

Building Resilience

ESG REPORT | 2021

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.

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

This report provides an overview on Crown's ESG strategy across our Fund Portfolio and more precisely, our Core Fund, unless otherwise stated.

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 2021 calendar year, unless otherwise stated.

The performance data continues to reflect the impact of COVID-19 and the reduced occupancy rates due to lockdowns and government restrictions throughout 2021. We have not normalized our data for occupancy, consistent with industry practice at this time.

Provincial lockdowns and mask mandates persisted through part of 2021. It should be noted that some of the pictures used in this report were taken during the mask mandates while others have been taken either before or after the mandates.

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As an investor and a fiduciary, we believe that retrofitting existing buildings to achieve sustainability goals is essential to transition to a low carbon world. This will build resilience and future-proof our portfolio, all while growing the value of our investors' assets.

In 2019 Crown made a commitment to expand ESG transparency and disclosures. This entailed submitting to GRESB, the Global ESG Benchmark, on behalf of our Core Fund. 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.

As we celebrated our 20th anniversary in 2021 and released our first annual ESG report, we chose to be guided by the SASB Real Estate Standard, which focuses on ESG disclosures that are considered material to investors. This year we improved on those disclosures and incorporated climate-related factors based on the TCFD framework. Full alignment will take time, but we are steadfast in our commitment to lay the necessary groundwork.

Reflecting on the past year, we are proud of the progress we have made and the accomplishments of our team, including the following:

- Recognized as one of Canada's Top Small and Medium Sized Employers
- Achieved Sustainability certifications for 98% of our Fund Portfolio
- Formed Crown's first Advisory Board

- Completed Crown's first employee DEI Survey
- Ranked 5th out of 19 North American un-listed office peers in GRESB
- Integrated ESG considerations such as climate change and decarbonization into our investment process for new acquisitions

We have witnessed an acceleration of trends in the commercial real estate industry and are cognizant of the changing needs of office building occupants because of evolving employee expectations. This is something we are mindful of, not only as it relates to our own talented team, but also as it relates to our stakeholders. We must adapt our business to their ever-changing needs to continue to enhance the experience for our building occupants and maximize value for our investors.

During the United Nations Climate Change Conference (COP26) that took place at the end of 2021, the world focused its attention on climate change. This increasingly urgent topic has significant economic and societal implications to investors, corporations (including those occupying our buildings), and governments who are targeting emission reductions and making net zero commitments.

We recognize that the long-term value of our assets will be affected by how we navigate the global energy transition in the years ahead. As an investor and a fiduciary, we believe that our value-add mindset, an essential part of which is focused on retrofitting existing buildings to achieve sustainability goals, will be essential to meet the imperative of transitioning to a low-carbon world. We believe this will build resilience and future-proof our portfolio, all while growing the value of our investors' assets.

As we continue our ESG journey, we are focused on identifying priorities and opportunities to advance our agenda in a thoughtful and measurable manner. We are excited and believe this process will bring with it more opportunities to uncover fresh sources of value as we continue creating a smarter, more responsible model for commercial real estate investing and management.

Sincerely,

Emily Hanna

Emily Hanna, PhD
Managing Partner, Investments



In 2021, Crown celebrated our 20th anniversary. Since we were founded, 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 our 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.

Additionally, Crown provides third-party asset and property management services for a select group of clients. With our value-add mindset, Crown specializes in identifying 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.

20

YEAR TRACK RECORD

\$3.2B

GAV UNDER MANAGEMENT

63

BUILDINGS MANAGED IN
GREATER TORONTO AND
GREATER OTTAWA AREAS

8.8M

SQ.FT.
UNDER MANAGEMENT

42,000+

BUILDING OCCUPANTS

64%

OF SENIOR MANAGEMENT
ARE WOMEN*

6.6M

SQ. FT.
SUSTAINABILITY CERTIFIED

55%

INCREASE IN EMPLOYEE
HEADCOUNT*

Crown is vertically integrated and can consider ESG at every step of the real estate investment lifecycle.

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.

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.



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.

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.

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. Hands-free Washroom Fixtures

To reduce contact in high traffic building areas we have introduced touchless toilets, sinks and doors in our common area building washrooms.

2. Antimicrobial Film on High Contact Surfaces

In addition to our regular cleaning protocols, we have placed antimicrobial films on high-contact surfaces, such as elevator buttons.

3. Smart Sensors

We've implemented occupancy sensors throughout our buildings to better understand high traffic areas and use this data to anticipate cleaning frequency.

4. Better Air Quality = Healthier Workplaces

We have increased our air circulation hours and we monitor the air quality supplied throughout the building in real time.

5. Increased Cleaning

We've increased the frequency of our regular building cleaning schedule and have included heavy disinfection of high-use areas.



6. Realtime Building Data

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

7. Outdoor Patios

Outdoor terraces provide tenants the ability to spend time outside, get fresh air and sunshine throughout the workday.

8. WorkFit By Crown Fitness Centres

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

9. Rooftop Gardens

We use our rooftop space creatively by building and maintaining rooftop gardens that provide fresh fruit, vegetables, and herbs.

10. Contactless Visitor Sign-In

Visitors and couriers can sign-in to our building safely and contactless through their mobile phones or computers.

Our ESG Journey:

2001



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

2014



80% OF CROWN'S PORTFOLIO IS BOMA CERTIFIED

2016



AODA AUDITS COMPLETED AHEAD OF 2025 GUIDELINES

2018



LAUNCH OF CROWN'S ESG POLICY

2021



FIRST ANNUAL ESG REPORT RELEASED, ALIGNED WITH SASB FRAMEWORK

2020



ESG COMMITTEE ESTABLISHED. MATERIALITY ASSESSMENT CONDUCTED TO GUIDE ESG REPORTING

2019



FIRST YEAR REPORTING TO GRESB FOR CORE FUND; 5-STAR RATING RECEIVED FROM 2019-2021

2022



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

2023



CROWN PLANS TO RELEASE ITS CLIMATE AND RESILIENCE POLICY

2025



CROWN PLANS TO ACHIEVE FITWEL CERTIFICATION ACROSS FUND PORTFOLIO

2040



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

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. Monica Di Zio, Director, Marketing and Innovation, together with Erica Lam, Sustainability Specialist serve as Chairs of the Committee. They ensure continued collaboration across departments.

The Committee consists of a cross-section of Crown's leadership team representing different geographies, departments, and roles. They serve as champions to influence positive change and to ensure that each business unit is working to achieve complementary goals. The Committee drives thought leadership and best practices throughout the organization and are always moving their teams forward to ensure performance goals support Crown's ESG strategy.



Monica Di Zio
Marketing and
Innovation
(Co-Chair)



Emily Hanna
Managing Partner,
Investments
(Partner Oversight)



Erica Lam
Sustainability
Specialist
(Co-Chair)



Robert Campbell
Construction



Vicky Dinelle
Leasing



Melanie Miller
Tenant
Engagement



Janbee Monsod
Property
Management



Michael Panetta
Property
Management,
Ottawa



Lauryn Pittana
Asset
Management



Rainu Singh
Human Resources



Michael Stones
Ottawa Portfolio









Matt Urbain
Acquisitions



Melanie Yu
Finance and
Reporting

Our ESG Progress to Date

As we continue to advance our ESG agenda, we look to the opportunities we identified in our 2020 ESG Report and track our progress to date in the table below.







Target	Status	Progress to Date
Environment		
Sustainability certifications for >90% of Fund Portfolio by 2023	 Achieved	98% of our Fund Portfolio is sustainably certified
WiredScore certification for 100% of Fund Portfolio by 2023	 In progress	98% of Fund Portfolio has achieved WiredScore certification and the remaining properties are in progress
15% reduction in energy use intensity by 2023¹	 Achieved	A 31% reduction has been achieved as of 2021 ²
15% reduction in water use intensity by 2023¹	 Achieved	A 52% reduction has been achieved as of 2021 ²
80% capture rate for non-hazardous waste by 2023^{1,3}	 In progress	A 51% reduction has been achieved as of 2021 ²
15% reduction in GHG emissions by 2023 (Scope 1 & Scope 2)¹	 Achieved	A 33% reduction has been achieved as of 2021 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 relative to our base year of 2018

³ The Capture Rate is related to waste diversion and can assist in reducing waste output

Target	Status	Progress to Date
Social		
Incorporate Green Lease clauses and improve implementation and tracking across Fund Portfolio	 In progress	Crown's Standard Lease includes Green Lease terms; As renewals take place, green lease clauses are incorporated
Fitwel certification for 100% of Fund Portfolio by 2025	 In progress	24% of Fund Portfolio is certified. Another 38% is registered for review with Fitwel and the remainder of the portfolio is expected to be certified by 2025
Align Crown's charitable giving with our commitment to DEI	 Achieved	Crown's ESG Committee selected four key charities that support the underprivileged in our local communities in which we operate. We continue to advance our charitable giving and facilitate our team to participate in their own philanthropic efforts
Governance		
ESG Report aligned to TCFD	 In progress	Current report incorporates TCFD recommendations (refer to Appendix C)
Year-over-year improvement in GRESB score¹	 Achieved	Crown earned Canadian Honours with a score of 94 and having maintained 5-star rating
Continue to align with best practices in governance	 Achieved	Advisory Board was established in 2022 to enhance governance and oversight at the firm

In 2020, Crown undertook a sustainability materiality assessment to determine issues that were identified as 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 of "E", "S", and "G", as 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

98%

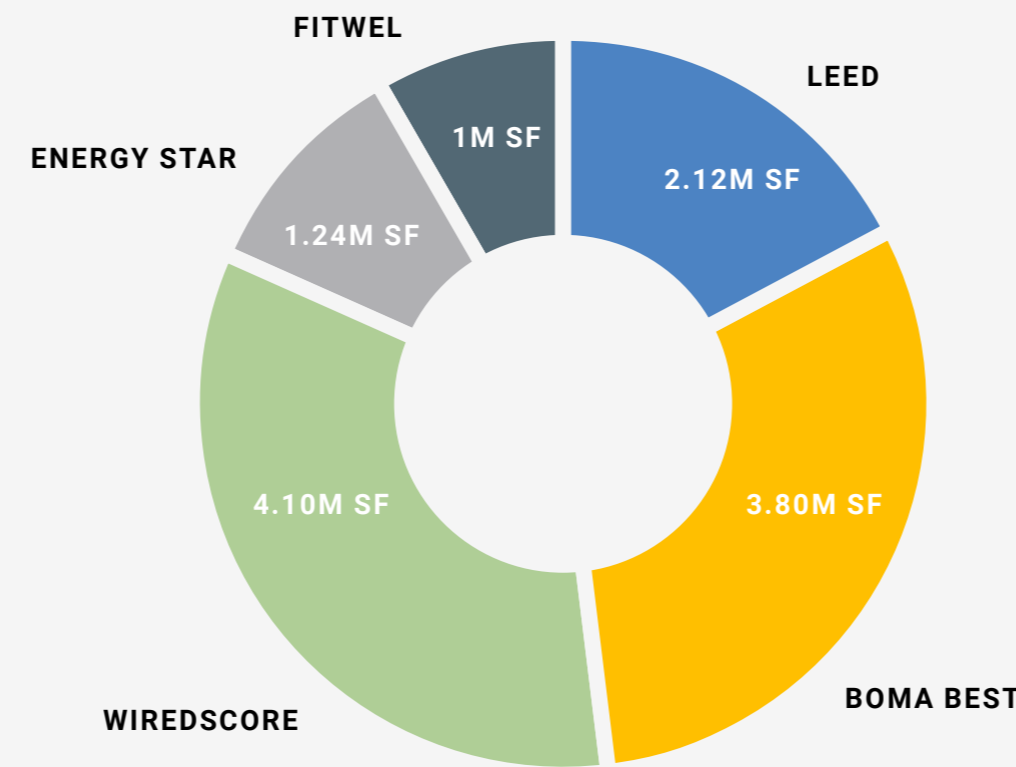
of our Fund Portfolio achieved sustainability certifications in 2021, compared with 86% in 2020.



Sustainability certifications have always been a key component 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.

CERTIFICATIONS BY GROSS FLOOR AREA (GFA)

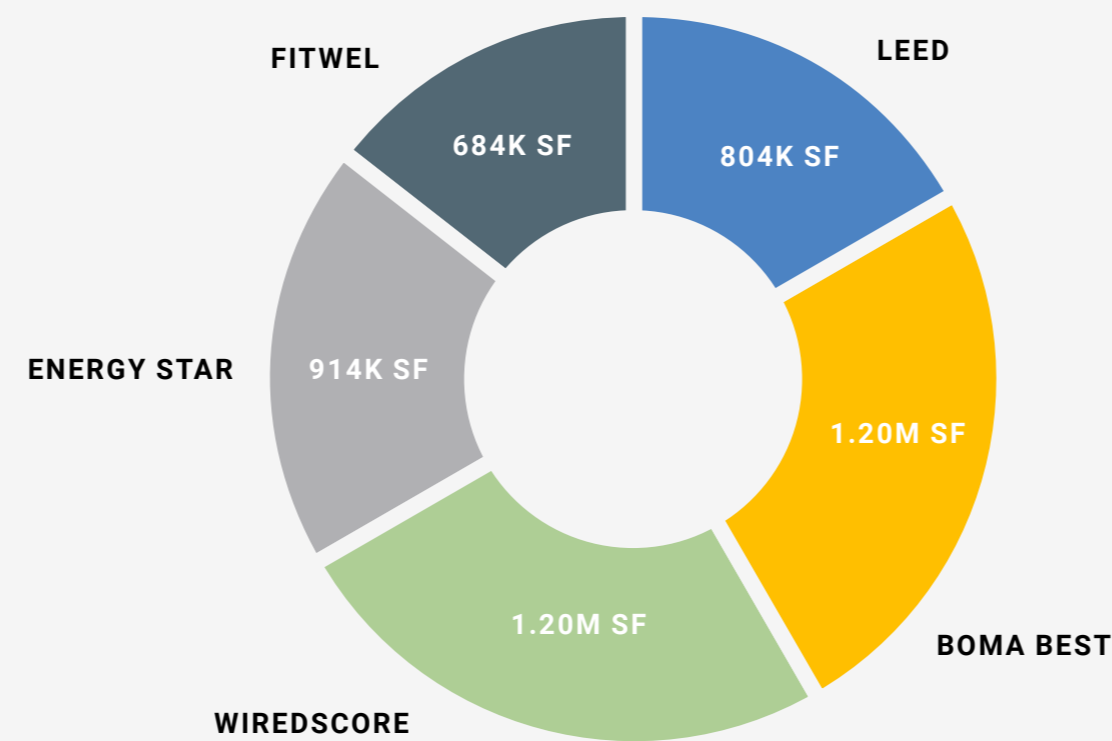
(AT DECEMBER 31, 2021)



CROWN FUND PORTFOLIO

LEED CERTIFIED 50% BOMA BEST 91%

WIREScore 98% FITWEL 24% ENERGY STAR 29%



CROWN CORE FUND

LEED CERTIFIED 67% BOMA BEST 100%

WIREScore 100% FITWEL 57% ENERGY STAR 76%



CROWN IS NAMED A 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 has 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.

LOOKING FORWARD →

- Crown plans to ensure that all assets within our Fund Portfolio are sustainably certified within 12 months of their acquisition.
- Crown intends to ensure that new acquisitions are registered for Fitwel certification within the first two years of acquisition.

Crown Fund Property Receives National TOBY Award

The office complex located at 10 and 20 Carlson Court, Etobicoke received a 2021 National TOBY Award in the Suburban Office Park – Mid Rise category.

The TOBY is one of the most prestigious and comprehensive awards of its kind, recognizing quality in commercial real estate buildings and building management. This 306,000 sq. ft., two-tower office complex was acquired by Crown on behalf of our fourth value-add fund in 2018.

It is located within the Airport Employment Zone, the second largest concentration of employment in Canada after downtown Toronto. The office community enjoys the “best-in-class” on-site amenities, including a WorkFit by Crown Fitness Centre, Collaborate by Crown conference facility, a sprawling tenant lounge, and plenty of outdoor greenspace.

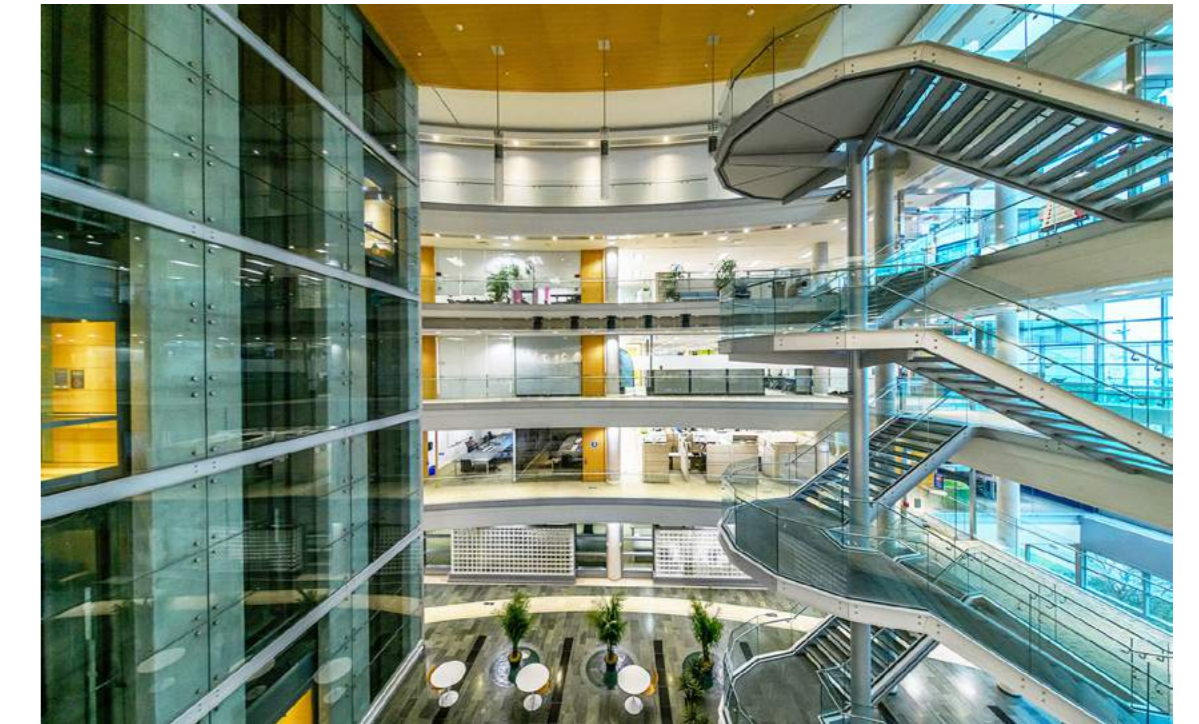


1004 Middlegate Road Earns Sustainability Recognition

1004 Middlegate Road, Mississauga earned the **BOMA 360 Performance Building** designation. The Program recognizes and certifies commercial properties that demonstrate best practices in building operations and management.

The BOMA 360 Performance Program takes a holistic approach to evaluate a building's performance based on six major areas: building operations and management; life safety/security/risk management; training and education of building personnel; energy management; environmental/sustainability performance; and tenant relations and community involvement.

1004 Middlegate is a 262,000 sq. ft. office campus that is home to over 1,600 professionals from globally recognized companies such as AstraZeneca Canada and EllisDon. This state-of-the-art office complex is sustainable, resilient, and well connected.



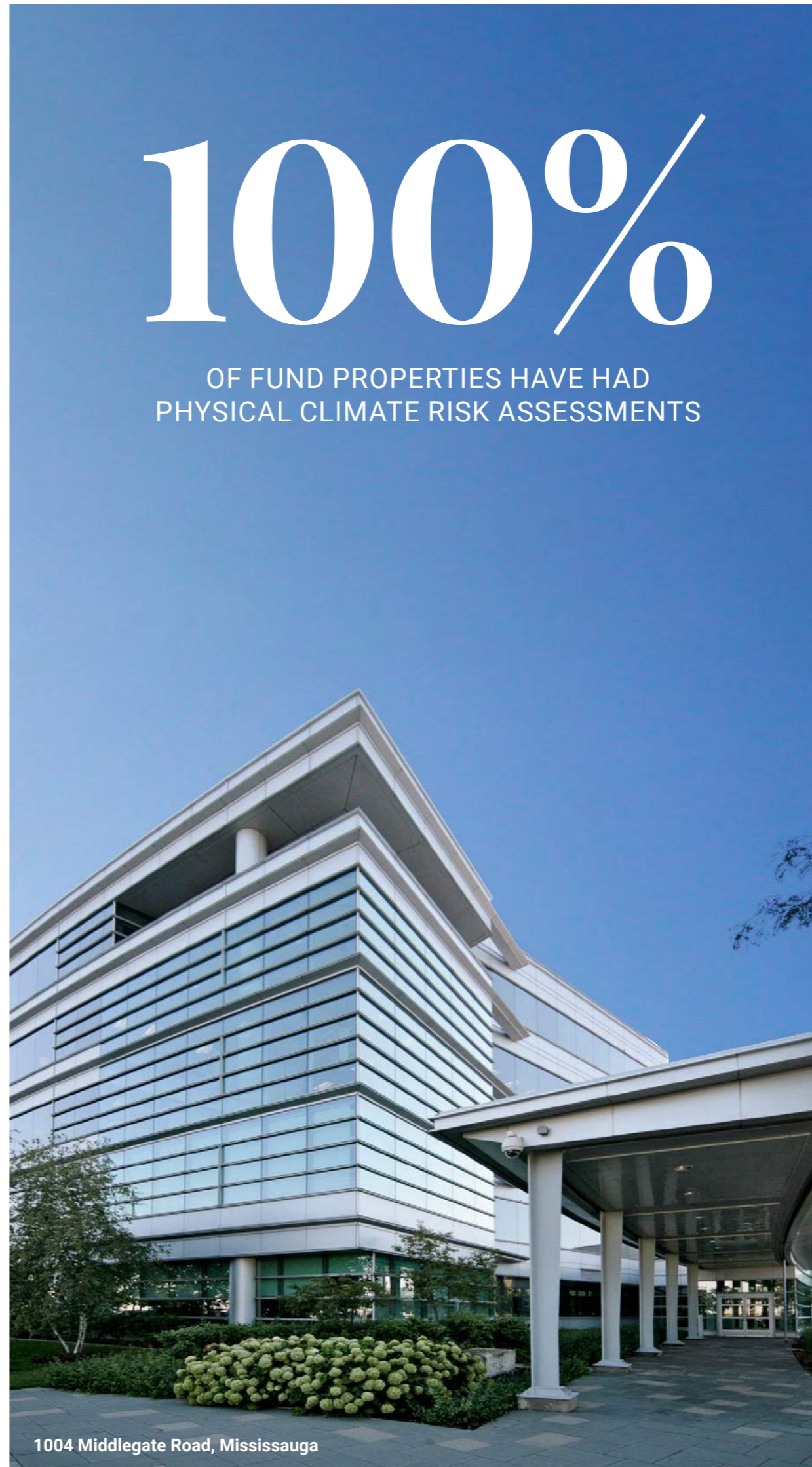
The office campus features a soaring, sun-filled atrium that connects a converted industrial building to the main office tower. Building occupants enjoy on-site amenities like collaboration areas and conference and event space.

Health and wellness are top of mind, with plenty of outdoor terraces and green space, as well as a WorkFit by Crown fitness centre. 1004 Middlegate's ESG journey commenced in 2020, with Crown's first submission to GRESB. Through this process, we have been able to identify clear opportunities for improvement.



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

Real estate is a long-term investment and extreme weather events caused by climate change present potential physical risks to property. With our value-add lens, Crown assesses climate hazards to identify buildings that might face greater risks and implement risk mitigation and adaptation strategies, allowing us to set action plans and budget accordingly.



1004 Middlegate Road, Mississauga

100%
OF FUND PROPERTIES HAVE HAD
PHYSICAL CLIMATE RISK ASSESSMENTS

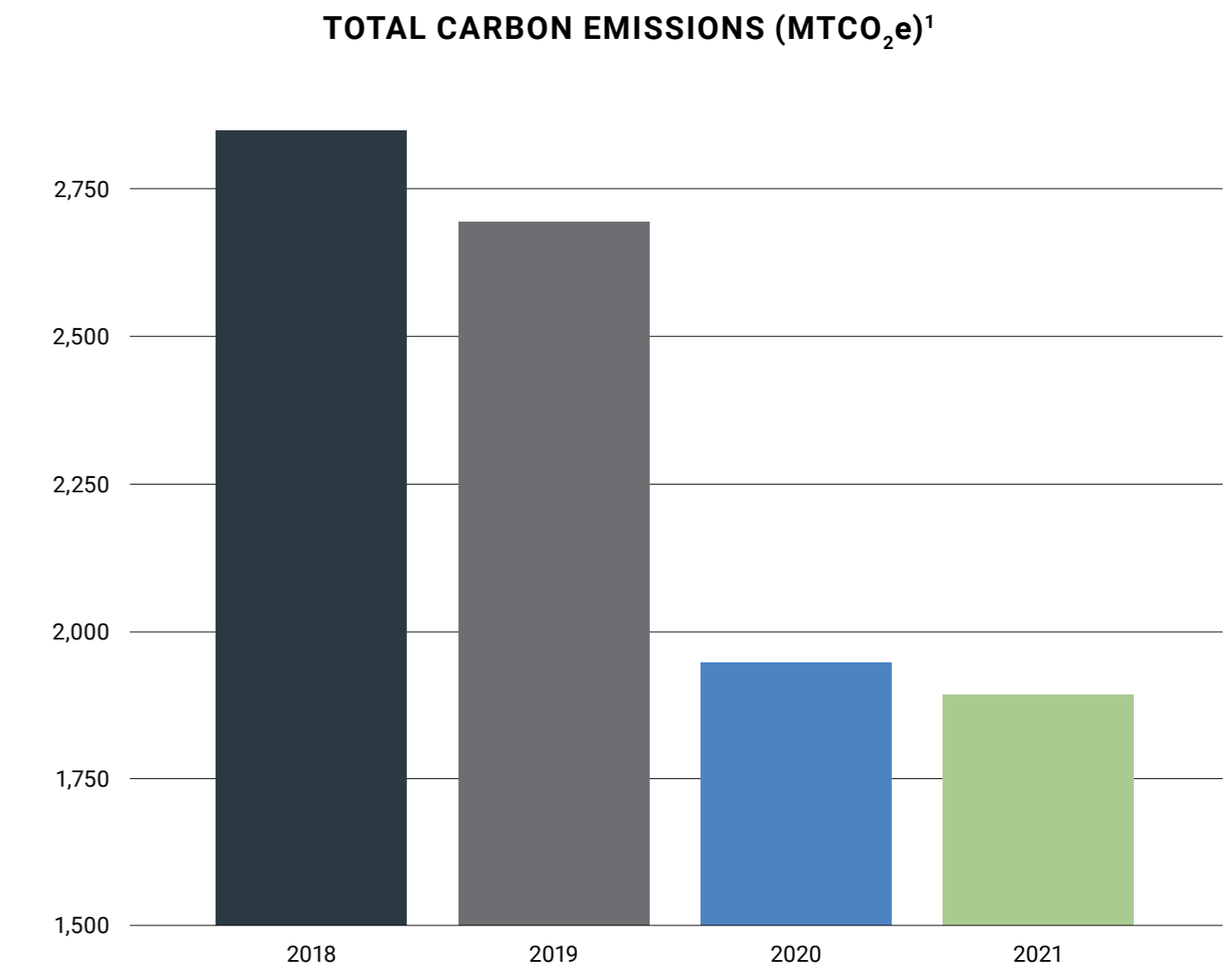
The built environment generates 40% of annual global CO₂ emissions. Of those total emissions, building operations are responsible for 28% annually.¹ By identifying operational efficiencies and actively managing and monitoring the resource consumption (energy, water, and other materials), together with 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.



Climate hazards manifest locally. By considering climate hazards within our value enhancement strategy, we can identify outliers and implement risk mitigation strategies. This ensures our stabilized assets are resilient long-term investments.

¹ Source: <https://www.unep.org/news-and-stories/press-release/building-sector-emissions-hit-record-high-low-carbon-pandemic>

Crown uses an EMS that is ISO 14001 certified to monitor environmental performance data accurately, helping us establish goals as we continually strive for improvement in the environmental performance of our buildings.



Carbon Emissions remained steady between 2020 and 2021 and a 33% reduction compared to 2018. This was due to reduced electricity and natural gas consumption resulting from reduced building occupancy and operational efficiencies.



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

Climate Action in the GTA

THE CITY OF TORONTO GREEN WILL INITIATIVE

Existing buildings in Toronto account for approximately 52% of the city's overall GHG emissions. Mitigating the effects of climate change will require the commitment and participation of building owners working towards achieving the City's goals of reducing emissions to net zero.

Crown is committed to doing our part as an owner and operator of commercial real estate, not only to help create a healthier, more prosperous, and resilient Toronto but also to ensure the resiliency of our investments.

This important initiative was introduced by Mayor John Tory at the C40 World Trade Summit in Copenhagen. It is a collaboration among leading building owners and managers with the city to accelerate the reduction of greenhouse gas emissions in commercial buildings.

ACTING ON CLIMATE CHANGE IN YORK REGION

For the second consecutive year, Crown enrolled its Markham property portfolio in York Region's ClimateWise Building Challenge, together with 75 other participants.

This is a partnership between the ClimateWise Business Network and Windfall Ecology Centre that facilitates buildings to reach energy and greenhouse gas reduction targets in line with Ontario GHG reduction targets of 2030 and 2050. Crown's portfolio brought home the "Lowest Energy Use Intensity Leader Award."



Reusable Energy to Power a Greener Future

Crown has partnered with bullfrogpower to sustainably power Crown's Management offices across the GTA and has purchased 195 MWh of green electricity and 1,239 GJ of green natural gas.

Through this partnership, Crown can maximize the positive environmental impacts associated with the energy usage across our operations while supporting Canada's renewable energy industry. Crown reduced CO₂ emissions by approximately 90.2 metric tonnes in 2021, an amount equivalent to taking 20% of our operational team off the road for a full year!

Just over 4M sq. ft. of our GTA portfolio are committed to Toronto's Net Zero by 2040 target.

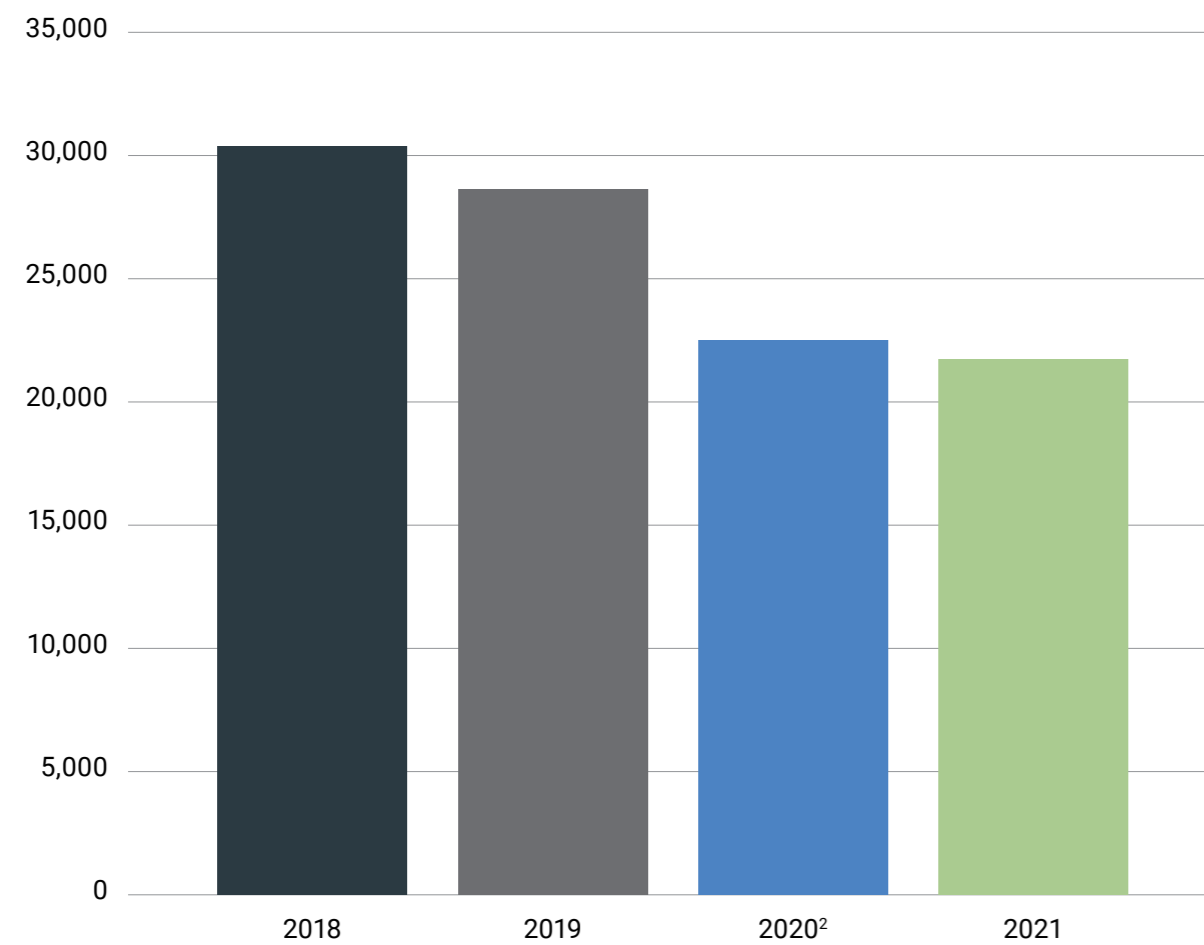
LOOKING FORWARD →

- Crown plans to review the performance goals initially established in 2018. This review is being driven by factors including the findings of our recent decarbonization studies and changes to the occupancy of our buildings as more organizations return to the workplace.

2018 – 2021 PERFORMANCE

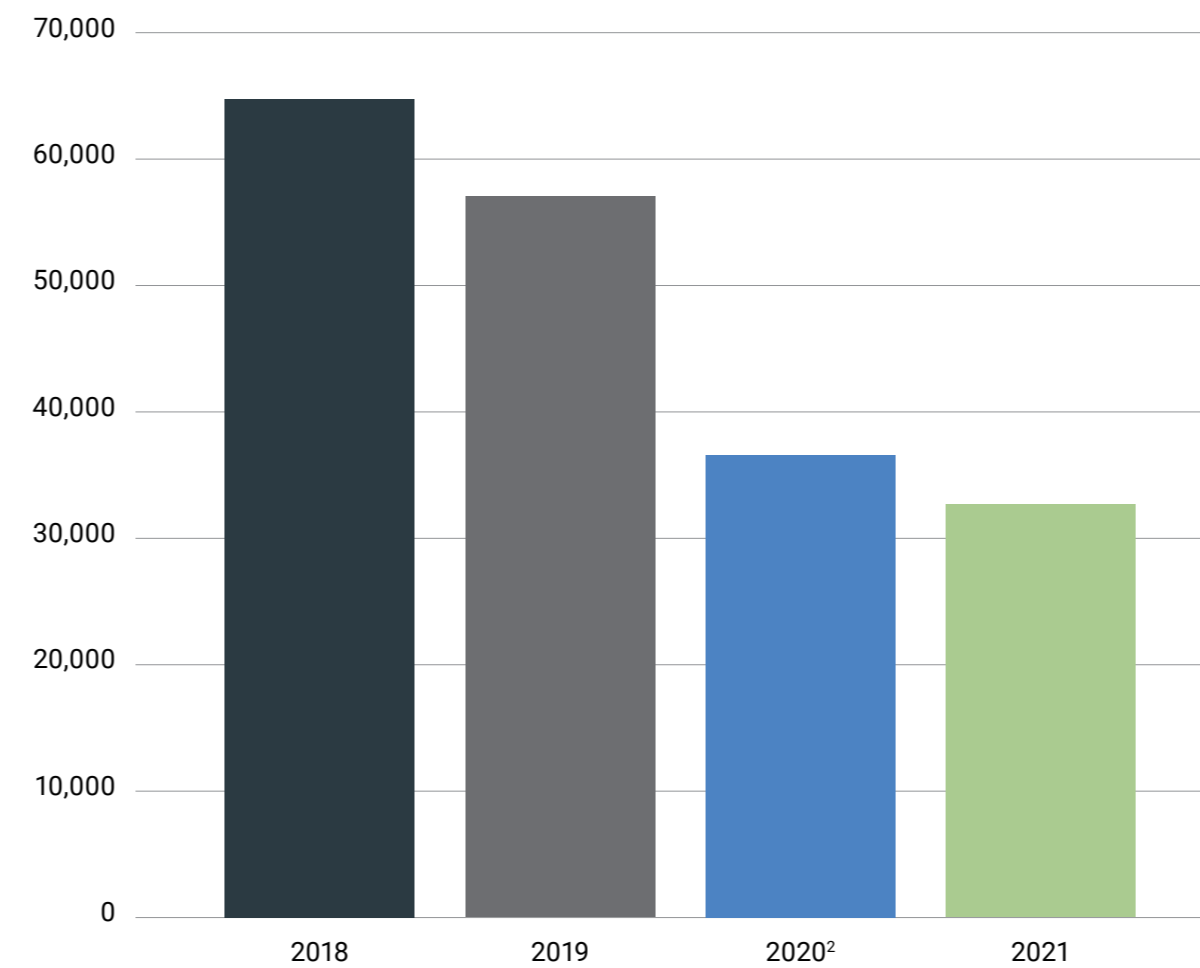
Since our baseline year of 2018, energy, water, waste generation, and carbon emissions have all been on a declining trend. Included below is a summary of these performance metrics for the Core Fund, and insights as to how we achieved these reductions. Crown plans to continue to strive for further reductions across our Core Fund Portfolio¹.

ENERGY USAGE: MEGAWATT HOURS (MWh)



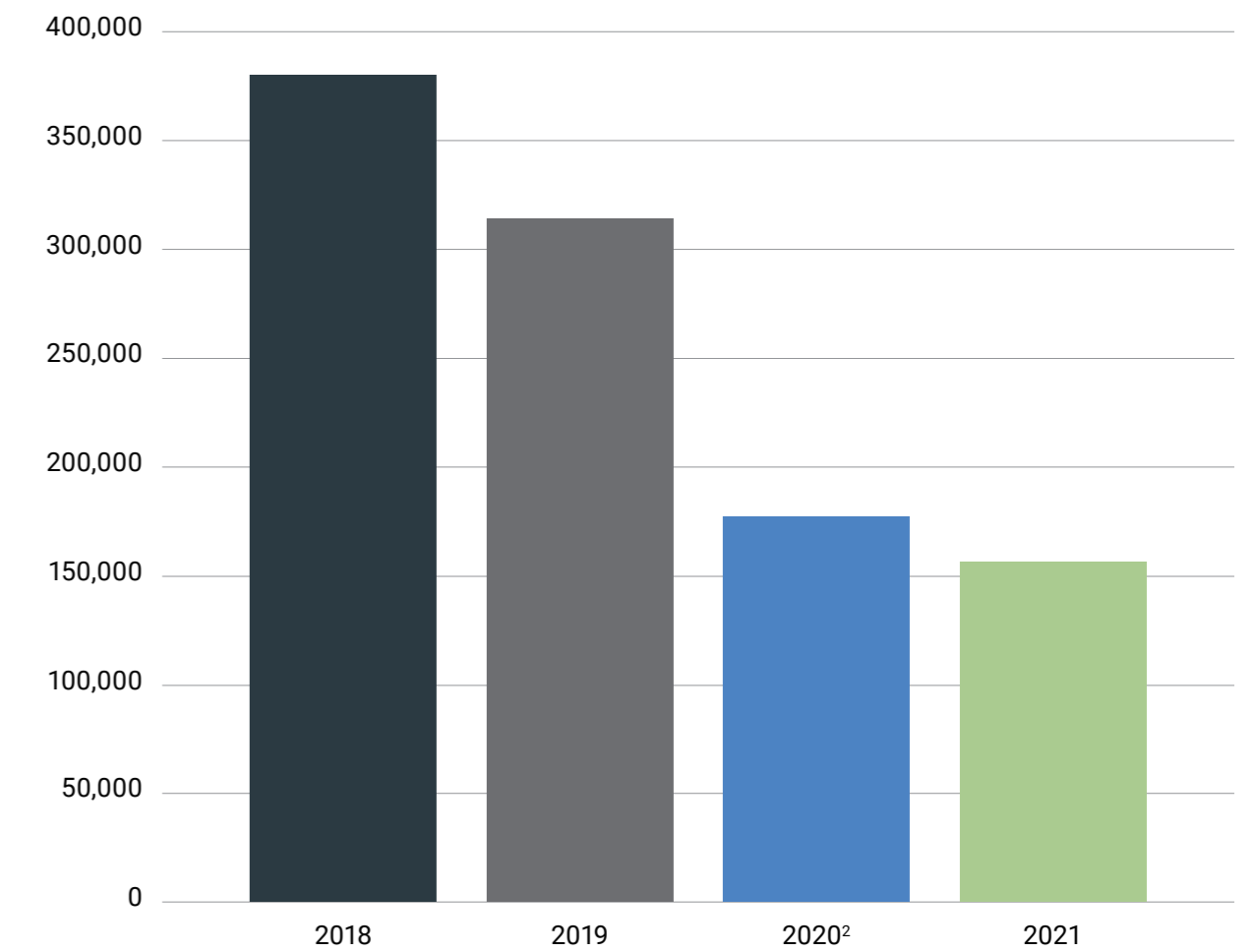
Energy Usage: Energy consumption remained steady between 2020 and 2021. Occupancy continued to be limited, however, building systems were operational, and despite additional building system changes to improve IAQ, energy usage remained lower.

WATER USAGE: CUBIC METERS (m³)



Water Consumption: Water consumption fell significantly in 2021, by 50% compared with the 2018 baseline year. This was due to the continued reduced occupancy of our buildings associated with COVID-19.

WASTE OUTPUT: KILOGRAMS (kg)



Waste Diversion Rate: The waste diversion rate was 51%. Waste audits, additional recycling streams, and tenant engagement initiatives will play a role in helping us continue to achieve our target of 80% by 2023.

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

² Data revised due to year-end account reconciliation; data relates to Core Fund properties only.

Core Fund Property wins CREST Award in consecutive years

90 Sheppard Avenue East was acknowledged at BOMA Toronto's 2021 race2reduce CREST awards for sustainability with the Climate Champion Award (in the category for buildings 100,000 to 500,000 sq. ft.).

This is Crown's second year receiving this award, demonstrating our significant achievement in reducing building emissions, commitment to ESG policies and practices, and focus on community action and engagement.

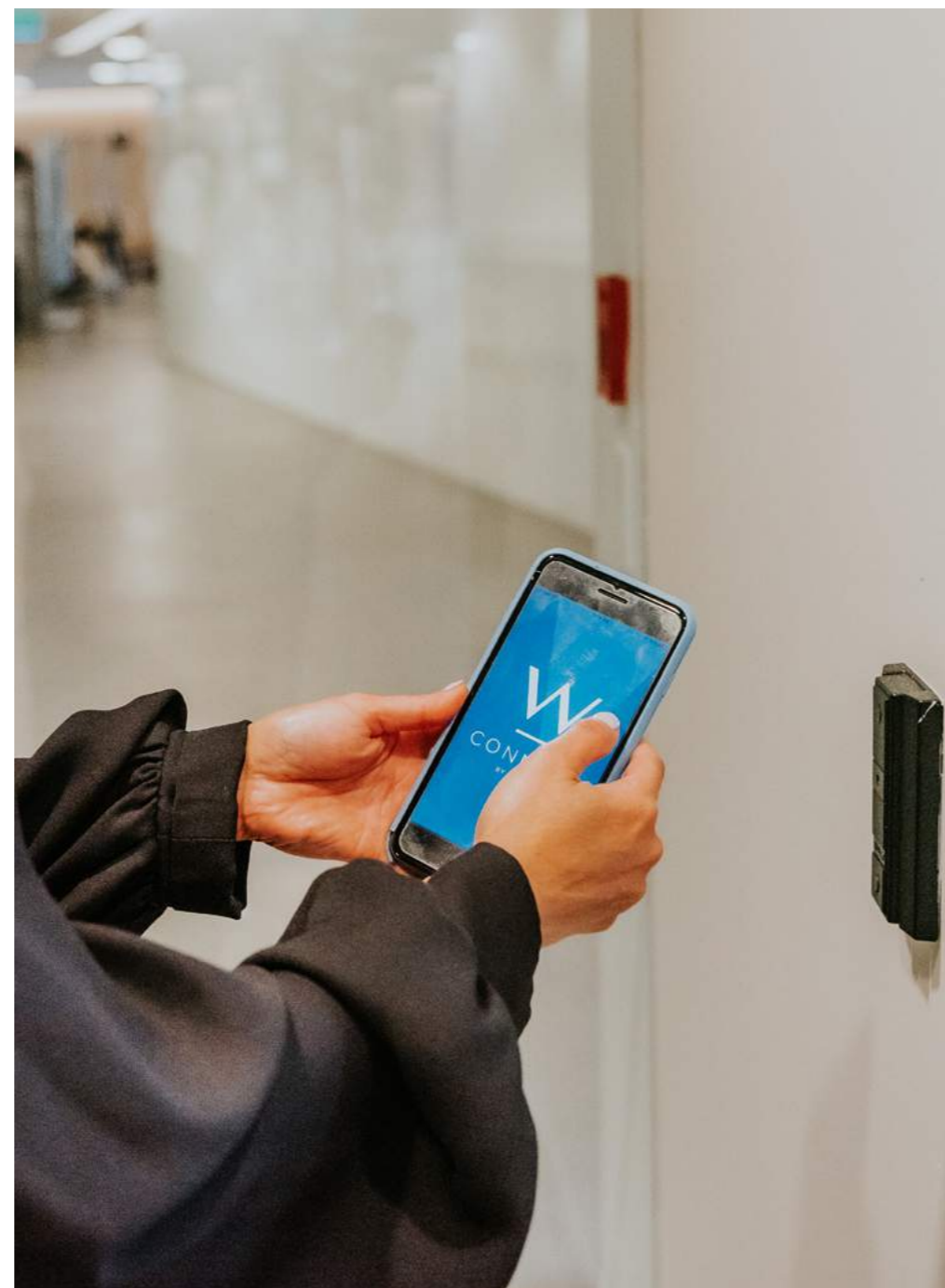


Ongoing feedback from our tenants is critical so we can continue to provide the services that matter most.

Most businesses, including 42% of Crown's tenants who have been surveyed, have adopted a "hybrid" work model or intend to do so.

This model requires collaborative days in the office, together with the flexibility to occasionally work-from-anywhere. Engaging with the occupants of our buildings is more important than ever before, especially at a time when not everyone is in the office at the same time.

Real estate is considered an employee retention tool and tenants are interested in forward-thinking buildings that are healthy, have amenities, and represent their own corporate culture.



W Connect by Crown

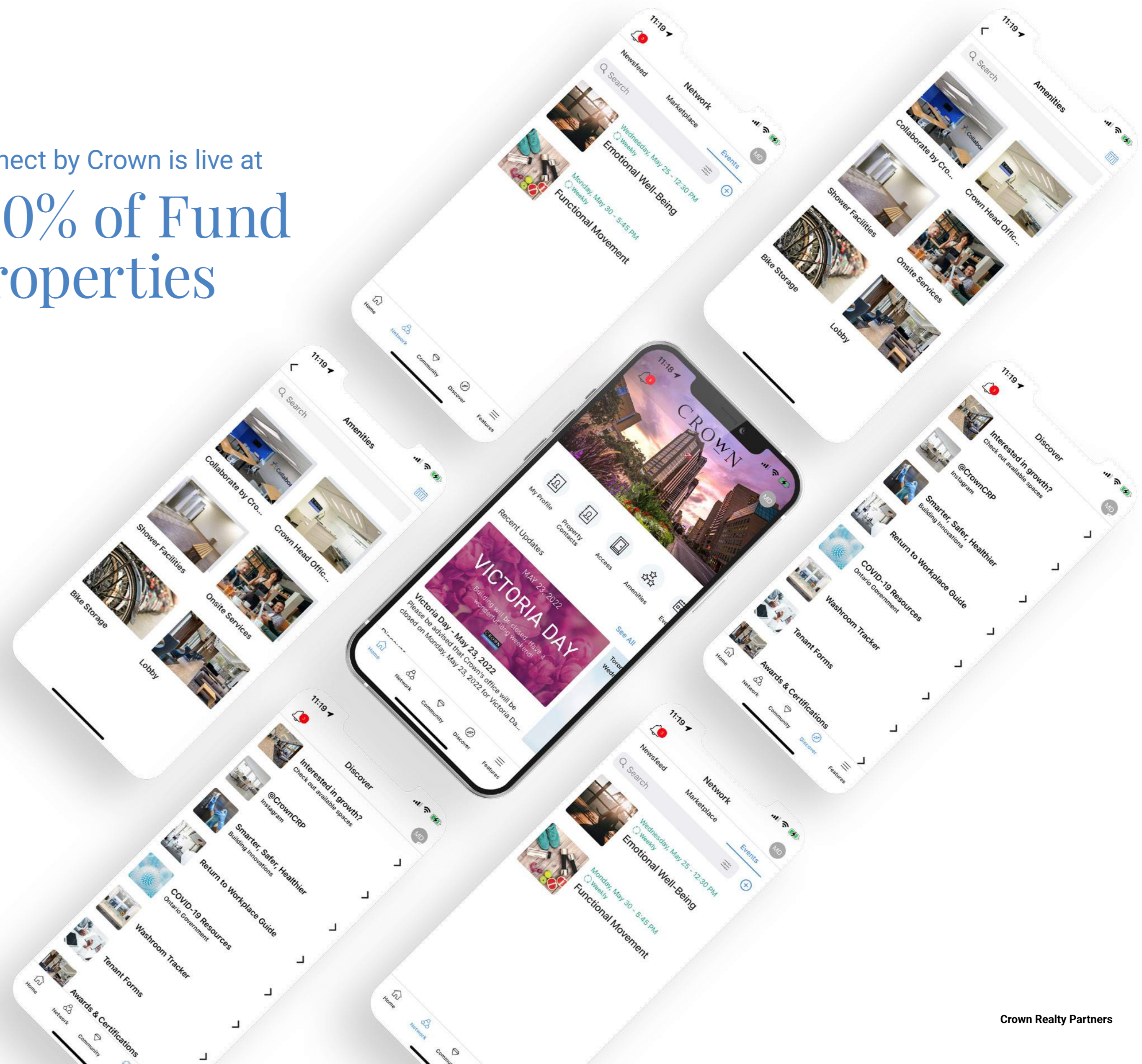
Keeping connected is more important than ever. Connect by Crown, released across Crown's portfolio in 2021, is an app that gives tenants the ability to engage with their office community from their mobile device. Some of the features include:

- **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.
- **Hello Alfred**, a program that provides virtual and in-person learning and events. This partnership allows us to curate a wide range of events and programming that help foster a sense of community throughout the year.

LOOKING FORWARD →

- As more occupants return to their offices, we plan to expand the number of mobile access points across our portfolio, further integrating the digital experience.
- We are focused on increasing engagement of building occupants via Connect by Crown, offering more on-site events and programming.

Connect by Crown is live at 100% of Fund Properties



Beyond Our Office Walls: Crown and our Local Communities

Crown organizes activities and events with our building occupants to help us build more vibrant, 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 BEES

Urban beekeeping was introduced on the rooftops of select buildings, supported by those buildings' occupants. These rooftop hives are important, as they help to address the decline in the population of urban pollinators.

In 2021 our 12 hives and 48 bee boxes across our GTA Portfolio allowed us to cultivate 1200 jars of honey - almost 180kg! We plan to continue this initiative into 2022 and beyond.



SUPPORTING DEI

To acknowledge the diversity within and around our office communities, we raised the pride flag across Crown's portfolio. We integrate other important DEI reminders throughout our buildings and via our mobile app.



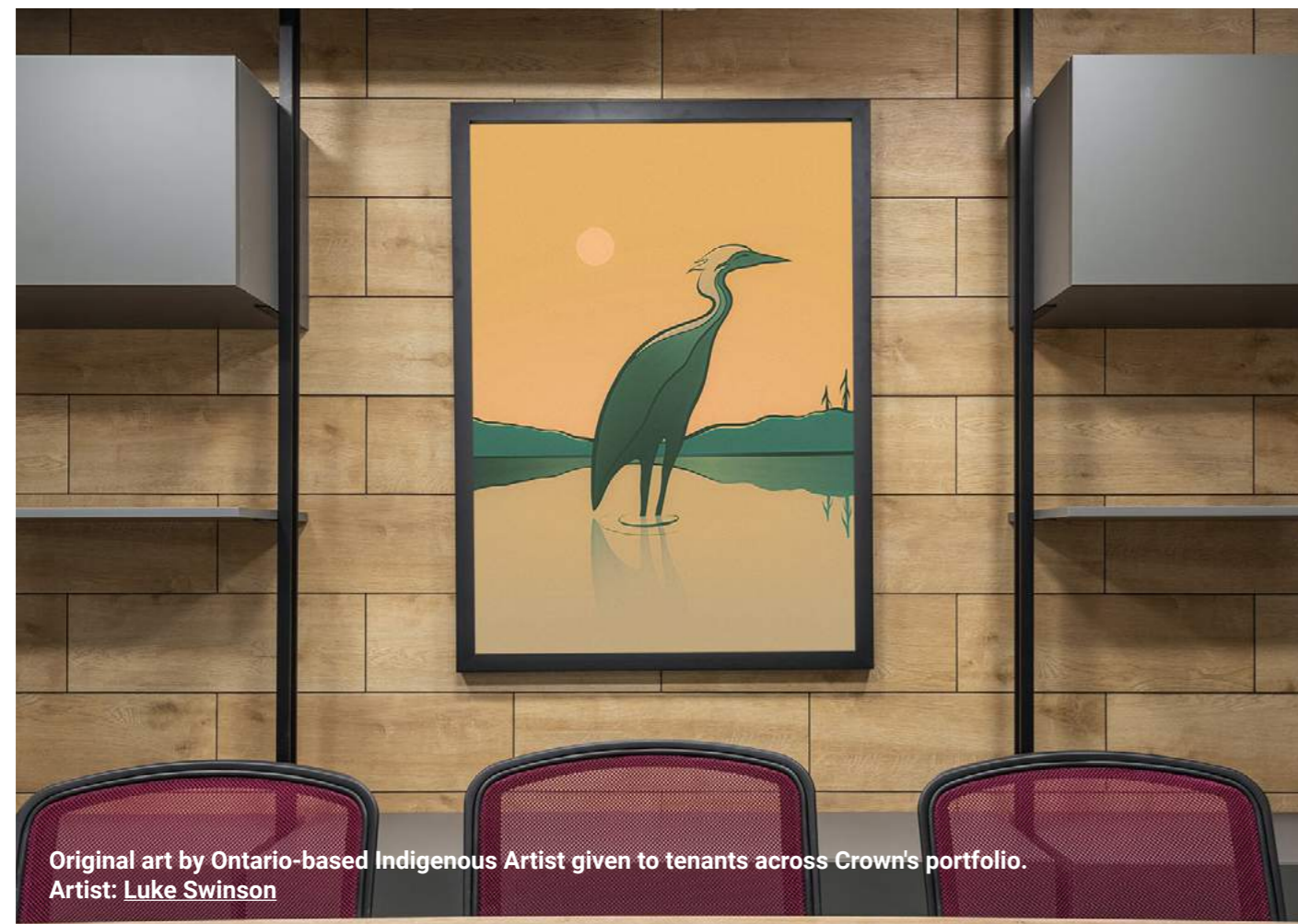
20 MINUTE MAKEOVER

Crown organizes building community volunteer events focused on collecting litter in their surrounding communities across our portfolio to help bring our building communities together each spring.

Art Installations:

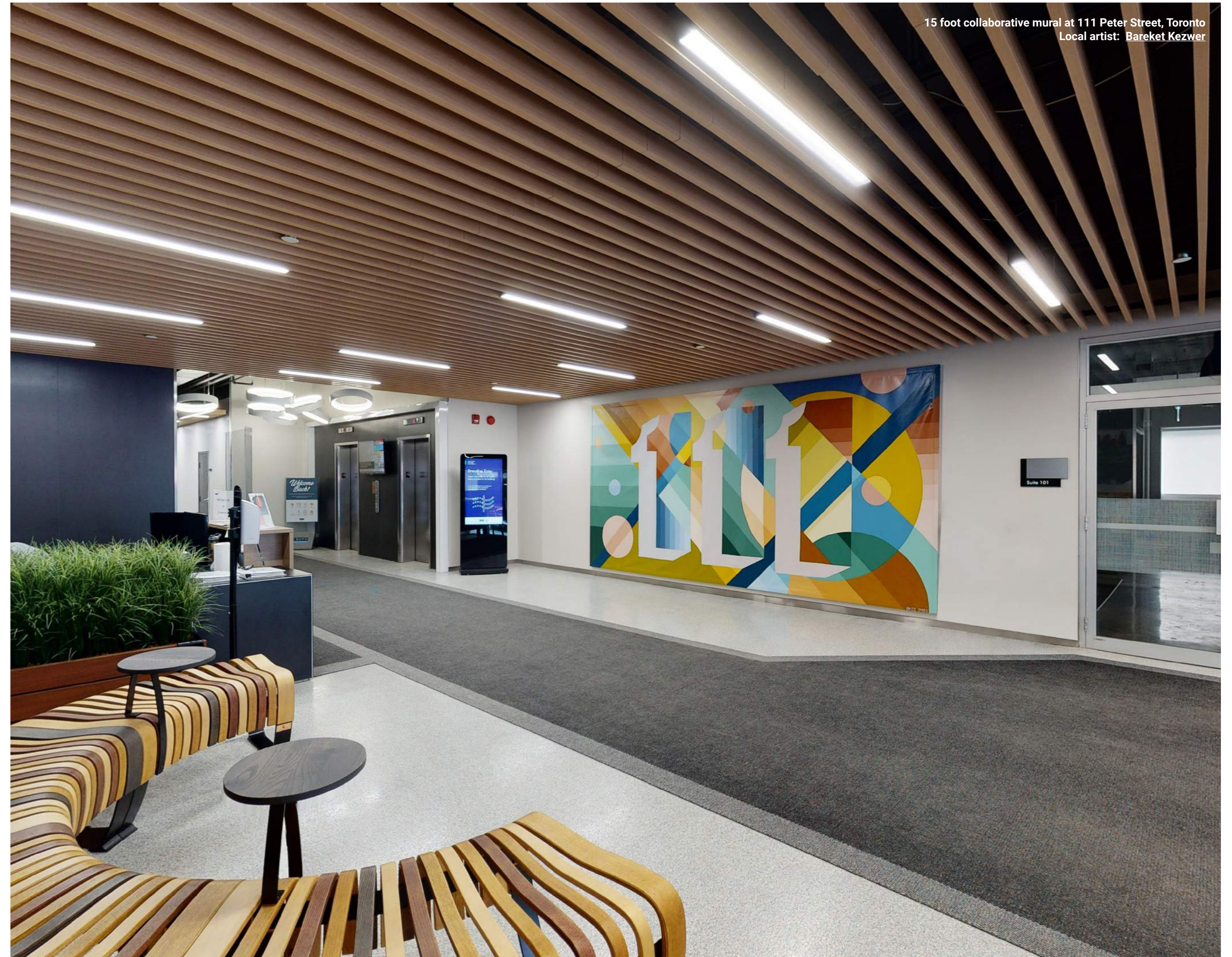
Crown believes that supporting local artists contributes to the success of the communities within which we operate.

Original art in the common spaces of our buildings helps to build a dynamic workplace and environment for employees to think, interpret, and imagine possibilities. Supporting and recognizing local artists also enables them to sustain their commitments and continue to prosper.



LOOKING FORWARD →

- We will continue to identify ways to invigorate the common spaces within our buildings to have impact.





WORKFIT BY CROWN

WorkFit by Crown fitness centres 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

Launched in 2020, WorkWell by Crown is focused on wellness programming and supports to our office communities. This initiative includes virtual classes focused on mental and physical wellness, yoga, seminars, and promotions.



COLLABORATE BY CROWN

At Crown, we curate work environments that foster active engagement and creativity between people, ideas and technology, making your workplace #morethansquarefootage.

TOMATOES AND PEPPERS AND CARROTS, OH MY!

Fall is harvest season, and while most crops are harvested from large farms over acres of land, at 5000 Yonge Street, a property managed by Crown, the harvest is handpicked from 22-storeys above grade!

5000 Yonge Street's urban garden flourishes with a crop of vegetables, herbs, and flowers. The garden, planted to maximize the efficiency of the property's otherwise unused rooftop, was planted, grown, and harvested by Microhabitat, an organization whose goal is to create greener and more resilient cities through urban agriculture by transforming unused spaces into urban farms. The urban garden produced over 300 pounds of produce including a variety of tomatoes, peppers, onions, kale, spinach, and a wide range of herbs and flowers.

In the spirit of giving back to the community, all the harvest was donated to Second Harvest, a local charity that provides fresh foods to people and families in need.



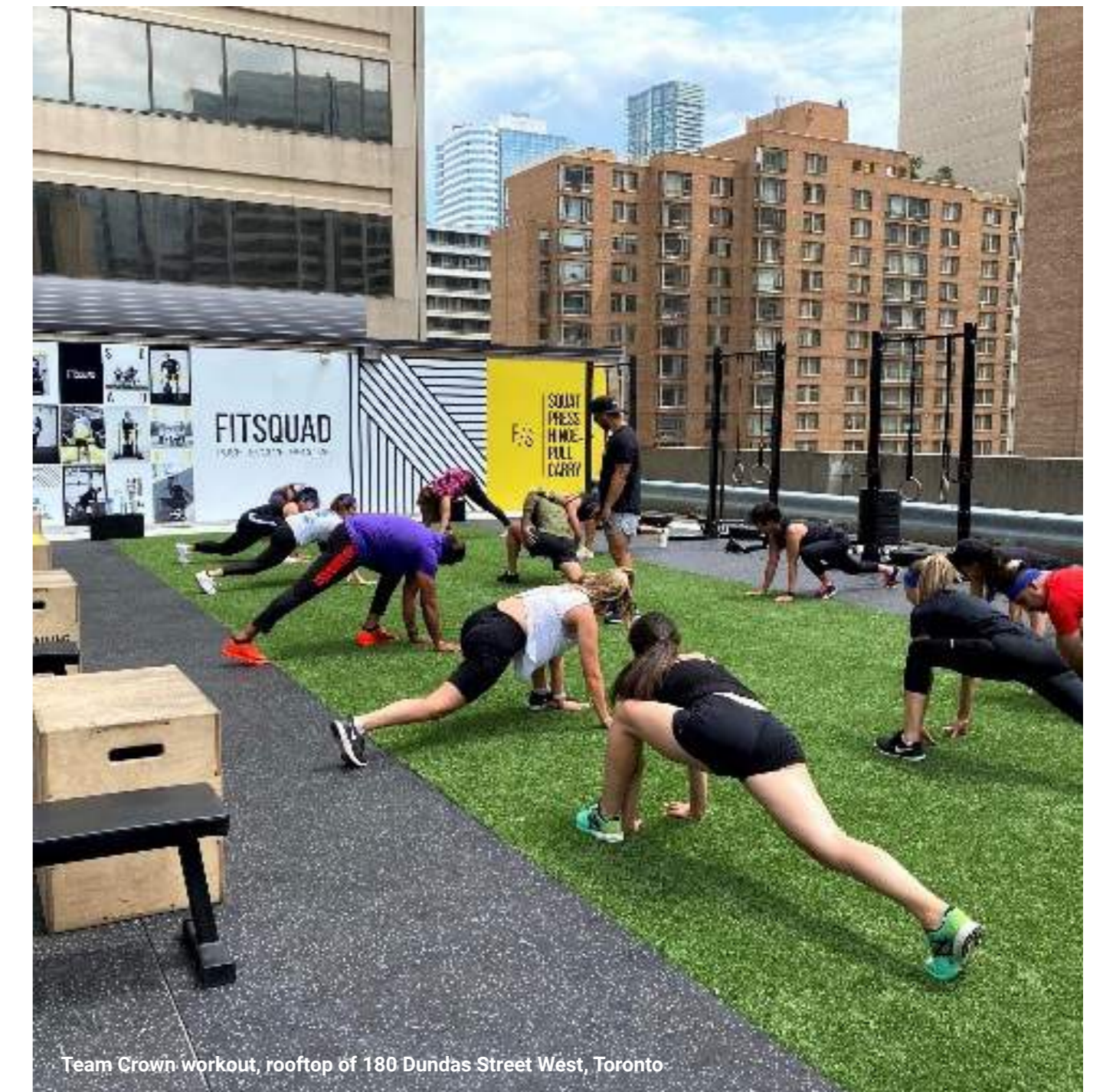
LOOKING FORWARD →

- We are excited to expand the urban garden concept across our portfolio to create more green, sustainable communities.
- Crown plans to continue to emphasize the importance of DEI at our properties.

TAKING WORKOUTS TO NEW HEIGHTS

180 Dundas Street West was recognized at the 2021 CREST Awards as a "Collaborative Excellence Honourable Mention Finalist" for facilitating the creation of Fit Squad's 3,000 sq. ft. gym on the roof of the building's parking structure. A joint effort, Crown and Fit Squad created this unique solution that allowed the gym to operate, while still meeting COVID-19 restrictions.

The result: Toronto's first open-air, rooftop fitness facility. Not only did it provide a unique experience, it also offered fitness buffs great views of the city.



Indoor Air Quality impacts the health, comfort, and wellbeing of building occupants.

Since the onset of the pandemic, we modified our operating practices and policies¹ to include better control humidification, improve ventilation and track airborne contaminants. Crown's team is 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, created thoughtfully tailored solutions for each building within our portfolio, typically going beyond ASHRAE standards to ensure the health, well-being, and comfort of building occupants.

Better IAQ Equals Healthy Work Environments

Crown focuses on the following measures to improve IAQ:



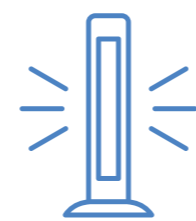
HUMIDIFICATION CONTROL

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 MERV ratings to maximize effectiveness.



¹ Practices such as humidification controls, increased fresh air, and improved air filters to higher MERV ratings.

Fitwel Viral Response

The pandemic brought occupant health and wellness to the forefront more than ever before.

Founded by the Centre for Active Design, with input from health experts and industry leaders, Fitwel's Viral Response module sets the industry standard for optimizing buildings in response to the broad health impacts of infectious respiratory diseases.



Over 99% of Crown's Fund Assets achieved Fitwel Viral Response certification in 2021.



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.

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 related to their work.

Likewise, our construction management team follows strict guidelines to ensure contractors and third-party vendors follow health and safety procedures and have the appropriate training before conducting work at a Crown property. To manage our health and safety risks, we partner with leading contractors and third-party vendors.

Crown's Joint Health and Safety Committee is comprised of co-chairs including management and non-management team members from across the company. This committee is committed to improving the health and safety conditions in the workplace and meets regularly to identify potential issues, concerns, and solutions. Crown will continue to prioritize the health and safety of our team and stakeholders.

Third-party risk assessments are undertaken at every property Crown manages, ensuring compliance with all health and safety guidelines based on building and safety code and government guidelines. Regular inspections of all life safety equipment across our portfolio ensure we are adhering to, and often surpassing guidelines to ensure a safe environment for our teams and tenants.

RESPONSIBLE MANAGEMENT DURING COVID-19

Crown's Pandemic Response Plan was enacted in early 2020 to assist in protecting the health and wellness of our office communities. This plan outlined the detailed measures to be followed under such dire circumstances and is continually reviewed and updated.

Crown took all necessary precautions to protect our employees and their families while ensuring the continuity of our operations to help contain the spread of the virus.

Crown is a proud member of top-tier industry organizations such as BOMA and REALPAC and has been actively engaged in industry best practices as they relate to management and operations during COVID-19.



20 YEARS OF COMMUNITY

2021 marked Crown's 20th anniversary. Although a lot has changed over the past two decades, one thing remains the same – our commitment to the wellbeing of our employees and the communities in which we live, work, and play.

Crown's ESG Committee aligns Crown's charitable giving for the year with our commitment to DEI in the workplace and local communities. In the fall of 2021, we set out with a goal to raise \$40,000 in support of some worthy charities that are dedicated to helping the underprivileged within our communities.

Our team worked together with local GTA and Ottawa brokerage communities and the suppliers and vendors we partner with to raise funds and make a difference for these 4 charities:

\$43,860+ RAISED



#KeepTorontoWarm

The continuation of the pandemic resulted in a critical shortage of donations. When New Circles issued an urgent call for coats, boots, and warm winter accessories for all ages, Crown responded by hosting a clothing drive. Our team worked together with building occupants across our portfolio and donated over 7,000 pounds of clothing!

Crown supports charitable causes that are near and dear to our team. To acknowledge and support the time and effort our team takes to contribute to our local communities, Crown introduced a new "Paid Time Off for Charity Work Policy" in the first quarter of 2022. Through this initiative, we offer each employee up to 16 paid hours of volunteer time per year.

LOOKING FORWARD →

- Crown plans to introduce a direct donation matching program, where we will match 100% of employee donations.
- Crown's philanthropic strategy will continue to be guided by our ESG Committee, aligned with our commitment to DEI in the workplace and local communities.

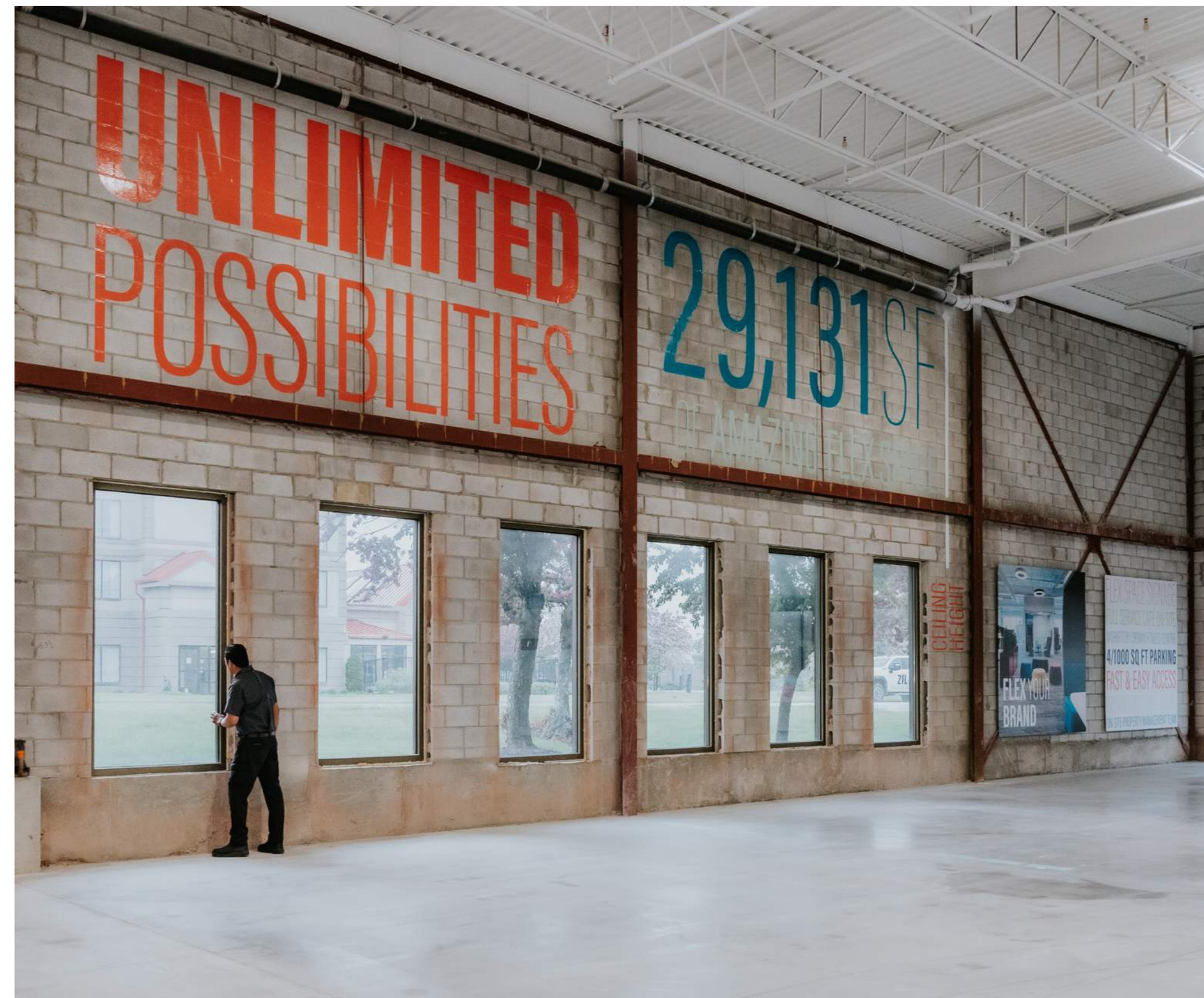
Crown is committed to creating a corporate culture that attracts, engages, advances, and retains the highest caliber of professionals, while celebrating our differences.

Wherever possible, Crown's goal is to promote from within and 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:

55%

INCREASE IN EMPLOYEE
HEADCOUNT

\$140K

SPENT ON LEARNING AND
DEVELOPMENT

64%

OF OUR SENIOR
MANAGEMENT TEAM
ARE WOMEN

100%

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

AS AT MARCH 31, 2022

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

Crown has been named one of Canada's Top Small and Medium Sized Employers of 2022. Chosen for putting our employees' futures first, Crown is proud to create an enjoyable and fair work-life balance in a motivating and fulfilling work environment.

SMEs account for over 99% of Canadian businesses and we are thrilled to be recognized as a top employer amongst some of Canada's most innovative, enterprising and forward-thinking.

Now in its 8th year, Canada's Top Small and Medium Employers recognizes organizations offering the nation's best workplaces and forward-thinking human resources policies.

Employers are evaluated using the same criteria as the Top 100 competition: 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.



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 make Crown a better place! The employee surveys we conducted in 2021 to gather insights from our team, geared heavily towards DEI and feedback relating to our hybrid work.
- **Multi-platform engagement:** through the extended periods of hybrid and remote 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 re-align 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 increase our employee survey response rate.
- We will work to create an improved on-boarding program for new team members that is more automated and self-directed.

Different IS OUR Difference

Crown's commitment to diversity, equity, and inclusion 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. In 2021 we engaged a third party to conduct our first cross-company DEI survey. We hope to build on the findings of this survey, as it sets a baseline for our data and helps us identify 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. The participation rate for our DEI survey was 77%.

Crown plans to support DEI through our hiring process by opening our talent pool to diverse job boards to ensure women and under-represented communities are actively considered.

77%

OF EMPLOYEES FEEL THEY CAN BE THEIR AUTHENTIC SELF AT WORK

60%

SPEAK ANOTHER LANGUAGE. THE MOST COMMON ARE FRENCH, SPANISH, ITALIAN, PORTUGUESE, CHINESE, AND HINDI

56%

OF STAFF ARE EMERGING LEADERS UNDER 44. (30% BETWEEN 35-44)

91%

OF EMPLOYEES FEEL DEI IS IMPORTANT



LOOKING FORWARD →

- Ongoing learning to educate team members on DEI in the workplace.
- Continued measurement and reporting on progress through subsequent DEI surveys.
- DEI will be supported through our hiring process by opening our talent pool to diverse job boards to ensure women and under-represented communities are actively considered.

We are proud that 64% of our senior management team are women.

INTERNATIONAL WOMEN'S DAY AT CROWN

Each year we celebrate the achievements of the extraordinary women who make up more than 50% of our organization. As we continue to raise awareness against bias and act for equality, Crown has made bold statements in choosing to challenge biases in 2021.



LOOKING FORWARD →

- Encouraging the participation rate in our surveys.
- Crown will focus on coaching and mentorship including establishing a women's leadership initiative.

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

Les Miller, Managing Partner and CEO

COACHING AND MENTORING

Crown believes that coaching and mentorship are essential to the growth of our firm.

Crown has partnered with the Schulich Executive Education Centre at the Schulich School of Business for leadership training since 2018. We have also created an Emerging Leaders Program focused on the mentorship and coaching of our team members under the age of 35 who are essential to the growth of our business.

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

\$140,000

INVESTED IN TRAINING AND PROFESSIONAL DEVELOPMENT

100%

TUITION SUBSIDY FOR EDUCATION AND TRAINING



Crown encourages and covers the cost of membership in industry associations like the ones shown below.



CFA Institute



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.

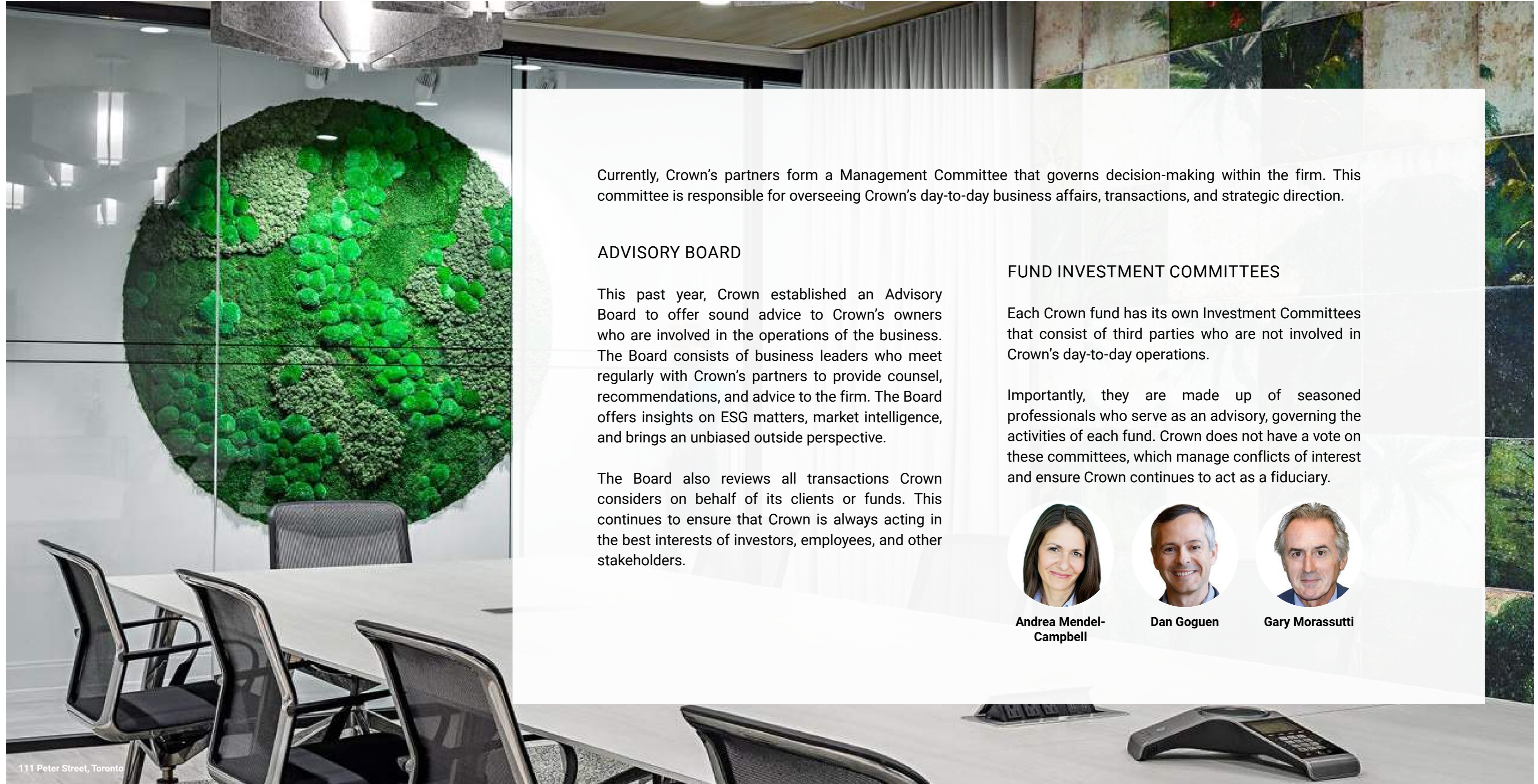
Underpinning these core values are rigorous policies that apply to all employees regarding compliance, conflict of interest, business ethics, whistleblowing, anti-corruption, anti-money laundering, and financial governance.

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

For us, responsible management integrates ESG factors throughout the investment lifecycle. When we can identify 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.
- Third-party audits of the financial statements and ESG metrics.
- Ownership mentality and alignment of partners and employees.
- Regular and transparent investor reporting, including ESG performance.
- Active risk management and asset management.



111 Peter Street, Toronto

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

ADVISORY BOARD

This past year, Crown established an Advisory Board to offer sound advice to Crown’s owners who are involved in the operations of the business. The Board consists of business leaders who meet regularly with Crown’s partners to provide counsel, recommendations, and advice to the firm. The Board offers insights on ESG matters, market intelligence, and brings 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 Committees that consist 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 an advisory, governing the activities of each fund. Crown does not have a vote on these committees, which manage conflicts of interest 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 and others. We are committed to continually improving our disclosures and reporting to follow best practices and accepted frameworks. For our first annual ESG report, we chose to align our reporting with the SASB. For our second report, we have continued to build upon the SASB framework and are working to also address climate-related disclosures, following TCFD recommendations.

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.

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, prudent business practices. Our policies and manuals are intended to demonstrate Crown's position and overarching philosophies regarding 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.

In 2021, a SOC 2 audit was conducted on Crown's operating practices and management procedures for the management of the Crown Portfolio. This audit evaluated Crown based on our internal controls as they relate to security, confidentiality and privacy over client data, internal controls over operational oversight, financial reporting and system and software access on all such managed properties.

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 and overall score of 94 in 2021, Crown's third consecutive year reporting on our sustainability strategy and the performance of the assets. Crown's submission ranked 4th out of the 19 North American un-listed office participants. Crown also achieved "Canadian Honours."

2021 GRESB REAL ESTATE ASSESSMENT: CORE FUND

RANKED

4TH
OUT OF 19



GRESB
★★★★★ 2021

NORTH AMERICA | OFFICE CORPORATE | CORE

“The year-over-year improvements Crown has achieved since its first submission in 2018 are remarkable and reinforce its commitment to advancing its ESG program.”

-Dan Winters, GRESB Head of Americas.

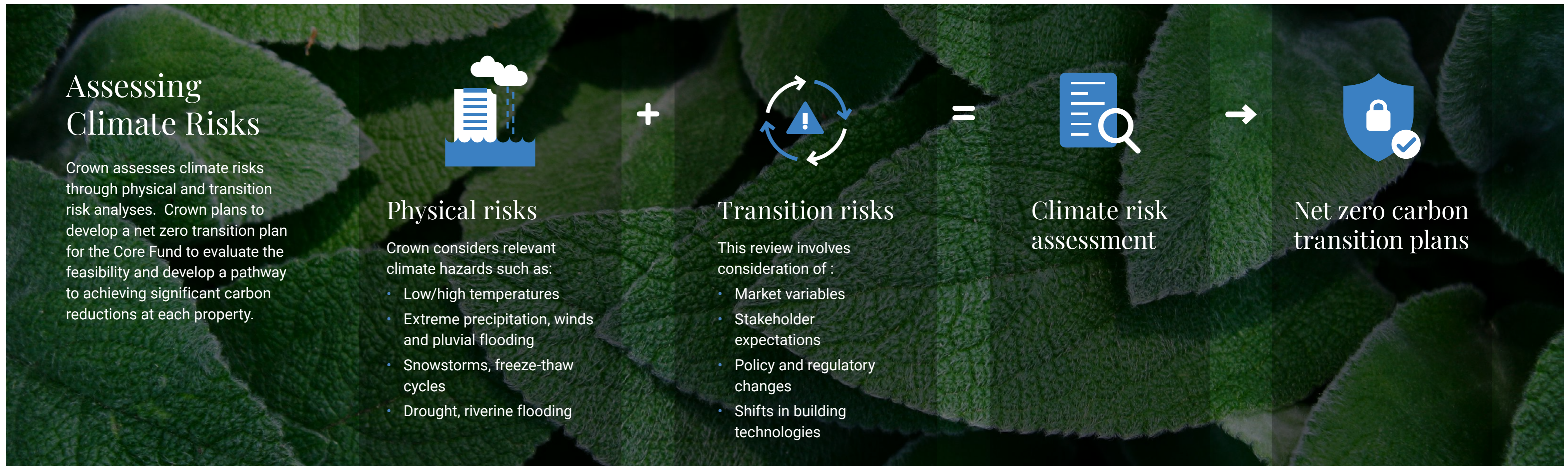
Crown recognizes the risks and opportunities presented by climate change to our business.

Crown has conducted physical and transitional risk assessments for the Fund and now includes these assessments as part of due diligence on any new fund acquisition.

In 2021, we engaged external consultants to evaluate our climate-related practices and disclosures relative to the recommendations of the TCFD. This year, we have started to incorporate these recommendations, noted in Appendix C.

As we work through these disclosures, we hope to gain insights that will help us better incorporate climate-related risks and opportunities into our company's risk management, strategic planning, and decision-making processes.

To increase awareness and engagement related to climate-related risks and opportunities, Crown partnered with the Canada Climate Law Initiative to educate partners on ESG and Climate Governance.



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.

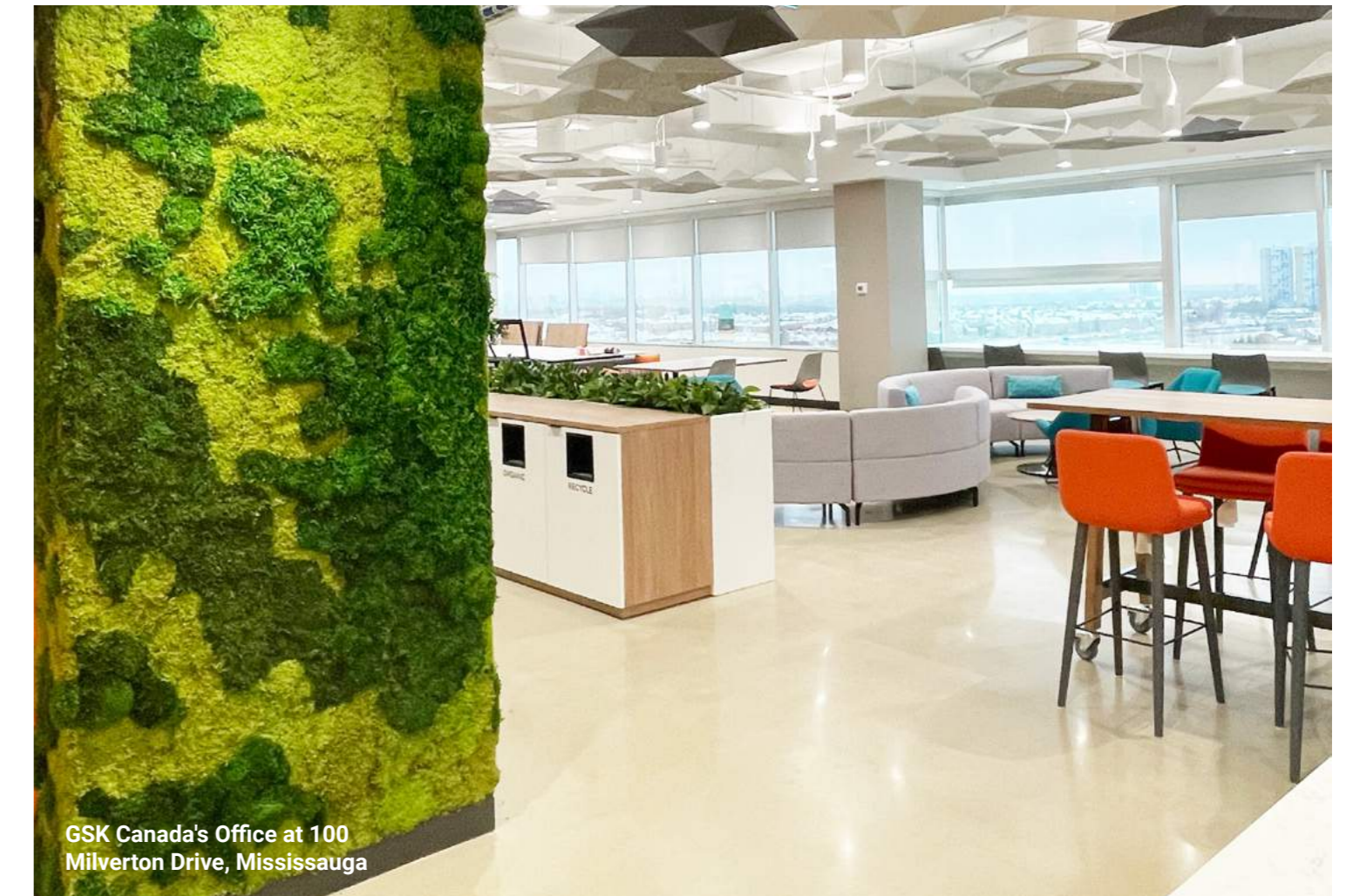
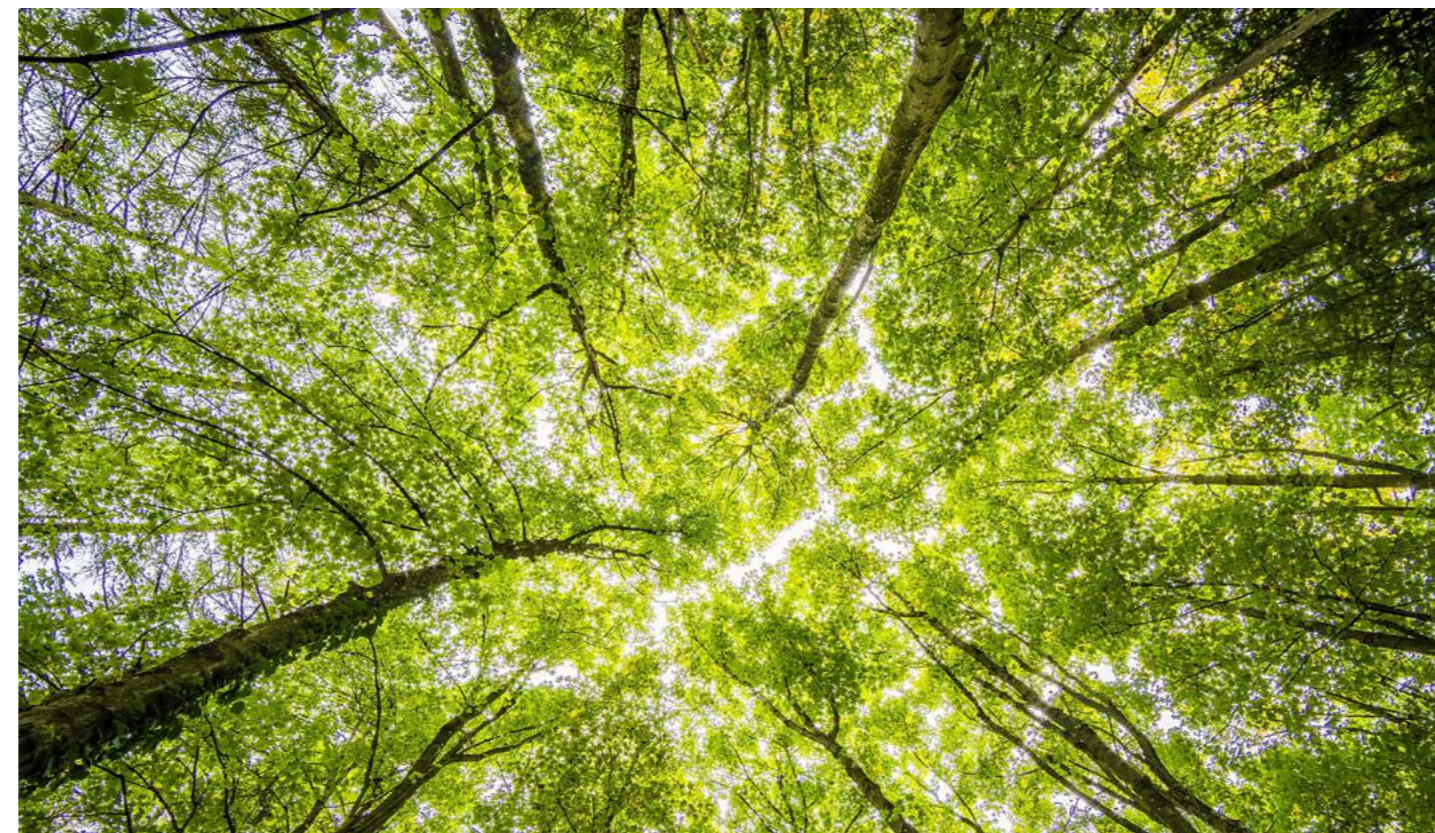
Approximately 2/3 of the global building area that exists today will still exist in 2040.¹ Transitioning to a low-carbon built environment will require significant intervention. Wearing our value-add hats, we see this opportunity set for our investors!

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

- Engaged external consultants to carry out net zero transition planning for the Core Fund to evaluate the feasibility of achieving net zero at the properties.
- Included net zero carbon transition planning within the first-year budgeting for any new fund acquisition.
- Enrolled our GTA Portfolio in the City of Toronto's Green Will Initiative, including all the Core Fund assets.

Crown's journey to net zero applies to our buildings and our operations.

We are committed to reducing our corporate emissions and we plan to better understand the carbon footprint of our corporate offices to build our corporate pathway to net zero.



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 intends to determine our approach to address the decarbonization of our corporate operations and Crown's Climate and Resilience Policy.
- Crown will expand its training relating to ESG and Climate Governance to the Advisory Board.

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

FUTURE-PROOFING

The global health crisis created by the COVID-19 pandemic accelerated several forecasted trends in the real estate industry, requiring people to work from home at a scale unlike ever before.

The experience of the past year has brought technology to the forefront as an essential part of our building operations and maintenance. It is also critical to ensuring the safety and comfort of building occupants.

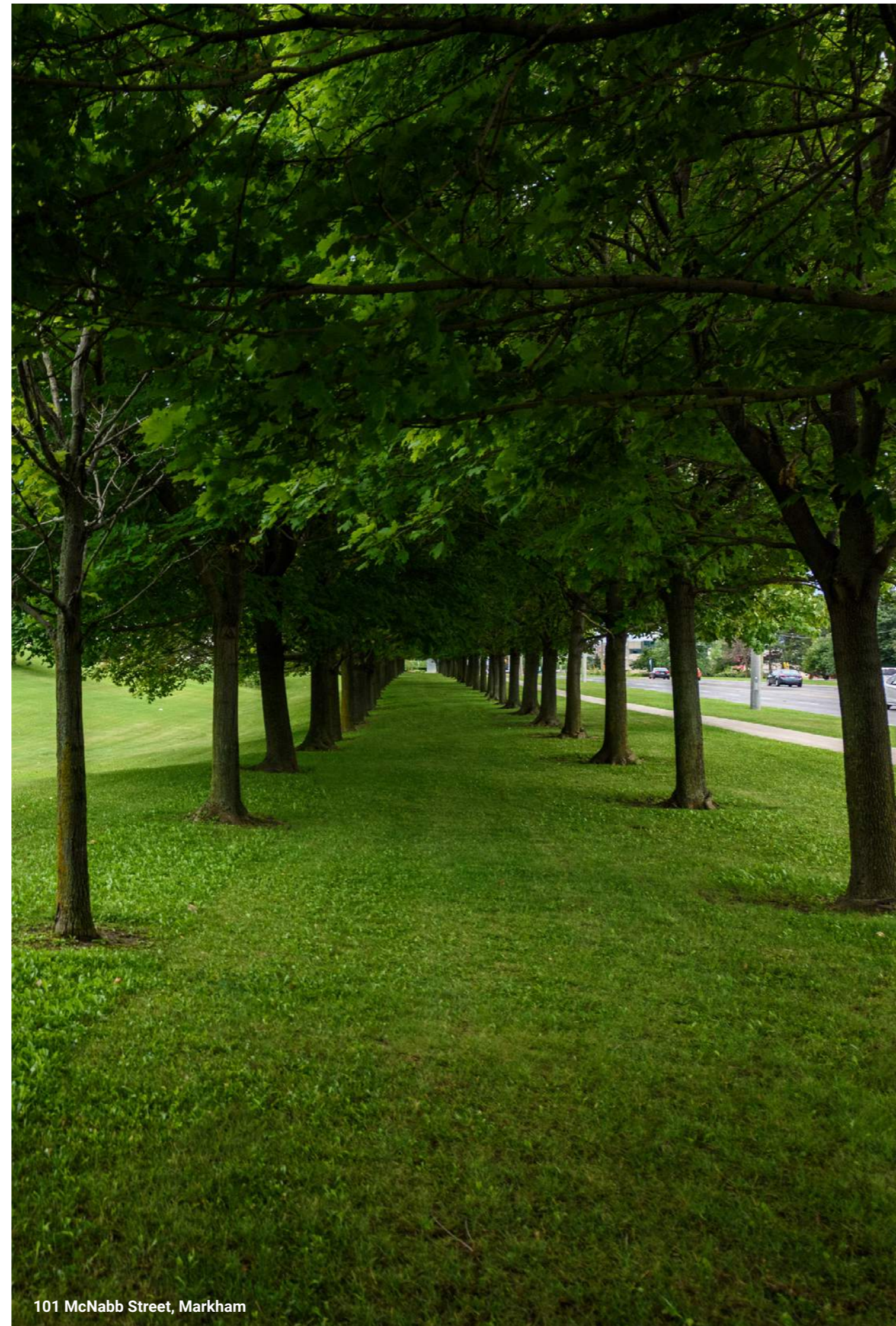
Despite creating more functional, smarter, and dynamic assets, the more we rely on technology to collect, store, and manage information, the more vulnerable we become to severe security breaches.

Crown believes that a strong Cybersecurity Policy and Response Plan are essential in ensuring the safety of building occupants and the long-term resiliency of our assets.

INNOVATION

In 2021, Crown launched an Innovation Committee to evaluate current systems and identify potential efficiencies, brainstorm new ideas and suggest opportunities for mitigating risk.

We are beta testing mobile building access and geofencing through Bluetooth at a few test properties. Our goal is to provide increased analytics on the utilization of amenity spaces, to help us create more efficient services across our portfolio to help our building occupants work better, safer, and attract top talent.



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. To acknowledge this achievement, Crown received an Innovation Award at the VTS Accelerate Conference (2019).

LOOKING FORWARD →

- Crown will continue integrating tenant communications into VTS as a tool to further assist us in developing and managing tenant relationships.

Appendix A: Glossary of Terms

We like using acronyms, abbreviations, and definitions! Below is a summary of some of the key terms we reference in our report to make life simpler!

AODA	Accessibility for Ontarians with Disabilities Act	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	Kg	Kilogram
ASHRAE	The American Society of Heating, Refrigerating and Air-Conditioning Engineers	DEI	Diversity, Equity, and Inclusion	KPI	Key Performance Indicator
AUM	Assets Under Management	EMS	Environmental Management System	LEED®	Leadership in Energy and Environmental Design
BOMA	Building Owners and Management Association	ESG	Environmental, Social, and Governance	LEED O+M	LEED: Operations & Maintenance
BOMA BEST®	Building Owners and Managers Association Building Environmental Standards	FITWEL	Fitwel is the world's leading certification system committed to building health for all®.	m³	Metres cubed
CCLI	Canadian Climate Law Initiative	FITWEL VRM	The Fitwel Viral Response Module (VRM) set the global standard for safeguarding occupant health and wellness	Mwh	Megawatt Hours
CREED Council	Commercial Real Estate Equity and Diversity Council	GAV	Gross Asset Value	SASB	Sustainability Accounting Standards Board
CREST	The Commercial Real Estate Sustainability Trailblazer's (CREST) Award recognizes and celebrates Climate Action leaders making significant and evident strides in the industry.	GJ	Gigajoule	SME	Small and Medium Sized Employer
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	GRESB	Global Real Estate Sustainability Benchmark	SOC 2 Audit	Service Organization Control-Type 2 Audit
		GTA	Greater Toronto Area	sq. ft.	Square feet
		GTA Portfolio	All assets managed by Crown located within the GTA. This includes assets that are owned by third parties.	TCFD	Task Force on Climate-Related Financial Disclosures
		IAQ	Indoor Air Quality	TOBY®	The Outstanding Building of the Year
				WiredScore	The global digital connectivity certification system that helps Crown assess, improve, benchmark and promote our buildings.

This is Crown’s second disclosure aligning with the Sustainability Accounting Standards Board (SASB). We are reporting using the framework for the real estate industry and address all indicators in the standard that we consider to be material for our business. We plan to review this assessment annually. Our SASB disclosure is for Crown’s Core Fund of assets, established in 2015. The Core Fund consists of corporate office space and two types of property subsectors: high-rise and mid-rise office properties

INDICATOR	2021
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% Office: Corporate: Mid-Rise Office: 100% Data Coverage: 100%
1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable by property subsector	<p>Total energy: High-Rise Office: 7,172,424 kWh Mid-Rise Office: 15,292,764 kWh</p> <p>Percentage grid electricity: Office: Corporate: High-Rise Office: 45.2% Office: Corporate: Mid-Rise Office: 67.2%</p> <p>Percentage renewable energy*: Office: Corporate: High-Rise Office: 4.3% Office: Corporate: Mid-Rise Office: 1.1% Total: 2.18%</p> <p>*These figures represent the percentage grid electricity purchased through a renewable energy supplier (Bullfrog Power). This does not include the renewable energy produced by Ontario’s electricity grid. About 96% of electricity in Ontario is produced from zero-carbon emitting sources: 60% from nuclear, 26% from hydroelectricity, 7% from wind, and 2% from solar. <u>The remainder is primarily from natural gas, with some biomass.</u></p>
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Office: Corporate: High-Rise Office: 0.14% Office: Corporate: Mid-Rise Office: -1.32%
Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	<p>Energy Rating: Office: Corporate: High-Rise Office: 100% Office: Corporate: Mid-Rise Office: 100%</p> <p>ENERGY STAR Certified: Office: Corporate: High-Rise Office: 100% Office: Corporate: Mid-Rise Office: 58%</p> <p>We plan to have 100% of our Core Fund properties ENERGY STAR certified in 2022.</p>

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 looks to identify operational processes and procedure 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	
Water withdrawal data coverage as a percentage of (1) total floor area, by property subsector (% by floor area) and (2) floor area in regions with high or extremely high baseline water stress, by property subsector	<p>Office: Corporate: High-Rise Office: 100.00% 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>
Total water withdrawn by portfolio area with data coverage, in cubic meters, and Percentage in regions with high or extremely high baseline water stress, by property subsector	<p>Office: Corporate High-Rise Office: 7,888 m³ Office: Corporate: Mid-Rise Office: 24,768 m³</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>
Like-for-like percentage change in water withdrawn for the portfolio area with data coverage, by property subsector	<p>Office: Corporate: High-Rise Office: -23.74% Office: Corporate: Mid-Rise Office: -6.00%</p>

WATER MANAGEMENT	
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. 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	
Area of properties located in 100-year flood zones, by property subsector	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 2021, 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 2022 we plan to develop our Climate and Resilience Policy which will adhere to best practices such as flood resilience guidelines by University of Waterloo's Intact Centre on Climate Adaptation.</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 and (2) associated leased floor area, by property subsector	<p>1) Office: Corporate: High-Rise Office: 100% Office: Corporate: Mid-Rise Office: 100%</p> <p>2) Office: Corporate: High-Rise office: 389,963 sq. ft. Office: Corporate: Mid-Rise office: 522,016 sq. ft.</p>
Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals; by property subsector	<p>1) Office: Corporate: High-Rise Office: 100% Office: Corporate: Mid-Rise Office: 73%</p> <p>2) Crown office tenants do not have separate water sub-meters so this indicator is not applicable.</p>
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	2021
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: 389,963 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: 99% Office: Corporate: Mid-Rise Office: 96.1%

The Task Force on Climate-Related Financial Disclosures (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 first disclosure aligning with the TCFD and we are 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 decision-making and day-to-day business affairs of the firm. Comprised of Crown's Partners, the Committee meets regularly with Crown's new Advisory Board which offers insights 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:	Crown's ESG Committee consists of senior leaders across the firm and who are responsible for advancing the ESG strategy including identifying climate-related risk and opportunities across Crown's portfolio. Refer to ESG Oversight section of this report.
	Next Steps	<p>The Chairs of the ESG Committee, working with the Partner liaison, plan to establish Crown's Climate and Resilience Policy, intended to guide actions and responsibility on both a corporate and operational level.</p> <p>The Chairs of the ESG Committee, together with the Partner liaison plan to recommend and delineate responsibilities for managing climate-related matters, separate from broader sustainability topics that are addressed by the ESG Committee.</p>
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 impact our Core Fund properties. We also reviewed transition risks to understand the potential financial impacts resulting from regulatory, market and reputational risks.</p> <p>Physical Risks Climate-related physical risks were identified at each of the Core Fund properties. 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 the key emerging risks including extreme precipitation and pluvial flooding, and high temperature resulting in HVAC system upgrades and capital projects cost increase.</p>

Category	Recommended Disclosure	Crown's Approach
		<p>Transition Risks Transition risk assessments have been undertaken to identify a broad range of potential transition risks and opportunities, in accordance with the transition risk categories presented by the 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 a 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 losses in value. As a result, significant retrofitting activities and system upgrades may be required. <p>Climate-related risks and opportunities are identified during the due diligence process for new acquisitions.</p> <p>Refer to Climate-Related Risk Management section of this report.</p>
	Describe the resilience of the organization's strategy	<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, 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: With an aim to manage climate-related factors and risks across our operations and at every stage of the ownership cycle, Crown has stipulated policies including an ESG Policy, Sustainable Procurement Policy and others to guide our team toward low-carbon end energy efficient operations. Refer to the Governance section of this report.</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 team's awareness of climate risks and opportunities. Our employees and partners participate 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>

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
	Next Steps	Crown will continue to work with external consultants, as well as the CCLI and our internal ESG professionals to offer training to our team. This focused learning is intended to educate our team on the financial and operational implications associated with climate risks along with relevant adaption and mitigation measures.
Risk Management	Describe the organization's processes 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 impact 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 risks¹; • A low emission warming scenario aimed at limiting warming to 1.5oC called CRREM 1.5oC was selected as the most appropriate scenario for identifying transition risks and opportunities². <p>Local and global government policies were reviewed in the transition risk process, together with the policies of our investors, and 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 to our business and the value of our assets.</p>
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<p>Climate-related risks and opportunities are identified during the due diligence process for new acquisitions. Crown engaged a third party to conduct the initial review. Refer to the Climate Change and Climate-Related Risk Management sections of the report.</p> <p>To address how ESG risks are monitored and how Crown manages the risks associated with our business, Crown initiated a review of our policies, processes, and manuals in 2020 to ensure they align with good, prudent business practices. With this, some departments are making modifications to their desk procedures to ensure they reinforce some of the best practices identified. Refer to the Transparency and Disclosures section of the report.</p> <p>Crown's Partners meet on a quarterly basis 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> <p>In 2021, a SOC 2 audit was conducted on Crown's operating practices and management procedures for the management of the Crown Portfolio. This audit evaluated Crown based on our internal controls as they relate to security, confidentiality and privacy over client data, internal controls over operational oversight, financial reporting and system and software access on all such managed properties.</p>

Category	Recommended Disclosure	Crown's Approach
	Next Steps	<p>While we review climate-related risks and opportunities for new acquisitions, we plan to expand this review to the Fund Portfolio.</p> <p>Crown's forthcoming Climate Change and Resilience Policy will consider climate change, GHG emissions, green building certifications, and waste management as they relate to operations across both our portfolio and business platform.</p>
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.	We employ a variety number 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 provide disclosures for the Core Fund.
	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 on a monthly basis. Crown began disclosing GHG emissions, water, and waste data to Core Fund investors on a quarterly basis as of Q1, 2022. Refer to the Environmental Management section of the report for the annual summaries. In Q4 2021, also began reporting on the related risks in our recommendations to investors prior to new acquisitions.</p> <p>As it relates to our business practices, we are considering how to best align our business model with the realities of a changing climate.</p>
	Next Steps	<p>Crown is assessing how to disclose the energy and GHG emission data at a corporate level.</p> <p>This will be addressed in our Climate Change and Resilience Policy beginning next year.</p>

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SUSTAINABILITY DATA ASSURANCE STATEMENT

Crown Realty Core Fund Limited Partnership
(Crown Core Fund)

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Certified Greenhouse Gas - Inventory Quantifier (GHG-IQ)

Signed: *Fabian Deryck Garcia*



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, 2021 to December 31st, 2021.

1.1 - LIST OF PROPERTIES ASSURED

This statement is limited to the following properties that make up 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
- Preliminary 2021 Sustainability Report data pertaining to energy, water, waste generation and carbon emissions
- Green Energy Certificate (GEC) purchase agreement

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. They 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 the properties that make up entity Core Fund in 2021, 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 2021 according to ISO 14064-3 criteria, shows their commitment to favouring complete and transparent communication of its carbon footprint.

