund with requirements for the Rick Hansen Foundation Accessibility Certification, the “gold standard” for building accessibility.

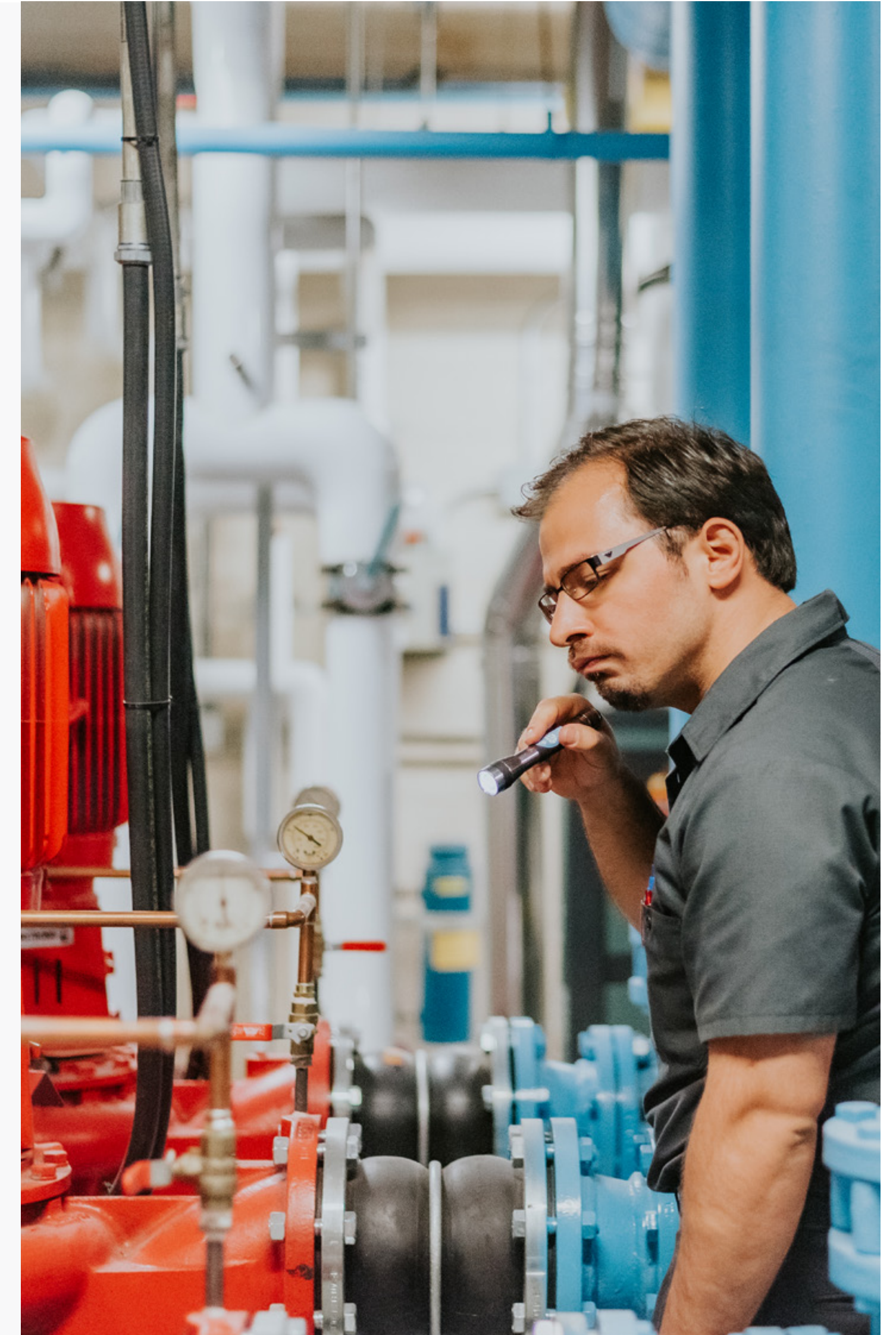


As an owner and manager of commercial real estate, it is our responsibility to ensure the health and safety of our employees, building occupants, vendors and local communities.

As a best-in-class commercial real estate operator, we consider it our responsibility to ensure the health and safety of our employees, building occupants, vendors and local communities. In addition to mandatory health and safety training for all Crown team members, 100% of Crown's operations team receives ongoing training on several specialized health and safety topics. Likewise, our construction management team follows strict guidelines to ensure contractors and third-party vendors follow health and safety procedures and have the proper training before starting work at any Crown property.

To manage our health and safety risks, we partner with leading contractors and vendors and regularly undertake third-party risk assessments to ensure building life safety equipment is maintained and safety codes and government guidelines are always met or surpassed.

Crown's Joint Health and Safety Committee is focused on prioritizing and improving workplace health and safety conditions. It is chaired by the Vice President, Property Management and includes Crown's Compliance Coordinator, together with senior leaders from Crown's property management offices and departments. The committee meets on a monthly basis to find potential issues, concerns, and solutions, and also conducts building inspections across the portfolio.



Mental Wellness

Mental health is a big priority for Crown, especially when it comes to providing the necessary support to our team members and our office communities. This year, Crown partnered with [Corporate Canine Therapy](#) across our portfolio throughout January to help our tenants support their employees' mental health. Everyone in our buildings was encouraged to take a “paws” from their busy schedule and hangout with certified therapy dogs. Canine Therapy works to alleviate workplace stress, boost productivity, improve happiness, supply comfort, encourage teamwork and lower blood pressure. The smiles we saw were enough proof in our eyes!

Crown supports the [Centre for Addiction and Mental Health \(CAMH\)](#) by taking part in the Sunrise Challenge. For the second year, our team members rose with the sun for a week, shared their Sunrise Moment, and raised over \$10,000 for the charity, along with a \$5,000 corporate donation from Crown.



Over Two Decades of Community Building

Crown's ESG Committee works to align Crown's charitable giving with our commitment to DEI in the workplace and our local communities. Since 2021, Crown has supported four primary charities that make a difference in the communities in which we operate:

- **Eva's Initiatives for Homeless Youth** supplies shelter, transitional housing, and programming to help young people build brighter futures free of homelessness.
- **New Circles Community Services**, a not-for-profit, grass-roots agency that builds strong and caring communities by supplying necessities like clothing, employment skills training, and settlement support to those living in poverty across Toronto. They are also focused on empowering visible minority newcomer women to enter the labor force, an initiative we are strongly aligned with.
- **Yellow Brick House** supplies life-saving services and prevention programs for women and children in the York Region who have experienced domestic violence.
- **Centre for Addiction and Mental Health (CAMH)**, a psychiatric teaching hospital in Toronto with ten community locations throughout Ontario.

Crown, together with our local GTA and Ottawa suppliers, vendors and partners, has raised over \$69,860 for these 4 charities.

\$69,860+ Raised

eva's

new
circles | glows
clothing | connections | community

yellowbrickhouse
Rebuilding Lives

camh
Centre for Addiction and Mental Health

To acknowledge and support the time and effort of our team, Crown introduced a "Paid Time Off for Charity Work Policy" in 2022. Through this initiative, we offer each employee up to 16 paid hours of volunteer time per year.



Volunteering as a Team to Assist Local Food Banks

Since 2022, the Crown team has volunteered weekly at our local food banks, a wonderful exercise in team building and giving back. By getting together to distribute food to families at the [Fort York Food Bank](#) in Toronto, the Crown team has helped distribute food to more than 100 families a week, totaling more than 6,000 families over the past year. In Ottawa, the Crown team gives back during the holiday season, by banding together with the [Ottawa Mission](#) to help combat homelessness and make over 150 sandwiches for lunch for those in need in the community.

New Circles #KeepTorontoWarm

As the temperatures dropped in Ontario, the Crown team got into gear with our annual clothing drive to support those living on low incomes, in shelters and on the streets. As a community, the Crown team and our building occupants were able to collect over 1,300 lbs of coats, boots, and warm winter accessories for all ages which were donated to New Circles, a not-for-profit agency that builds strong communities by supplying both clothing and skills training programs to individuals and families in need.

Clothing is an essential aspect of good health, self-esteem, social inclusion and employability. The [New Circles GLOW](#) clothing program provides access to those in need of free, gently worn clothing, allowing them to focus their resources on food, housing, and other necessities. A family of four using the program can save up to \$5,000 annually. Crown is proud to have helped contribute to the New Circles initiative and we look forward to continuing our participation in 2023.

Teambuilding For Charity

In the spirit of giving back to the community, Crown organizes team-building activities that focus on giving back to our local communities. Not only are charity events a lot of fun, but they also help raise money and awareness for important causes!

WWF'S CN TOWER CLIMB FOR NATURE

Crown's daring accounting team took part in the CN Tower Climb for Nature this April, climbing all 1,776 steps to support [World Wildlife Fund Canada's](#) efforts to restore nature, reverse wildlife erosion and fight climate change. They also audited the number of steps in the Tower!

Leading up to the event, the stairwells of our 400 University Avenue office served as a great training ground for Team Crown, who “stepped up” and rose to the challenge, while also raising over \$3,600 for World Wildlife Fund Canada.



LOOKING FORWARD →

- Crown's philanthropic strategy will continue to be guided by our ESG Committee, aligned with our commitment to DEI in the workplace and with our core values.

Crown organizes activities and events with our building occupants to help us build more sustainable, engaged office communities.

Crown invests in relationships, connecting capital with opportunities, organizations with engaging workspaces and buildings with their communities.

Our commitment to creating a smarter, more responsible model for commercial real estate investing and management extends beyond the walls of our buildings and boundaries of our properties, to our local communities.



SUPPORTING OUR PLANET

To celebrate Earth Month every year, Crown hosts tenant campaigns and webinars to raise awareness and encourage participation in our green initiatives. For the past 10 years, we have taken part in the [BOMA Earth Hour Weekend Challenge](#) in March, a global initiative that encourages turning off non-essential lights for one hour on the last Saturday of the month, to raise awareness about energy conservation and encourage steps to reduce energy consumption. Acknowledging our dedication, 8 of our buildings, including the Core Fund assets, have been nominated for the BOMA Earth Hour Weekend Challenge certificate.

Crown organizes a 20 Minute Community Clean Up every April, a volunteer event involving our team and our tenants. At each of our buildings, our office communities gather to clean the surrounding areas, creating a cleaner community one building at a time.

STRAIGHT FROM OUR TENANTS

In 2023, we gave tenants across our portfolio an opportunity to vote on their favorite sustainable building initiatives and projects. Tenants especially favoured programs with a direct positive impact on our surrounding ecosystems such as urban gardens and beehives (39% of tenants surveyed). Among Crown's sustainability building initiatives, IAQ enhancements (36% of respondents) and building upgrades to reduce energy consumption and emission (36% of respondents) were held in the highest regard by tenants.



Art Installations

Crown believes that supporting local artists contributes to the success of the communities within which we operate. Original art in the common spaces of our buildings helps create a dynamic workplace and inspiring environment for workers, while also recognizing local artists.

HelloArt and Crown partnered to create an Art Rotation Program, working with both emerging and established artists. The program aims to present visual art of all mediums, by artists of all cultures, and in varying techniques and styles.

The works of Indigenous artist Quinn Hopkins were featured at 10 & 20 Carlson Court, September 2022. His artwork is inspired by new, innovative technologies – connecting them with the land and his Anishinaabe roots. His interests are focused on developing new ways to visualize the spirit of the land to reveal the many truths about humanity’s relationship with land. Hopkins has appeared on CBC The National and Breakfast Television and has been featured in an article on CBC Indigenous.

We have brought the outdoors in by introducing moss art by Living Wall Concepts in the lobby at 400 University Avenue. Moss art is popular in workspace design not only because of its aesthetic appeal, but also because of its low maintenance requirements and air-cleaning properties.



Works by indigenous artist
Quinn Hopkins at 10 & 20 Carlson Court



LOOKING FORWARD →

- We will continue to find ways to invigorate the common spaces within our buildings to make an impact.



Moss walls in the lobby of 400 University Avenue
by Living Wall Concepts



"Comma," ecosystem-based sculptures in the lobby of 400
University Avenue, by Melanie Billark

For April, we featured ecosystem-based sculptures in the lobby of 400 University, that celebrated the beauty of our planet while highlighting the urgent need to protect it. “Comma,” by Toronto-based multidisciplinary artist Melanie Billark, juxtaposes clear acrylic with living ecosystems made up of naturally preserved mosses, flora and collected rocks. The installation comments on the state of emergency facing our natural world, while symbolizing the hope and positive change for remediation and preserving these fragile ecosystems as we come out of the plastic age.



Tomatoes and peppers and carrots, oh my!

Fall is harvest season, and while most crops are harvested from large farms over acres of land, we handpick our harvest from previously underutilized and converted rooftops and outdoor spaces at our properties. At the end of each season, we harvest the produce grown to share with our building communities.

Edible plants have been grown in our [MicroHabitat](#) urban farms across our portfolio, which supply food and shelter for pollinators and other beneficial insects. 300 pounds of vegetables, edible flowers and herbs that were harvested from each urban farm every summer, with the produce donated to local food banks and our local community. This produce from each farm is used to create 30 meals offered to the [Breakfast Club of Canada](#) to help eradicate food insecurity and give people access to healthy food.

Through these initiatives, we can inform, inspire, empower, share skills and knowledge, while also building meaningful collaborative relationships with people by reconnecting them with nature through great team bonding experiences.

Biodiversity

Biodiversity in terrestrial, marine and other aquatic ecosystems is essential to human survival, well-being and economic prosperity, and is deeply intertwined with climate change. Despite a reputation as concrete jungles, urban landscapes are home to a diverse range of ecosystems supplying habitats for various plant and animal species. By preserving and enhancing these ecosystems, we can reduce the ecological footprint of our cities and promote environmental sustainability. At Crown, we believe in the importance of supporting a healthy and sustainable environment in our local communities and encouraging the rich diversity of species in the vicinity of our office communities.



BEE THE MOVEMENT

Bees thrive in urban environments, which offer more abundant nesting habitats and diversity of floral resources compared with rural areas. Responsible urban beekeeping was first introduced on the rooftops of select buildings back in 2019 in partnership with Montreal-based experts in beekeeping, [Alvéole](#). Crown's 17 beehives are going strong at 12 unique locations across the GTA and Ottawa. In 2022, Crown's 850,000 honeybees pollinated approximately 340 km² and harvested 240 kg of honey. Our building occupants support the program - not only because they enjoy the tasty byproduct of the program, but also because these rooftop hives are important for the biodiversity in our environment. They help address the decline in urban pollinator populations under threat from commercial agriculture and pesticide use.

Crown's beehives coexist with native bee populations to pollinate diverse local flora, together contributing to sustainable cities and food systems. Crown is aware of research suggesting that competition for food between honeybees and native bee species could occur in homogenous landscapes that have a high density of hives. However, given their distinct food preferences, it is currently our belief that this can be avoided in an urban environment with a diverse variety of floral food sources. Given this potential concern, we will take a precautionary approach in 2023 by reducing our beehives to only one per location. In support of our urban pollinator program, we gifted our tenants Urban Pollinator Hotels, nesting structures for solitary bees and butterflies.

FLAP IF YOU CARE ABOUT BIRDS IN YOUR 'HOOD!

Crown collaborates with the [Fatal Light Awareness Program](#) ("FLAP"), a non-profit organization that works with building owners to reduce bird collisions and deaths. Through this partnership, we aim to actively address the issue of bird collisions during the migratory season across our entire portfolio by supplying practical recommendations to building occupants, including drawing blinds after sunset, turning off unnecessary lights, and moving interior plants away from windows. Together with FLAP, we strive to create a safer environment for migratory birds and foster a harmonious coexistence between our buildings and nature.

Our team has grown significantly over the last five years, contributing to the need for increased communication with all team members to help them better understand Crown's corporate vision.

Regular surveys have been useful sources for regular feedback from the Crown team. The ongoing data we receive as we engage with our team, including through regular surveying, allows us to improve Crown's culture. The employee surveys we conducted in 2022 allowed us to gather additional key insights from our team, geared heavily towards DEI and feedback on our corporate culture and initiatives (See our [DEI survey results](#)).

- Multi-platform engagement: through the extended periods of hybrid work, tools like Microsoft Teams and its many plugins and workflows along with new technologies like Sift, a dynamic organization chart and Connect by Crown, have allowed us to adapt and change the way we work.
- Increased frequency of townhall meetings and quarterly management meetings to realign on key priorities and move initiatives forward.
- Team members are tagged in and encouraged to comment on corporate social media posts; sharing their own work experiences and successes.



LOOKING FORWARD →

- Crown aims to further increase our employee survey response rate, building upon the noteworthy improvement we achieved from 74% in 2021 to 84% in 2022.
- We will work to create an improved on-boarding program for new team members that is more automated and self-directed.

Crown is committed to creating a corporate culture that attracts, engages, advances, and retains the highest caliber of professionals, while celebrating our differences.

Crown wishes to support the career development of our team through ongoing training, education, and career development. Our partnership, employment and profit-sharing models align incentives, support a flattened organizational structure, and expedite decision-making. We recognize that our people are our greatest asset, strengthened by the diversity and differences they bring with them.

Continuing to foster a culture that attracts, engages, advances, and retains top talent is supported in part by the many programs we offer to our team. These are focused on diversity and supporting the needs of our growing team. Our culture is built on our core values that set the expectation for what it means to be creative, entrepreneurial, and to lead. Highlights include:

- Performance incentive programs, with ESG-specific targets across the entire organization
- Top-up of base salary for parental leave
- Quarterly and annual service and recognition awards
- Opportunity for alignment of senior management through profit sharing and voluntary participation in Crown's fund investments
- Matching RSP contributions to help our team save for the future
- Supporting ongoing professional development with tuition subsidies



TALENT HIGHLIGHTS:

33%

ANNUAL INCREASE IN
EMPLOYEE HEADCOUNT

\$239K

SPENT ON LEARNING AND
DEVELOPMENT

53%

OF OUR SENIOR
MANAGEMENT TEAM
ARE WOMEN

100%

OF EMPLOYEES HAVE AN
EDUCATIONAL GOAL
INCLUDED IN THEIR
ANNUAL PERFORMANCE
REVIEW

AS AT MARCH 31, 2023



Crown Ranks Among Canada's Top 100 Small and Medium Employers

We are thrilled to be recognized for the second consecutive year as a top employer amongst some of Canada's most innovative and forward-thinking small and medium enterprises ("SMEs"), which account for over 99% of Canadian businesses. Now in its 9th year, Canada's Top Small & Medium Employers recognizes organizations with less than 500 employees offering the nation's best workplaces and progressive human resources policies. Employers are evaluated based on seven primary factors: physical workplace; work atmosphere and social; health, financial and family benefits; vacation and time off; employee communications; performance management; training and skills development; and community involvement.

As a 2023 recipient, Crown was acknowledged for strongly supporting employee education and training, providing a diverse and fair workforce, and focusing on work-life balance in a motivating environment.



We Really Are More Than Square Footage

“We are a team that supports one another in an environment where we are valued, empowered, and inspired to pursue excellence. We are more than square footage.”

— CROWN'S COMPANY CREDO DEVELOPED BY OUR LEADERSHIP TEAM

At the core of Crown's culture lies a commitment to empowering team members with meaningful career opportunities to achieve their fullest potential within a supportive, compassionate and inspiring environment. This ethos represents the very essence of our newly defined internal company credo, collectively crafted by our management team across the organization.

Through a focus on coaching and mentoring (see [Talent: Learning and Development](#)), in-person collaboration, and regular social events and community giving initiatives (see [Community Building: Giving Back](#)), Crown finds ways to bring our employees together to cultivate an enduring sense of team and community. We believe these efforts promote employee happiness and satisfaction, while fostering their growth and strengthening our culture.



The feedback from our employees speaks volumes
– according to our latest employee engagement survey,
an overwhelming
91% of employees
are proud to work at Crown.

Different IS OUR Difference

Crown's commitment to diversity, equity, and inclusion ("DEI") is embedded in our corporate culture. It's who we are and is ingrained in what we do each day. DEI is front and center in our Vision, our Values, and our Code of Business Conduct.

Crown places emphasis on quantitative metrics to measure progress and to keep our leadership accountable on their journey. To better understand our team and establish baselines that will inform our HR and DEI policies, a third-party survey was conducted in 2022, with 84% employee participation rate. As a follow-up to our inaugural survey in 2021, this DEI survey helps us continue to find ways to better understand and foster an ever-more inclusive workplace. It also helps put in place the right programs, training, and benefits that support our team the most.

Crown has supported DEI through our hiring process by opening our talent pool to diverse job boards to ensure women and under-represented communities are actively considered. Our numbers speak for themselves.

90%

DESCRIBE THE CROWN CULTURE AS DIVERSE, INCLUSIVE AND EQUITABLE

85%

FEEL CROWN IS DEDICATED TO DEI

79%

OF EMPLOYEES FEEL THEY CAN BE THEIR AUTHENTIC SELF AT WORK

62%

SPEAK ANOTHER LANGUAGE

26%

IDENTIFY AS PEOPLE OF COLOUR



LOOKING FORWARD →

- Ongoing learning to educate team members on DEI in the workplace.
- Continued measurement and reporting on progress through subsequent DEI surveys.
- We will continue to support DEI through our hiring process.

We are proud that 53% of our senior management team are women.

INTERNATIONAL WOMEN'S DAY IS 365 DAYS AT CROWN

Each year we celebrate the achievements of the extraordinary women who make up more than 50% of our organization. We are proud to have a diverse team of Women across all levels of our portfolio in a traditionally male-dominated real estate industry, where women still only represent 42.5% of the workforce in North America despite meaningful improvements over the past few years.¹



LOOKING FORWARD →

- Crown will focus on coaching and mentorship including establishing a cross-departmental mentorship program.
- We will continue to raise awareness against bias and act for equality through on-going DEI training facilitated by a new Learning Management System.

¹ Urban Land Institute Global Real Estate DEI Survey 2022

“If you’re always learning, you’re always challenging yourself.”

— LES MILLER, MANAGING PARTNER AND CEO

At Crown, we believe the coaching and mentorship of our people are essential to the growth of our firm.

Since 2021, employee coaching has been added as a mandatory requirement for all managers to help guide their teams’ career paths. Managers are now formally mentoring their teams, through an agenda set by staff, to share successes and challenges in a safe and supportive environment. In 2023, we intend to launch a formal mentorship program, with focus on career planning guidance, upskilling and cross-departmental training.

Crown also encourages our team members to contribute to our industry and take part in industry organizations. This is a great way for them to advance their knowledge base, learn, lead, and collaborate with peers.



CROWN ENCOURAGES AND COVERS THE COST OF MEMBERSHIP IN THESE INDUSTRY ASSOCIATIONS:



IN THIS OFFICE
WE ARE A FAMILY
WHO **WORK** WITH
EACH OTHER EVERYDAY
WE LAUGH A LOT
RESPECT ONE ANOTHER
AND ARE **PASSIONATE**
ABOUT WHAT WE DO
WE HAVE **INTEGRITY**
NEVER GIVING UP
ON OUR TEAM
AND OUR PROMISES TO
OUR INVESTORS
WE ARE **ENTREPRENEURIAL**
SERVICE ORIENTED
SUSTAINABLE
AND **PROFESSIONAL**
ACCOUNTABLE FOR
OUR ACTIONS

All of Crown's activities, including our approach to ESG, are shaped by our firm's core values.

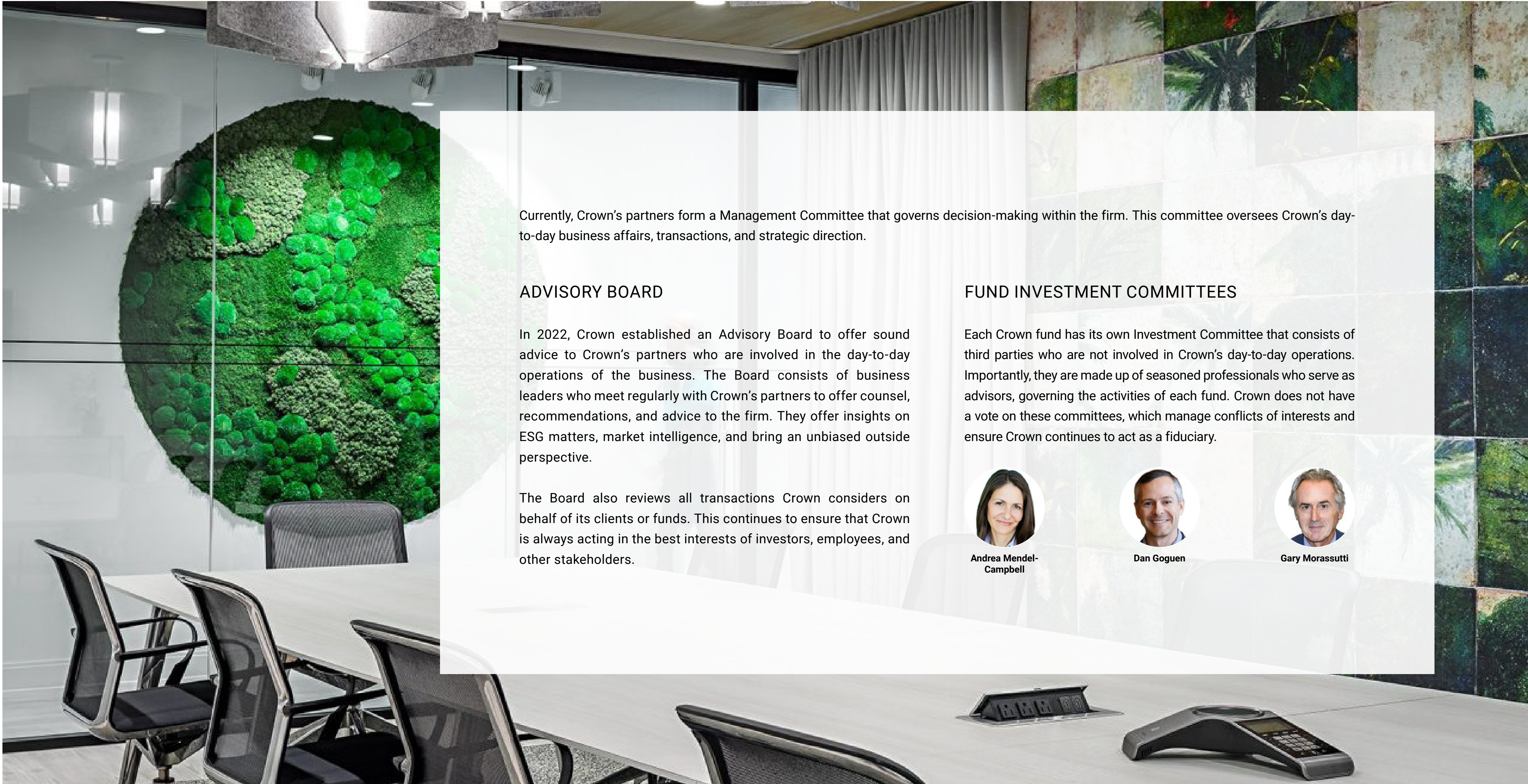
Underpinning our core values are rigorous policies that apply to all employees regarding compliance, conflict of interest, business ethics, whistleblowing, anti-corruption, anti-money laundering, and financial governance.

Although Crown is a private partnership, we take our role as a fiduciary very seriously, ensuring responsible management and the interests of our investors are a top priority.

For us, responsible management integrates ESG factors throughout the investment lifecycle. When we can find potential risks early on, we can have a material impact on value creation and ensuring the resiliency of our investments.

Our approach to good governance is characterized by:

- Business oversight involving independent advisory and investment committees (see [Business Oversight](#))
- Third-party audits of the financial statements and Sustainability data (see [SASB](#), [TCFD disclosures](#) and [Letter of Assurance](#))
- Ownership mentality and alignment of partners and employees (see [Talent: Culture and Employee Engagement](#))
- Regular and transparent investor reporting, including ESG performance (see [Transparency and Disclosure](#))
- Active risk management and asset management (see [Climate-Related Risk Management](#))



Currently, Crown’s partners form a Management Committee that governs decision-making within the firm. This committee oversees Crown’s day-to-day business affairs, transactions, and strategic direction.

ADVISORY BOARD

In 2022, Crown established an Advisory Board to offer sound advice to Crown’s partners who are involved in the day-to-day operations of the business. The Board consists of business leaders who meet regularly with Crown’s partners to offer counsel, recommendations, and advice to the firm. They offer insights on ESG matters, market intelligence, and bring an unbiased outside perspective.

The Board also reviews all transactions Crown considers on behalf of its clients or funds. This continues to ensure that Crown is always acting in the best interests of investors, employees, and other stakeholders.

FUND INVESTMENT COMMITTEES

Each Crown fund has its own Investment Committee that consists of third parties who are not involved in Crown’s day-to-day operations. Importantly, they are made up of seasoned professionals who serve as advisors, governing the activities of each fund. Crown does not have a vote on these committees, which manage conflicts of interests and ensure Crown continues to act as a fiduciary.



Andrea Mendel-Campbell



Dan Goguen



Gary Morassutti

Crown recognizes the importance of transparency in our ESG performance data and disclosures.

We report our ESG metrics across several industry-leading platforms, including GRESB, Energy Star, LEED, BOMA, EWRB, Green Will Initiative, Better Buildings Ottawa and others. We are committed to continually improving our disclosures and reporting to follow best practices and accepted frameworks.

For our third ESG report, Crown continues to adopt SASB’s Real Estate Sustainability Accounting Standard to communicate with stakeholders on the financial impacts of industry-specific material issues. This is also our 2nd year referencing TCFD recommendations to enhance transparency in our sustainability reporting, especially in managing climate-related risks. Please refer to [Appendix B](#) and [Appendix C](#) for our SASB and TCFD disclosures.

Holding the ESG performance of our Core Fund and Crown's overall management practices up to the scrutiny of a globally recognized standard has allowed us to create a culture of accountability and continuous improvement. It has also helped us extend this approach by rigorously seeking out and implementing best practices across the rest of our platform.



“The long-term value of our assets will be affected by how we navigate the global energy transition in the years ahead. We believe this will build resilience and future-proof our portfolio, all while growing the value of our investors’ assets.”

— EMILY HANNA, MANAGING PARTNER, INVESTMENTS

POLICIES AND PROCEDURES

To address how ESG risks are monitored and how Crown manages the risks associated with our business, Crown initiated a review of our policies and manuals in 2020 to ensure they align with good and prudent business practices. Our policies and manuals are intended to demonstrate Crown’s position and overarching philosophies about governance, alignment of interests, internal controls systems, and conflicts of interests throughout the organization.

The manuals are supplemented by documented Standard Operating Procedures, established supervisory controls, and other departmental manuals that outline the specific procedures each business unit follows. These policies and procedures are instrumental in our onboarding and training process for employees across different markets, which is especially important given the significant growth of our team over the past five years.

CROWN EARNS CANADIAN HONOURS IN GRESB ASSESSMENT

GRESB, the Global Real Estate Sustainability Benchmark for Real Assets, is a mission-driven and industry-led organization providing standardized and validated ESG data to financial markets. It has become the leading ESG benchmark for real estate and infrastructure investments across the world, used by institutional and financial investors to inform decision-making.

Crown’s Core Fund achieved a 5-star rating for the fourth consecutive year in 2022. Crown outperformed our earlier achievements with a score of 91 and outstanding performance score of 2nd in our peer group of North American un-listed office participants.

Looking forward, Crown plans to build our learnings from the voluntary GRESB Resilience Module, recognizing the critical role for our industry in the climate transition.

2022 GRESB REAL ESTATE ASSESSMENT: CORE FUND

RANKED
2ND
OUT OF 59





CYBERSECURITY

Hybrid work has brought technology front and center. As buildings become smarter, more interconnected and functional, the increased reliance on technologies that collect, store, and manage information, makes us more vulnerable to cybersecurity attacks and security breaches.

Crown believes that a strong Cybersecurity Policy and Response Plan are essential in ensuring the safety of building occupants. Our Cybersecurity policy, which sets out clear guidelines on device security for both company and personal use, email security as well as data transfer, is made available to all employees.

We prioritize ongoing Cybersecurity training for employees, the most effective line of defense against cyberattacks as well as the largest potential exposure/risk to our business. Since the start of Crown's training program 2 years ago, employee completion rates increased from 77% to 99%. Our goal is to increase completion rates to 100% for 2023.

Crown integrates cybersecurity best practices during the due diligence process, conducting an audit of existing building infrastructure to assess its existing systems and networks, and identify any improvements that may be required upon acquisition.

As we strive for certification by WiredScore across our portfolio, we also stress test our building infrastructure to ensure we deliver on our promise of reliable, efficient, and resilient digital infrastructure to meet our tenants' needs.

Finally, we are improving the security of our buildings by encouraging all employees and tenants to access offices using Connect by Crown mobile app, in lieu of physical access cards. Compared to physical access cards, mobile access enables geofencing and reduces the risk of being stolen, lost or duplicated, while allowing for easier management and access tracking.



INNOVATION

Crown's Innovation Committee was launched in 2021, with the goal to identify potential opportunities to improve efficiency and mitigate risk in our business operations.

In 2022, Crown launched our intranet, named "The Lobby", to facilitate interdepartmental communications, coordination and connection. We are currently exploring the use of Microsoft's Power BI, a data visualization tool that integrates company data and metrics across departments. We hope this will elevate our real-time analytics and reporting dashboards, with a goal to enhance transparency and efficiency.



VTS is a CRM platform integrating portfolio-level data to help inform asset management and leasing strategy. Crown was the first Canadian headquartered organization to use this platform. VTS allows us to integrate portfolio information streamlining communication with brokers, reduce deal cycle times, and analyze trends across our portfolio.

LOOKING FORWARD →

- Crown will continue integrating tenant communications and tenant sentiment into VTS as a tool to further aid us in developing and managing tenant relationships.
- Crown will launch customer service training across our operations team, to enhance tenant experience and renew our culture of customer service orientation.

We like using acronyms, abbreviations, and definitions. Below is a summary of some of the key terms we reference in our report.

ActiveScore	Leading certification system to assess a building's active travel standards
AODA	Accessibility for Ontarians with Disabilities Act
ASHRAE	The American Society of Heating, Refrigerating and Air-Conditioning Engineers
BOMA	Building Owners and Management Association
BOMA BEST®	Building Owners and Managers Association Building Environmental Standards
CDP	Carbon Disclosure Project
COP27	2022 United Nations Climate Change Conference
Crown's Fund Portfolio	Assets managed by Crown on behalf of its funds that are greater than 100,000 square feet in size; Crown's Portfolio refers to all managed assets that are greater than 100,000 square feet in size
Crown's Core Fund	A portfolio comprised of three assets and 1.2M square feet, in total gross floor area that is intended for long-term ownership
CRREM	Carbon Risk Real Estate Monitor
DEI	Diversity, Equity, and Inclusion
EMS	Environmental Management System
Energy Star Certification	Accreditation of high building energy performance based on standards set by the US Environmental Protection Agency

ESG	Environmental, Social, and Governance
EWRB	Ontario Ministry of Energy and Water Reporting and Benchmarking
FITWEL	Fitwel is the world's leading certification system committed to building health for all®.
FITWEL VRM	The Fitwel Viral Response Module (VRM) sets the global standard for safeguarding occupant health and wellness
FSB	Financial Stability Board
GAV	Gross Asset Value
GHG	Greenhouse gas
GJ	Gigajoule
GRESB	Global Real Estate Sustainability Benchmark
GTA	Greater Toronto Area
GTA Portfolio	All assets managed by Crown located within the GTA. This includes assets that are owned by third parties.
HVAC	Heating, ventilation and air conditioning
IAQ	Indoor Air Quality
Kg	Kilogram

KPI	Key Performance Indicator
LEED®	Leadership in Energy and Environmental Design
m³	Cubic meter
Managed Portfolio	All assets managed by Crown, including Crown's Fund Portfolio and assets owned by third parties.
Mwh	Megawatt Hours
NZAM	The Net Zero Asset Managers initiative
RCP8.5	Representative Concentration Pathway 8.5, a high emission warming scenario
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets
SME	Small and Medium Sized Employer
sq. ft.	Square feet
TCFD	Task Force on Climate-Related Financial Disclosures
WiredScore	The global digital connectivity certification system that helps Crown assess, improve, benchmark and promote our buildings

Crown aligns with the SASB framework for the real estate industry. We plan to review this assessment annually. Our SASB disclosure is for Crown's Core Fund of assets which consists of corporate office space and two types of property subsectors: high-rise and mid-rise office properties.

INDICATOR	2022
ENERGY MANAGEMENT	
Energy consumption data coverage as a percentage of total floor area, by property subsector (% by floor area)	Office: Corporate High-Rise Office: 100.00% Office: Corporate: Mid-Rise Office: 100.00% Data Coverage: 100.00%
1. Total energy consumed by portfolio area with data coverage 2. Percentage grid electricity 3. Percentage renewable by property subsector	High-Rise Office: 8,262,682 kWh Mid-Rise Office: 15,901,136 kWh Office: Corporate: High-Rise Office: 43.49% Office: Corporate: Mid-Rise Office: 66.38% Office: Corporate: High-Rise Office: 3.78% Office: Corporate: Mid-Rise Office: 1.09% Total: 2.01%
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Office: Corporate: High-Rise Office: 15.20% Office: Corporate: Mid-Rise Office: 5.13%
Percentage of eligible portfolio that: 1. has an energy rating 2. is certified to ENERGY STAR, by property subsector	Office: Corporate: High-Rise Office: 100.00% Office: Corporate: Mid-Rise Office: 100.00% Office: Corporate: High-Rise Office: 100.00% Office: Corporate: Mid-Rise Office: 58.00% We plan to have 100% of our Core Fund properties ENERGY STAR certified in 2023.

ENERGY MANAGEMENT	
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	<p>Crown integrates energy analyses in our due diligence process when considering investment decisions.</p> <p>We are value-focused and always look to identify operational processes and procedures that will result in efficiencies to the benefit of our building occupants and investors. Crown's property teams review sustainability KPIs with our internal sustainability team to improve the operational efficiency of our portfolio and review performance against targets.</p> <p>Technical building reviews, energy and water assessments are conducted every three years and waste and air quality audits are completed annually.</p> <p>Crown's environmental management system (EMS) is aligned with the ISO 14001 Standard.</p> <p>Please see Environment and Governance sections for additional information.</p>

WATER MANAGEMENT	
<p>Water withdrawal data coverage as a percentage of :</p> <p>1. total floor area, by property subsector (% by floor area)</p> <p>2. floor area in regions with high or extremely high baseline water stress, by property subsector</p>	<p>Office: Corporate High-Rise Office: 100.00%</p> <p>Office: Corporate: Mid-Rise Office: 100.00%</p> <p>According to the WRI Water Risk Atlas tool, none of the Crown's properties are in regions with high or extremely high baseline water stress.</p>

WATER MANAGEMENT	
1. Total water withdrawn by portfolio area with data coverage, in cubic meters	Office: Corporate High-Rise Office: 10,396 m³ Office: Corporate: Mid-Rise Office: 23,139 m³
2. Percentage in regions with high or extremely high baseline water stress, by property subsector	According to the WRI Water Risk Atlas tool, none of the Crown's properties are in regions with high or extremely high baseline water stress
Like-for-like percentage change in water withdrawn for the portfolio area with data coverage, by property subsector	Office: Corporate: High-Rise Office: 31.46% Office: Corporate: Mid-Rise Office: -6.68%
Description of water management risks and discussion of strategies and practices to mitigate those risks	<p>The water consumption of properties in our Core Fund Portfolio is typical of commercial buildings of similar size and tenancy. The consumption uses include drinking water, plumbing fixtures, landscape irrigation, and HVAC operation. All water use and discharge is by means of municipal water and sewer systems.</p> <p>Risks of water supply across the portfolio are minimal since our properties are not located in regions of high or extremely high water stress. However, costs of water access pose a management risk in the form of increasing expenses. Also, the increasing water use in our properties is outside the operational control of building management, as dictated by the behavior of building occupants.</p> <p>We are value-focused, seeking to continually identify operational processes and procedures that will result in efficiencies to the benefit of our building occupants and investors. Crown's property teams review sustainability KPIs with our internal sustainability team to increase water efficiency of our portfolio and review performance against targets.</p> <p>These potential risks are mitigated through strategies designed to reduce water consumption. Crown implements capital projects to continuously evaluate opportunities to improve water efficiency and manage risks through technologies and better building operations.</p> <p>Crown's environmental management system (EMS) is aligned with the ISO 14001 Standard.</p>

CLIMATE CHANGE ADAPTATION	
Areas of properties located in 100-year flood zones, by property subsector (square feet)	None of Crown's Core Fund properties are located in a 100-year flood zone.
Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks	<p>At Crown we understand the risks climate change and extreme weather can pose to our assets, and the significant impact they can have to businesses and communities.</p> <p>In 2022, Crown conducted Core Fund asset-level qualitative physical risk and transition risk analysis according to the TCFD recommendations. Our team considers climate hazards within the due diligence process for any new acquisitions. We believe this approach will ensure our assets are considered resilient long-term investments.</p> <p>In 2023 we plan to develop our Climate Change Commitment which will adhere to best practices and will be guided by a science-based target methodology.</p> <p>Please see Environment and Climate-Related Risk Management sections for additional information.</p>

MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS	
(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements	Office: Corporate: High-Rise Office: 100.00% Office: Corporate: Mid-Rise Office: 100.00%
(2) Associated leased floor area, by property subsector	Office: Corporate: High-Rise Office: 389,969 sq. ft. Office: Corporate: Mid-Rise Office: 522,016 sq. ft.
Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption; by property subsector	Office: Corporate: High-Rise Office: 100.00% Office: Corporate: Mid-Rise Office: 73.00%
Percentage of tenants that are separately metered or submetered for (2) water withdrawals; by property subsector	Crown office tenants do not have separate water submeters, so this indicator is not applicable.
Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants	100% of Crown's standard lease contracts consist of ESG-specific requirements including 'cooperation and works,' 'management and consumption,' and 'reporting and standards requirements' as referenced in GRESB section TC4.

ACTIVITY METRIC	2022
Number of assets, by property subsector-or instead, by FUND	Office: Corporate: High-Rise Office: 1 Office: Corporate: Mid-Rise Office: 2
Leasable floor area, by property subsector-or instead, by FUND	Office: Corporate: High-Rise Office: 389,969 sq. ft. Office: Corporate: Mid-Rise Office: 522,016 sq. ft.
Percentage of indirectly managed assets, by property subsector- or instead, by FUND	None.
Average occupancy rate, by property subsector- or instead-by FUND	Office: Corporate: High-Rise Office: 97.43% Office: Corporate: Mid-Rise Office: 93.20%

TCFD was created in 2015 by the Financial Stability Board (“FSB”) to develop consistent climate-related financial risk disclosures to stakeholders. This is Crown’s second disclosure aligning with the TCFD, reporting on the framework’s core components as they relate to Crown’s operations and the Core Fund. We have also included Next Steps for further alignment and improvement in the table.

Category	Recommended Disclosure	Crown’s Approach
Governance	Describe the Board's oversight of climate-related risks and opportunities.	Crown’s Management Committee is responsible for the decision-making and day-to-day business affairs of the firm. Comprised of Crown’s Partners, the Committee meets regularly with Crown’s Advisory Board which offers insight on ESG matters through their unbiased perspectives. Refer to Governance section of this report.
	Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>ESG Committee</p> <p>Crown’s ESG Committee consists of senior leaders across the firm and who are responsible for advancing the ESG strategy including identifying climate-related risks and opportunities across Crown’s portfolio.</p> <p>The Committee consists of a cross-section of Crown’s leadership team representing different geographies, departments, and roles including human resources, property management, asset management, construction and acquisition. They serve as champions to influence positive change and to ensure that each business unit is working to achieve complementary goals. The ESG Committee also reviews and oversees ESG disclosures and drives thought leadership and best practices.</p> <p>Role of Sustainability Team</p> <p>The Sustainability team supplies regular updates to senior management on climate resilience and supports the detailed strategy development and execution of ESG KPIs. With the recent addition of our Director of Sustainable Investments, Crown has the capability to thoughtfully evaluate the financial implications of climate-related risk and opportunities.</p> <p>Refer to ESG Oversight section of this report.</p>
	Next Steps	Crown is working on our Climate Change Commitment that identifies our long-term carbon targets and integrates various climate mitigation and adaptation measures for our assets, spanning the full property lifecycle from acquisition, facility management and the engagement of tenants.

Category	Recommended Disclosure	Crown’s Approach
Strategy	Describe the climate – related risks and opportunities the organization has identified over the short, medium, and long term.	<p>In 2021, Crown engaged an external consultant to conduct a qualitative assessment of physical risks, such as flooding, extreme weather events, and increasing temperatures, which can negatively affect our Core Fund properties. We also reviewed transition risks to understand the potential financial impacts resulting from regulatory, market and reputation risks (see Climate-Related Risk Management section of the report for details of our climate change risk assessment).</p> <p>Physical Risks</p> <p>Climate-related risks were identified for each of the Core Fund properties and expanded to our Fund properties and new acquisitions. Each property was assessed for risk of exposure to high temperatures, low temperatures, extreme precipitation, high wind, snowstorms, freeze-thaw cycles, drought, and riverine flooding.</p> <p>Considering medium to high impact scenarios, we identified key emerging risks including extreme precipitation and pluvial flooding as well as high temperatures resulting in HVAC system upgrades and capital projects cost increases.</p> <p>Transition Risks</p> <p>Transition risk assessments have been undertaken to identify a broad range of potential transition risks and opportunities, per the transition risk categories identified by TCFD recommendations.</p> <p>This assessment considered policy and legal changes, market and technology shifts, and reputational damage to identify the following key emerging risks:</p> <ul style="list-style-type: none">• Carbon pricing: in-line with Canada’s commitment to achieve net-zero, carbon price increases in Ontario should be enacted in the future to reduce GHG emissions, which will correlate to increased operational costs.• Stranding: Given the increased number of tenants setting carbon reduction targets and the increasingly stringent regulation that the government is putting in place, properties that do not meet these regulatory or market expectations could face potential declines in value. As a result, significant retrofitting initiatives and system upgrades may be required. <p>Crown regularly reviews and analyzes climate risks under different climate scenarios. Our Sustainability team, Asset Management team and Property Management team work together to assess and address these potential climate risks and opportunities. Climate risks are assessed and financial implications are incorporated into our acquisition and capital planning processes (see Climate-Related Risk Management section of the report).</p>

Category	Recommended Disclosure	Crown’s Approach
	Describe the resilience of the organization’s strategy	<p>Decarbonization Pathway: In 2022, we completed the Net Zero Transition Plan analysis on all Core Fund Assets. This analysis has also been expanded to some of our Fund assets, including a review of capital planning and consideration of decarbonization objectives. These exercises identify potential opportunities for carbon reductions for each property, along with potential costs and implementation timelines to achieve significant carbon reductions (and ultimately, net zero).</p> <p>Sustainable and Resilient Building Strategy: At the property level, our operational teams implement sustainability initiatives that improve the environmental performance, resilience and durability of our assets through equipment upgrades and optimization, effective maintenance and changes to user behavior.</p> <p>We continue to prioritize sustainability certifications and put in place energy and water efficiency measures to achieve reductions that can help to mitigate the impact of changing weather conditions.</p> <p>Responsible Management: Crown has engaged an external consultant to review the relevant net zero frameworks including NZAM, SBTi, CDP and our emissions boundary in 2022 to aid with our long-term net-zero strategies and our Climate Change Commitment.</p> <p>In addition, Crown has stipulated policies including ESG Policy, Sustainable Procurement Policy and other Standard Operating Procedures to guide our team toward low-carbon and energy-efficient operations and manage climate-related factors and risks across our operations at every stage of the ownership cycle.</p> <p>Internal Awareness: If we are to drive the necessary carbon reductions across our operations, it is critical that we continue to increase our teams’ awareness of climate risks and opportunities across the organization. Our employees and partners take part regularly in training sessions and informal webinars focused on several ESG topics, including ESG risks, the need for decarbonization, and climate-related risk and mitigation opportunities. Training continues to be organized for different teams on an ongoing basis.</p>
	Next Steps	<p>Recommendations under the net zero transition plan for a select group of Fund Portfolio assets are being reviewed internally for technical, practical and financial feasibility. Following this, a detailed implementation roadmap will be developed, in order to begin the decarbonization process.</p> <p>Net zero transition planning will be expanded to more of our Fund Portfolio assets in 2023 to determine potential decarbonization pathways, leveraging the learnings from previously completed assets.</p>

Category	Recommended Disclosure	Crown’s Approach
Risk Management	Describe the organization’s process for identifying and assessing climate-related risks.	<p>To better understand our climate-related risks, Crown engaged an external consultant to conduct asset level climate risk scenario analysis to assess how climate change might affect our properties. In line with TCFD recommendations, two different scenarios were selected for Crown:</p> <ul style="list-style-type: none">• A high emission warming scenario typically called Representative Concentration Pathway 8.5 (RCP 8.5) was selected as the most appropriate scenario for identifying physical risks;¹• A low emission warming scenario aimed at limiting warming to 1.5°C called CRREM 1.5°C was selected as the most appropriate scenario for identifying transition risks and opportunities.² <p>Local and global government policies were reviewed in the transition risk process, together with the policies of our investors, as well as regulatory, technological, and market trends. Through this review and analysis, we continue to work to identify the potential risks and opportunities that may have a financial impact on our business and the value of our assets.</p>
	Describes the organization’s processes for managing climate related risks.	<p>Climate-related risks are managed through:</p> <ul style="list-style-type: none">• ESG factors, considerations and climate risk mitigation strategies will be communicated to a Fund’s Investment Committee during the acquisition process• Quarterly review of the Business Risks Register and Conflicts Register at meetings with the Advisory Board• Quarterly meetings with the ESG committee to discuss ESG and climate-related issues across the organization• Quarterly reporting to our investors on our ESG performance and strategy on climate resilience.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	<p>To address how ESG risks are monitored and how we manage the risks associated with our business, Crown has a set of policies, processes and manuals to ensure alignment with prudent business practices.</p> <p>In 2022, we have developed our Responsible Investing procedures to integrate ESG and climate risk factors and ensure these factors are considered at the time of acquisition and throughout the management of real estate investment. We believe mitigating ESG and climate risks strengthens downside protection for investment returns and enhances investor reputations, which can also lead to value creation</p> <p>This year, we continued to identify and manage climate issues relevant to our business. The table in the <u>Climate-Related Risk Management</u> section of the report summarizes climate-related risks and opportunities, potential consequences for our business and how we are managing these potential impacts.</p> <p>Crown’s Partners meet quarterly to review the Business Risks Register and Conflicts Register. Any changes are addressed with the Advisory Board and/or Fund Investment Committees, as appropriate.</p>
	Next Steps	Incorporated Climate Risk into the Risk section of every Investment Committee review, along with potential mitigants.

¹ Representative Concentration Pathway (RCP8.5). Available at https://en.wikipedia.org/wiki/Representative_Concentration_Pathway
² Carbon Risk Real Estate Monitor Risk Assessment Reference Guide, 2020. Available at: <https://www.crrem.eu/>

Category	Recommended Disclosure	Crown's Approach
Metrics and targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>We employ a variety of metrics to manage climate alignment, including energy consumption, carbon footprint and emission reduction targets. Refer to the Environmental Management section of this report. We track these factors across our Fund Portfolio and supply disclosures for the Core Fund.</p> <p>Starting in 2021, we have also included the physical risk assessment and corresponding adaptation measures into new acquisitions to ensure our assets will continue to be resilient under different future climate scenarios.</p>
	Disclose Scope 1, Scope 2, and if appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Internally, Crown tracks and reports on GHG emissions data monthly. Crown began disclosing GHG emissions, water, and waste data to Core Fund investors quarterly.</p> <p>Key climate-related metrics, including GHG emission, water and waste data also disclosed annually in our ESG report for our stakeholders. Refer to the Environmental Management section of the report for the annual summaries.</p>
	Next Steps	Crown plans to release our Climate Change Commitment which will include our long-term carbon reduction targets. Crown plans to include the Commitment in our 2023 ESG Report.

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SUSTAINABILITY DATA
ASSURANCE STATEMENT

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Signed: *Timothy Lee*



Sustainability Data Assurance Statement

This data assurance statement has been developed by GreenCheck at the request of Crown Property Management Inc. GreenCheck has conducted an independent assessment of the sustainability performance data that is outlined in this letter. The data assessed by GreenCheck covered the period from January 1st, 2022 thru December 31st, 2022.

1.1- LIST OF PROPERTIES ASSURED

This statement is limited to the three properties that make up the entity Crown Realty Core Fund Limited Partnership.

- 400 University Avenue
- 90 Sheppard Avenue East
- 901 King Street West

1.2- LIST OF DATASETS ASSURED

This statement is limited to the following sustainability performance datasets that were examined and assessed:

- Property-level Electricity, Natural Gas, and Water consumption
- Property-level Waste generation reports

1.3- OBJECTIVE AND LEVEL OF ASSURANCE

The objective of this data assessment was to provide a limited level of assurance that the Sustainability Performance Reported Data is free of material misstatements. A limited level of assurance indicates that GreenCheck’s assessment did not discover evidence of errors in the Sustainability Performance Reported Data. When evaluating potential errors in the data, GreenCheck used a materiality threshold of 5% of material misstatements.

1.4- ASSURANCE STANDARD AND ASSESSMENT ACTIVITIES

GreenCheck conducted the verification of the Reported Data in accordance with ISO 14064-3:2019 – Specification with guidance for the validation and verification of greenhouse gas assertions for the GHG data. This International Standard requires that we comply with ethical requirements and plan and perform the data verification to obtain reasonable assurance that



onsite GHG emissions, removals, and storage in the GHG statement are free from material misstatement.

The verification activities were documented in a sampling plan created and updated by taking into account Crown Property Management’s online data management system, supporting documentation, and findings uncovered during the verification process. The key activities included:

- Review of energy, waste, and water activity data of each asset, for each month, that is stored in Crown Property Management’s online sustainability data management system. GreenCheck reviewed the quality assurance activities in place and the treatment of incomplete activity data.
- Review of utility billing statements to check for anomalies and confirm the adequacy of Crown Property Management’s internal data cleansing procedures.
- Recalculation of carbon emissions by scope from activity data to verify emissions factors and Global Warming Potentials (GWP) calculations were applied correctly based on the most recent figures from Canada’s 2022 National Inventory Report (NIR).

1.5- ASSURANCE OPINION

On the basis of the sustainability performance data assessment performed, GreenCheck is satisfied that the information contained in Crown’s Property Management Inc.’s Sustainability Report is accurate, balanced and reliable, representing an important summary of the relevant activities carried out by Crown Reality II Limited Partnership (CRP II) Core Fund in 2022, and an essential tool in communicating with stakeholders. Furthermore, Crown Property Management’s decision to have an external verification of the quantity of greenhouse gases emitted in 2022 according to ISO 14064-3 criteria, shows their commitment to favouring complete and transparent communication of its carbon footprint.



