Envisioning the Future

Canada Lands Company
Société immobilière du Canada

Impact Report | 2024/25

Contents

We seek to provide benefits through our core values of social impact, financial resilience and environmental sustainability.

I am very pleased to present the 2024/25 Impact Report on behalf of Canada Lands Company Limited and its subsidiaries (collectively known as CLCL or the Company). This report highlights the dedicated efforts, achievements and valuable contributions from both our Real Estate and Attractions teams across six areas of focus described in our 2023/24 Environmental, Social and Governance report:

- Housing
- Climate
- Indigenous Peoples Collaboration
- Psychological Health and Safety
- Diverse Procurement
- Equity, Diversity and Inclusion

Canadians are looking for accountability on these important issues. As such, CLCL teams have continued producing measurable progress on these six areas of focus – some of which have been part of our operations for years. In today's every-changing world, we seek to provide benefits through our core values of social impact, financial resilience and environmental sustainability as described in our Strategic Plan.

The Company's impact extends beyond these factors, with a reach that also includes community development, job creation and financial investments.

This comprehensive approach ensures our contributions have meaningful effects and create enduring value. From a financial perspective, during this past fiscal year, we invested approximately $75 million in real estate development across Canada, generating revenues of $362 million and reinforcing our role as a key economic contributor.

As a federal Crown corporation, CLCL continues to support the Task Force on Climate-related Financial Disclosures (TCFD) and the International Sustainability Standards Board's (ISSB) Standards. Since 2022, CLCL has incorporated the TCFD framework into its corporate reporting and planning. The Company also continues to align with Canada's transition to net-zero carbon operations and with the Greening Government Strategy's goal of net-zero emissions by 2050.

Our 2024/25 Impact Report demonstrates how our teams have worked to realize these important achievements and key milestones, while also providing a framework to guide future objectives and strategic direction. I am deeply grateful to the CLCL teams for their unwavering commitment in bringing about the significant and positive changes to communities across Canada.

Stéphan Déry
President and CEO

About This Report

The Company transforms former Government of Canada properties and strategically reintegrates them into communities.

In 2023/24, CLCL published its inaugural *Environmental, Social and Governance (ESG)* report which has now been reframed as an Impact Report and remains the reporting tool on the Company's efforts within the six areas of focus.

The *2024/25 Impact Report* tracks progress as well as provides an overview of the Company's performance and management within the areas of focus. The Company has elected to streamline its reporting to address the ongoing housing crisis and ensuring financial sustainability. With this specific focus, CLCL is well-positioned to effectively contribute to alleviating the pressing housing challenges facing our country. Maintaining financial resilience is an important aspect of continuing to drive economic development in the communities in which CLCL operates – an approach that will continue to enable innovation.

This report includes a TCFD-aligned portion that establishes a foundation for potential transition to the ISSB S2, or the Canadian Sustainability Standards Board (CSSB) future standards.

SHANNON PARK
HALIFAX, NOVA SCOTIA

We Are Canada Lands Company

CLCL is a self-financing federal Crown corporation that reports to the Parliament of Canada through the Minister of Government Transformation, Public Works and Procurement.

CLCL is a *Canada Business Corporations Act* corporation listed in Schedule III, Part 1 of the *Financial Administration Act*, and an agent of His Majesty the King in Right of Canada.

CLCL has the following three wholly owned subsidiaries:

1. Canada Lands Company CLC Limited (CLC, Canada Lands or Canada Lands Company) is a non-agent Crown corporation that carries out the Company's core real estate business in all regions of Canada and owns and operates Canada's National Tower (CN Tower) in Toronto, Ontario.
2. Old Port of Montreal Corporation Inc. (OPMC) is responsible for managing the Old Port of Montreal (OPM) and the Montreal Science Centre (MSC).
3. Parc Downsview Park Inc. (PDP) owns and manages Downsview Park and develops the Downsview Lands.

ESG Roadmap

In 2023, CLCL and its subsidiaries developed a sustainability strategy, formalized it in the ESG roadmap and made it a key component of its Strategic Plan.

The roadmap enhances the Company's accountability to Canadians while upholding the commitments illustrated in the plan.

The roadmap was developed through an extensive process, informed by a materiality assessment exercise, which evaluated ESG topics based on their importance to CLCL's shareholder – the Government of Canada – and based on the areas where the Company can leverage its influence, and potential impact on its business.

Importance to stakeholders was assessed through a government priority and policy scan, including the *Government of Canada's Greening Government Strategy* and CLCL's *Letters of Expectations*. Impacts on operations were assessed through extensive consultations across the business and analysis of the risks and opportunities potentially presented by specific ESG topics. This process yielded six ESG focus areas, and while the Company had a history of efforts on these matters, the ESG roadmap built on the work already done.

In 2024, following signals from the Government of Canada and responding to the increasing importance of the housing crisis in Canada, the Company went through an exercise of reprioritization, notably to increase its capacity to deliver housing and affordable housing. The reprioritization led to the identification of three ESG priorities: Housing, Indigenous Peoples Collaboration, and Climate. The other 3 ESG topics, Psychological Health and Safety, Diverse Procurement, and Equity, Diversity and Inclusion, which were previously part of the 6 ESG priorities, are now considered areas of focus. This transition means that they are still Company objectives, but more efforts and resources are allocated to the 3 ESG priorities in comparison. To reflect this new approach, sustainability targets identified in 2023 were revisited with the objective to have ambitious yet realistic goals that continuously improve the Company while making sure that enough resources are allocated to the three ESG priorities. As a result of this exercise, the target year for Diverse Procurement and the Equity, Diversity and Inclusion targets were modified so that they can be reached later than initially anticipated.

Other Areas of Interest

In addition to the six ESG focus areas, the Company is also monitoring other topics. The process of materiality assessment conducted in 2023 revealed several areas that are important.

Topics to Monitor are already being actively monitored. Table Stakes are issues that are actively managed and will be maintained through established policies and processes.

When existing ESG focus areas have gained significant momentum and seen progress that approaches completion, the intent is to move those to Table Stakes, where they will continue to be tracked and monitored. Changes in the external environment will be monitored as well as stakeholder expectations, resulting in updates to its materiality assessment as required.

ESG Priorities

Housing

Climate

Indigenous Peoples Collaboration

Areas of Focus

- Psychological Health and Safety
- Diverse Procurement
- Equity, Diversity and Inclusion

Topics to Monitor

- Employee attraction, retention and engagement
- Inclusive and cohesive culture
- Land use and biodiversity
- Local hiring practices/procurement
- Responsible supply chain
- Supplier diversity

Table Stakes

- Accessibility
- Business ethics, legal and regulatory compliance
- Cybersecurity and data privacy
- Enterprise risk management (ERM)
- Heritage and legacy
- Stakeholder engagement
- Waste management
- Water and wastewater management

ESG Governance

In 2023, CLCL established its ESG governance structure, delineating it into three distinct pillars: strategic, management and implementation.

This structure combines leadership guidance with broad employee involvement, helping to prioritize ESG topics that align with the Strategic Plan. It also embeds ESG considerations into routine operations, reporting, risk assessment, and decision-making.

At the strategic level, the Board of Directors oversees the ESG roadmap, tasked with approving ambitions, targets, and Key Performance Indicators (KPIs) that align with the roadmap. The Board receives biannual updates on ESG performance and progress.

Members of the executive serve as ESG topic owners based on their expertise and areas of responsibility, supporting working groups and ensuring resources for implementation and oversight. The ESG Director coordinates initiatives across the Company, covering engagement, data, risk, disclosures, and process enhancements.

Operational execution is supported by national ESG working groups and Company-wide resources, driving roadmap implementation, data collection, performance monitoring, and targeted initiatives. To enhance monitoring capabilities and streamline data management, the Company deployed an ESG software solution that is centralizing data collection and reporting processes, thereby fortifying its commitment to sustainable practices and transparent governance.

Housing

For thirty years, Canada Lands Company has been a leader in innovation and sustainability.

TARGETS

5,000
affordable units by 2028.

RESULTS

1,617
affordable units enabled in 2024/25, representing 32% of target.

SDG ALIGNMENT

For thirty years, CLCL has been a leader in innovation and sustainability. As the Government of Canada's real estate development arm, CLCL transforms former government properties with a focus on accelerating development to enable much needed housing.

Housing is a fundamental need for Canadians, providing not only shelter but also a sense of security and belonging. Affordable housing, in particular, has become a critical issue, as many Canadians struggle to find homes that fit their budget. Canada Lands is contributing to resolving the housing crisis through its innovative approaches to development and the many partnerships it fosters.

Understanding the importance of affordability, Canada Lands developments encourage a variety of housing types, price points and a minimum of 20% affordable housing in its projects. The Company works closely with government agencies and non-profits to make affordable housing a reality utilizing various funding models and programs. Offering a mix of market and affordable units, Canada Lands ensures that its communities are diverse and inclusive, providing opportunities for individuals and families. Since 2016, the Company has enabled more than 15,000 homes including more than 3,000 affordable housing units.

The 2024/25 fiscal year marked a significant milestone. Canada Lands enabled more than 4,100 new housing units—35% of which were affordable—representing a significant increase compared to previous years. Included in this number are homes enabled through a long-term lease program developed in collaboration with Canada Mortgage and Housing Corporation. Through this program, four long-term land leases for housing and affordable housing were concluded in less than one year—from conception of the program to the signing of the leases—to enable 700 units, half of which are affordable. Two more leases are expected to come as a result of this program in 2025/26.

This achievement represents 32% of the Company's ambitious target of enabling 5,000 affordable units by March 31, 2028. The impact of these efforts is important and a testament to making a positive difference in the lives of Canadians.

CLCL stands out for its leadership in developing complete communities and continues to integrate affordability, sustainability and community goals into its projects. In pursuing its housing objectives, the Company is engaging market and non-market housing sectors and funders in innovative partnerships to speed delivery of housing that meets the needs of Canadians.

Climate

The Company has pledged to participate in Canada's Net-Zero Challenge.

TARGETS

100%
Procurements over $1 million include criteria to assess supplier emissions reduction strategy and tracking approach.

90%
Increase waste diversion during construction and demolition to 90% by 2030, 95% by 2040, and achieve net-zero waste by 2050.

RESULTS

100%
Since June 2024, all procurements over $1 million require suppliers to disclose Scope 1 and Scope 2 emission reduction targets and tracking.

88%
Waste diversion during real estate construction and demolition reached 88% for 2024/25.

SDG ALIGNMENT

The Company aspires to be a market leader in advancing Canada's goal of achieving net-zero emissions by 2050 and to facilitate the development of climate-resilient communities.

To realize this ambition, the Company plans to align its strategies with the Greening Government Strategy, a set of government-approved commitments that apply to all core federal government departments and agencies.

Adoption of the Task Force on Climate-related Financial Disclosures (TCFD)

Incorporating the TCFD framework into its corporate reporting and planning processes since 2022, the Company ensures transparency, accountability, and management of climate-related risks and opportunities. The TCFD framework allows disclosure of climate-related impacts on business and investment decisions through four pillars: Governance, Strategy, Risk Management, and Metrics and Targets. In 2025, the Company continues to build on this foundation and strives to align with the International Sustainability Standards Board (ISSB)'s IFRS Sustainability Disclosure Standards.

Governance

Climate-related matters are overseen through the ESG governance framework described on page 13. In September 2023, the Board of Directors approved decarbonization, energy management, and climate resilience approach and planning to achieve greenhouse gas (GHG) emissions reduction targets by 2030 and to ultimately attain net-zero emissions by 2050 for Scope 1, Scope 2 and select Scope 3 emissions. Three members of the executive management team are responsible for implementing climate-related priorities, for facilitating resource allocation to support implementation strategies, and for monitoring and overseeing the achievement of climate-related ambitions.

The national climate working group is responsible for driving initiatives and ensuring integration across the organization. At the site-level, collaboration between senior management and division leads enhances climate management efforts and supports the implementation of the Company's ESG roadmap within respective business units and the organization as a whole.

Scenario Analysis

In 2023, the Company undertook qualitative climate scenario assessments to identify risks and opportunities impacting operations and strategic priorities. Leveraging global and national models, the assessments span short- (1–2 years), medium- (3–5 years), and long-term (5–10+) projections, guiding the Company's proactive approach to climate resilience and risk management based on the three scenarios described as follows:

Paris Aligned	This scenario assumes Canada achieves net-zero emissions by 2050 and its target to reduce GHG emissions 40% below 2005 levels by 2030. Global commitments to decarbonization and mitigation of climate impacts are accelerated, and global average temperature increase is limited to 1.5°C by 2100.
Insufficient Global Action	This scenario assumes Canada achieves net-zero emissions by 2060 and reduces GHG emissions 30% below 2005 levels by 2030. Beginning in 2020, countries act according to their pledges under the Paris Agreement, but efforts are not enough to limit warming to 2°C above pre-industrial levels by 2100. As a result, global-average temperature increase is between 2.5°C and 2.9°C by 2100.
Climate Crisis	This scenario assumes Canada does not achieve its GHG emission reduction commitments and there are limited or no additional constraints on countries globally, aside from policies already in place. As a result, global-average temperature increase is greater than 4°C by 2100.

Scenario Analysis continued

In line with the TCFD disclosure, a review of the scenario analysis was conducted in 2024. Upon evaluation, it was determined that the operational context, strategic orientation, and external climate-related factors influencing the Company have not undergone significant changes since the original analysis. Therefore, the previously identified scenarios, impacts, and strategic responses remain valid.

Through conducting scenario analysis, the Company identified a number of risks as well as opportunities related to transitioning to a low-carbon economy and decarbonization.

Transition Risks

Transition risks identified include increased emissions reporting obligations and increased pricing of GHG emissions, which may result in higher operating costs. As well, the availability and sourcing of raw materials and low- carbon products and services may particularly disrupt and delay real estate construction and demolition activities due to limited supplies and narrow vendor pools. Finally, changes in consumer/visitor behaviour towards favouring environmentally conscious organizations amplifies the need to continue to work towards supporting the government's GHG emission reduction targets. Failure to do so may result in reputational and financial costs to the Company over time.

In the short-to-long term, increased pricing of GHG emissions and changes in consumer behaviour are identified to have a more immediate potential impact, and potentially impacting operating costs and revenue streams. The Company is planning to assess these impacts through a quantitative scenario analysis to better understand potential financial impacts over time.

Transition Opportunities

As the Company continues to implement its ESG roadmap, including decarbonization and climate resiliency efforts, there are key opportunities to further improve operations while contributing to the advancement of the federal government's net-zero by 2050 ambition.

Energy Efficiency	Reduce operational costs and enhance resource efficiencies.
Demonstrate Climate Leadership	Act as a leader among federal Crown corporations towards transitioning to a low-carbon economy by 2050. Educate and engage customers, visitors and tenants on the value of the Company's climate change efforts.
Low-Emission Source of Energy	Deploy and adopt low-carbon, renewable energy technologies.
Partnerships/ Collaboration	Explore supply chain partnerships to mitigate climate-risks, including designing and planning low-carbon, climate resilient communities.

Risk Management

Climate Resilience is included within the Company's risk universe and is defined as the ability/inability to effectively manage and mitigate the effects of significant shifts in global climate conditions. Physical risks potentially pose a threat to operations, with varying levels of impact. Depending on where the Company operates, physical risks can include extreme heat, drought, floods and wildfires.

These risks, if not adequately mitigated, could impact operations, leading to increased financial costs through infrastructure and equipment damage and repair, insurance costs, changes in an employee's ability to work, and disruptions to customer and visitor attendance at its attractions. In addition, supply chains may be delayed or unavailable to provide goods and services, which may impact procurement, leading to potential financial costs.

As a response, the Company remains committed to strengthening the resilience of its Attractions and Real Estate Divisions against physical hazards through targeted climate-resilience initiatives.

CLCL has conducted comprehensive physical climate risk assessments across all of its sites and properties. These assessments evaluate various climate-related hazards and their potential impacts, using historical data and projections up to 2050.

The climate risk assessments leverage data from an ensemble of global climate models downscaled to a high resolution. The methodology includes evaluating risks from extreme precipitation, flooding, heat, wind, drought, and fire.

The results of these climate risk assessments will inform the process of developing and implementing a comprehensive climate resiliency plan for the Company's properties and attractions in the coming years.

These plans will be designed to enhance the Company's ability to withstand and adapt to climate-related challenges, ensuring long-term sustainability and operational continuity.

These climate risks are integrated into the Company's Enterprise Risk Management (ERM) program, to ensure alignment with strategic objectives and to enhance resilience against climate-related impacts.

The Company is committed to continuously monitoring and mitigating these risks to safeguard its operations and support its sustainability goals.

Metrics and Targets

In 2023, a set of targets were adopted to reduce Scope 1, Scope 2 and some Scope 3 emissions.

Scope 1, and Scope 2 Emissions

In 2022, the Company prepared its inaugural GHG emissions inventory, prioritizing Scope 1 and Scope 2 emissions based on the GHG Protocol Corporate Standard's Operational Control approach.

In alignment with Canada's emission targets, the Company has pledged to participate in Canada's Net-Zero Challenge, a government initiative to encourage organizations to create and implement credible plans to transition towards net-zero emissions by 2050. As a result, in 2023, a set of GHG emissions reduction targets were adopted: reduction of Scope 1 and 2 emissions of 40% by 2030, 70% by 2040, and net zero by 2050.

At the time the GHG emissions inventory determined that the Company had a total of 7 ,253 tCo_2 of Scope 1 and Scope 2 emissions for the base year 2022/23.

GHG Base Year Recalculation Policy for Scope 1 and 2

Scope 1 and Scope 2 GHG emissions reduction targets include all attractions, real estate properties and office leases expected to be held post-2030. Given the nature of the business, the Real Estate Division's portfolio of properties is subject to frequent changes in ownership as land is sold to builders or leased to long-term tenants on an ongoing basis, and new properties are acquired. As such, in an effort to enhance the transparency of its GHG emission targets, the Company developed a GHG Base Year Recalculation Policy. The policy follows guidance from the GHG Protocol Corporate Standard, an internationally recognized standard for GHG emissions accounting and reporting. The policy defines situations justifying the recalculation of its GHG emission reduction targets as the Company's portfolio changes over time.

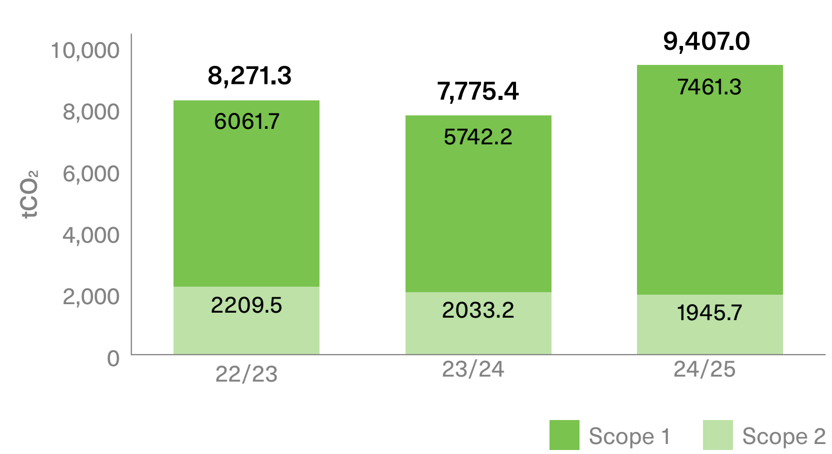
As the 2024/25 financial year marks the third consecutive year of GHG emissions tracking, a comprehensive review of emissions data from 2022/23 onward was conducted. The objective was to identify trends and ensure the accuracy of emissions reporting to better inform the Company's decarbonization strategy.

The review identified underestimations of GHG emissions due to missing energy consumption data, a faulty gas meter that underrepresented energy consumption, and incorrect emission factors applied in past years. Missing or incorrect data has since been obtained or estimated, and the emission factors were updated.

Following GHG Protocol guidance, the Company recalculated its emissions for 2022/23 through 2024/25.

This recalibration exercise has resulted in the following updated GHG emissions numbers:

CLCL Scope 1 & Scope 2 GHG Emissions



GHG Emissions Variations

- From 2022/23 to 2023/24, total GHG emissions decreased by approximately 6%. This emissions reduction was mostly driven by a reduction in energy consumption in Alberta, which had a particularly warm winter that year.
- From the base year 2022/23 to 2024/25, total emissions increased by 13.7%. This emissions increase is due to three factors:
  - Strong increase in natural gas consumption from a building owned by the Company in Québec, due to changes in its operational use, with notably some of its space being rented.
  - Increase in natural gas consumption from the Montréal Science Centre.
  - Slight increase in electricity consumption at the CN Tower, and more significant increase in the electricity emission factor in Ontario.

Scope 3 Emissions

Scope 3 emissions include indirect GHG emissions that occur in the Company's supply chain, including upstream and downstream emissions, outside of direct operations.

The Company identified that a majority of Scope 3 emissions result from the Real Estate Division, including emissions and waste generated from third-party suppliers during construction and demolition activities, and the use of properties after sale or lease. Given this, the Company committed to the following Scope 3 targets in 2023:

Scope 3 Targets

- All procurement over $1 million will include a request for suppliers to identify their Scope 1 and Scope 2 emission reduction targets and tracking approach, with evaluation points for that disclosure by June 30, 2024.
- Increase diversion of waste generated during real estate construction and demolition activities to 90% by March 31, 2030, 95% by March 31, 2040 and net-zero waste by 2050.
- At least 30% of real estate properties sold will be designated for net-zero buildings by March 31, 2030, 65% by March 31, 2040 and 100% of properties sold by 2050.

The Company continues to quantify select Scope 3 emissions, such as business travel emissions, and in 2024, to align with the Greening Government Strategy, the Company adopted a net zero business travel emissions by 2050 target. Efforts will be allocated in the future to identify options to reduce business travel emissions.

As the Company addresses its Scope 3 emissions, the following results were noted for the year 2024/25:

Scope 3 Results

- Since June 2024, all procurements over $1 million include a request for suppliers to identify their Scope 1 and Scope 2 emission reduction targets and tracking approach, with evaluation points for that disclosure.
- The diversion of waste generated during real estate construction and demolition activities has shown strong progress as these wastes had a diversion rate of 88% for 2024/25.
- Business travel emissions were assessed for the third year, with the following yearly results:

2022/23	2023/24	2024/25
246 tCo_2	328 tCo_2	273 tCo_2

[2] Scope 1 emissions include direct GHG emissions from owned or controlled sources by the Company (including natural gas, gasoline, diesel, propane). Scope 2 emissions are indirect GHG emissions from purchased or acquired electricity, steam, heat and cooling.

Indigenous Peoples Collaboration

The Company is proud to have signed agreements with 13 First Nations across nine properties to-date.

TARGET

90%
of Real Estate Division's properties and Attractions have at least one relationship established with an Indigenous community by March 31, 2028.

RESULT

57%
Attractions and Real Estate Divisions have achieved 57% of target.

SDG ALIGNMENT

10 REDUCED INEQUALITIES

Drawing on over a decade of collaboration with Indigenous peoples across Canada, the Company is committed to deepening these efforts. It focuses on building authentic relationships across its real estate and attractions operations, using insights gained to guide decision-making.

CLCL is dedicated to amplifying Indigenous voices, expanding opportunities for participation and representation, strengthening organizational knowledge of Indigenous knowledge and culture, and integrating Indigenous interests into project planning. These efforts are coordinated by the Indigenous Peoples Collaboration (IPC) national working group.

Approach to Indigenous Peoples Collaboration

To support its goals, the Company has identified five strategic focus areas within its ESG roadmap: storytelling, collaboration, representation, knowledge capacity, and project planning—each advancing its commitment to Indigenous Peoples Collaboration.

The Company provides platforms for Indigenous peoples to share their stories within its Real Estate and Attractions Divisions to foster understanding and appreciation. For example, the CN Tower collaborated with Indigenous chef David Wolfman to celebrate Indigenous cuisine at the Tower's 360 Restaurant and partnered with APTN to launch the APTN Languages channel, featuring a screening and Indigenous-themed dinner. In Québec, the Montréal Science Centre opened the "Big Bear" exhibition in Inuktitut, developed with Indigenous groups.

The Company is committed to increasing Indigenous representation, demonstrated by the creation of a Senior Director, Indigenous Relations role in 2024 and the hiring of a Manager, Indigenous Relations in 2025 to support acquisitions, business development, and corporate functions. In early 2025, the IPC working group and the Company's Inclusion, Diversity, Equity and Access (IDEA) Committee helped establish student scholarships through the Indspire Indigenous charity.

The Company integrates Indigenous interests in real estate project planning through agreements and joint ventures involving 13 First Nations across nine properties in Vancouver, Winnipeg, Toronto, Ottawa, and Halifax. These initiatives reflect the Company's ongoing commitment to meaningful collaboration with Indigenous peoples, ensuring their voices are heard and integrated into operations and projects.

Psychological Health and Safety

The Company continues to assess workforce needs, promote work-life balance, and foster a culture of appreciation through recognition programs.

TARGET

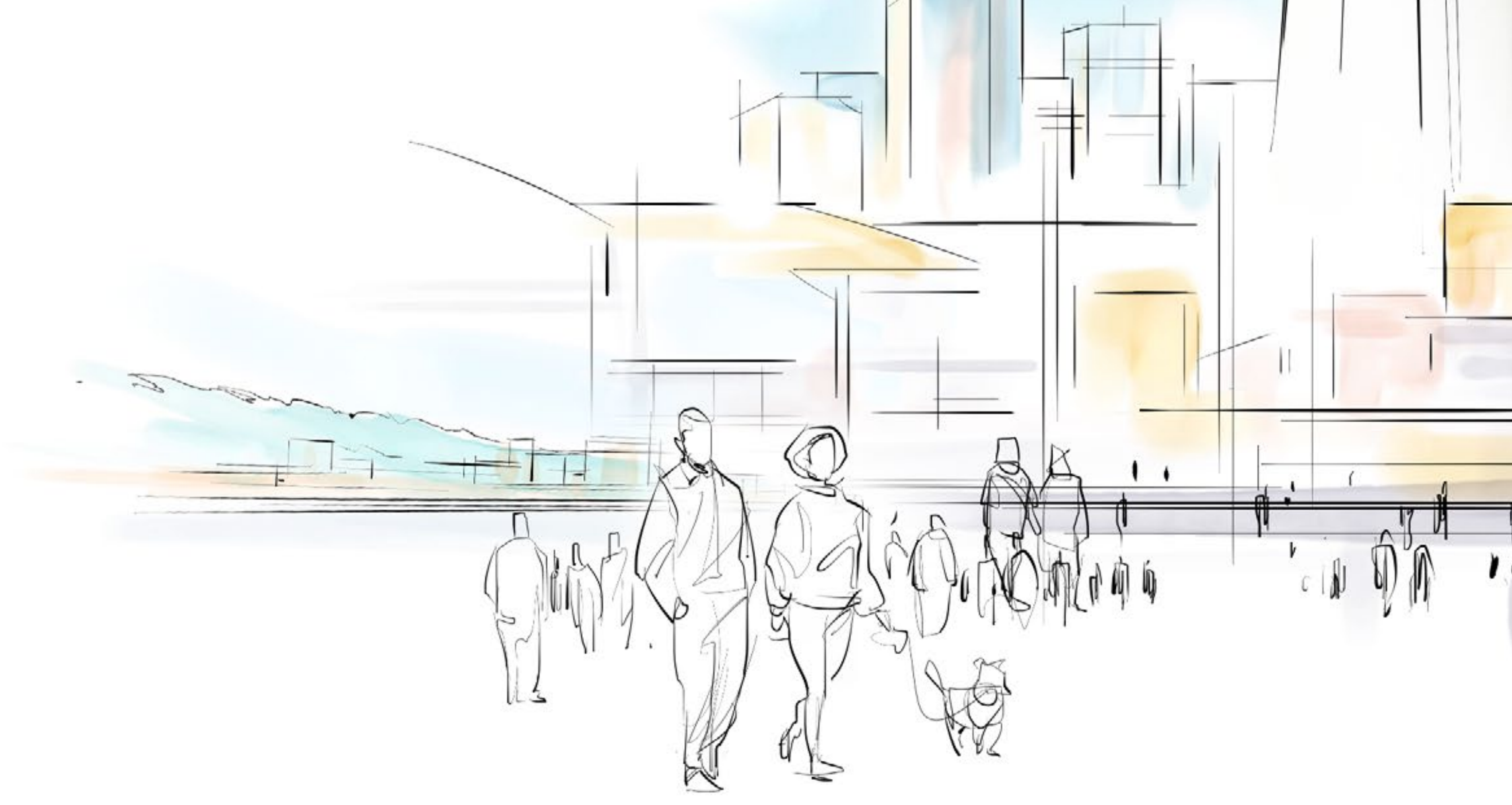
90%
of foundational and high-priority elements from the 2022 Psychological Health and Safety audit implemented by March 31, 2024.

RESULT

91.3%
Result achieved at March 31, 2024, exceeding target.

SDG ALIGNMENT

3 GOOD HEALTH AND WELL-BEING



The Company is dedicated to cultivating a healthy work environment that supports both the physical and psychological well-being of its employees. Recognizing that Psychological Health and Safety (PHS) is essential to overall employee health, safety, and wellness, the Company has implemented a range of initiatives across five key areas:

- Education, policies, procedures, and benefits
- Workload assessment
- Work-life balance
- Total recognition and rewards
- Ongoing evaluation and feedback

Approach to PHS

A third-party assessment conducted in 2022, based on the National Standard of Canada for Psychological Health and Safety, identified foundational areas for improvement. In response, the Company set a goal to implement 90% of high-priority elements by March 31, 2024—a target that was successfully achieved.

To monitor progress and identify areas for improvement in PHS, the Company regularly gathers employee feedback through surveys. At the organizational level, the national PHS working group reviews internal initiatives to ensure they align with corporate goals and advance PHS priorities.

Education initiatives include comprehensive training for employees and managers, along with risk assessments. The Company also expanded wellness programs to include financial literacy, fitness initiatives, and enhanced benefits that provide direct access to professional mental health support.

New initiatives introduced include anti-harassment and anti-discrimination training, a seasonal PHS support guide for managers, an overtime tracking mechanism, and a structured 30-60-90-day check-in process for new hires.

The Company remains committed to assessing PHS risk factors, addressing workforce needs, promoting work-life balance, and fostering a culture of appreciation through robust recognition programs.

Diverse Procurement

Updates were made to internal processes to reduce barriers and increase flexibility in contracting for underrepresented groups and smaller businesses.

TARGETS

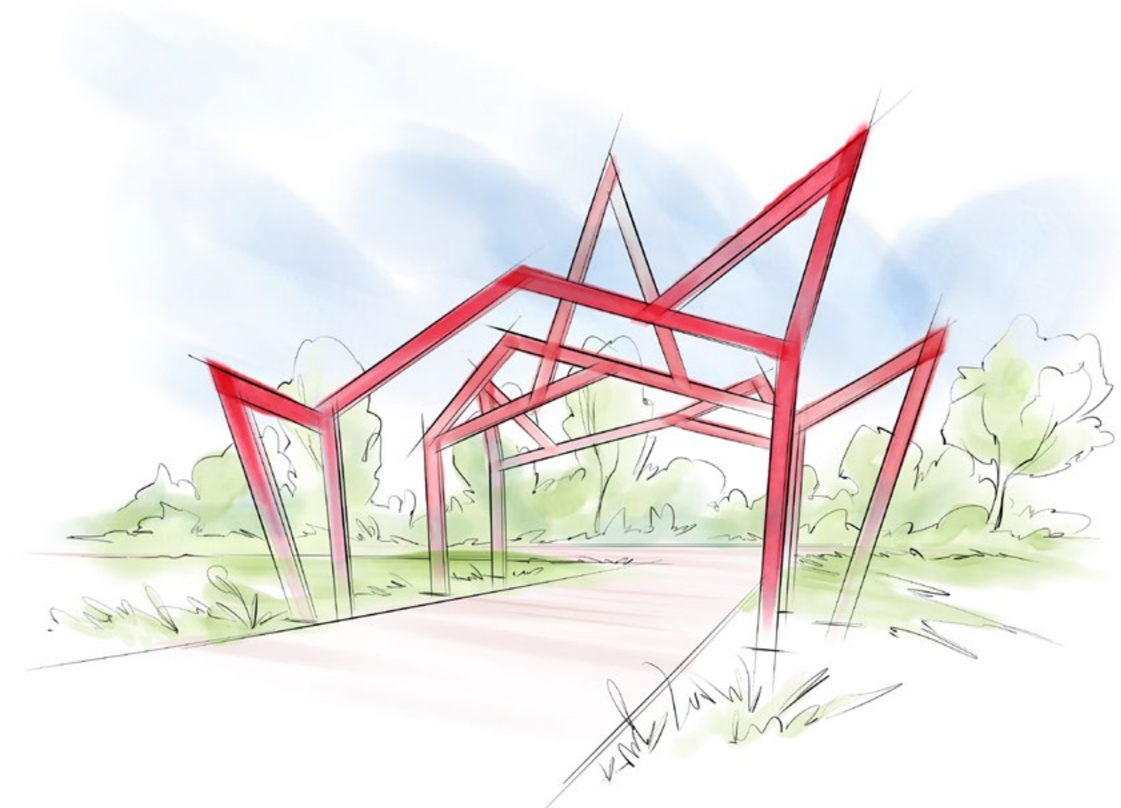
5%
of total value and number of contracts awarded to Indigenous businesses by March 31, 2028.[1]

5%
of total value and number of contracts awarded to businesses owned by underrepresented group(s) by March 31, 2028.[1]

RESULTS

	VALUE OF CONTRACTS	NUMBER OF CONTRACTS
Awarded to Indigenous businesses.	0.90%	0.50%
Awarded to businesses owned by underrepresented group(s).	0.99%	1.68%

SDG ALIGNMENT



The Company is committed to increasing the number and value of contracts awarded to Indigenous businesses and those owned by underrepresented groups (women, racialized people, 2SLGBTQIA+ individuals, and people with disabilities), aligning with the federal government's goal of allocating 5% of contracts to Indigenous-led businesses.

Approach to Diverse Procurement

In 2022, a working group was formed to drive a consistent approach across divisions. It meets regularly to track progress, share insights, and advance five strategic initiatives: knowledge infrastructure, data collection, reporting, addressing systemic barriers, and building outreach partnerships.

Through supplier engagement and internal tracking processes, the Company calculated the number and value of contracts awarded to these businesses. In 2024, over 100 vendor surveys were completed, and collaboration with third-party property managers improved visibility into supplier networks.

Data collection was strengthened with software controls and standardized processes to ensure accurate tracking. Following a 2023 commitment to simplify procurement, new initiatives were launched. These include the short form requests for proposals initiative, which was developed to improve accessibility for underrepresented and smaller businesses, and updates to Contracting and Procurement Procedures to reduce legal complexity and increase flexibility.

These efforts reflect the Company's commitment to inclusive procurement and expanding opportunities for equity-seeking businesses. As a further example, since 2024 the Company has been a Canadian Council for Indigenous Business member. Moving forward, the Company will continue outreach, collaborate with property managers, and refine request for proposals processes to further reduce barriers.

1. Used to be 2026, changed to 2028 following the reprioritization exercise.

Equity, Diversity, and Inclusion

In 2024, the Company earned Rainbow Registered accreditation from Canada's 2SLGBTQI+ Chamber of Commerce.

TARGETS

Learning and Growth	Culture of Inclusion	Representation
100% of people leaders participate in training on inclusive leadership practices by March 31, 2026.[1]	25% increase in employees' feelings of inclusion over the 2022 survey data by March 31, 2028.[2]	Diverse representation and employee population that is representative of the Canadian population* by March 31, 2030.[3]

RESULTS

To review the 2024/25 results for this area of focus, please see page 35 of this report.

SDG ALIGNMENT

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

The Company is committed to embedding equity, diversity, and inclusion (EDI) across its operations, creating a workplace where differences are valued and everyone feels welcome and authentic. Inspired by its employees, guests, and communities, the Company aims to foster belonging and generate positive societal impact.

EDI efforts are coordinated through the Human Resources department, internal committees such as the Rainbow Connection employee resource group, and the Inclusion, Diversity, Equity and Access (IDEA) committee that align with the ESG roadmap's focus on learning, representation, inclusion, and outreach.

Approach to EDI

To support continuous learning, the Company offered training on inclusive language, Indigenous relations, and Two-Spirit awareness. In 2024, it launched terminology training and finalized an inclusive benefits handbook for new hires, highlighting 2SLGBTQI+ resources.

The Company promotes diverse representation through inclusive recruitment, onboarding, and gender pay analysis. In 2024, the Rainbow Connection renewed its partnership with Rainbow Railroad, and hosted speaker sessions to support 2SLGBTQI+ individuals facing persecution.

Inclusion remains a priority. In 2024, the Company earned Rainbow Registered accreditation from Canada's 2SLGBTQI+ Chamber of Commerce, that recognizes the Company's efforts to promote welcoming spaces for all. The Company also addressed language barriers, created inclusive washroom signage, and developed a guide for equity-seeking groups to rent CN Tower event space.

Outreach efforts included partnerships with allyship organizations such as Rainbow Railroad. EDI committees and the Rainbow Connection also led Pride celebrations across divisions, with window decals, decorations, and events at the CN Tower. Pride flags were also raised at properties nationwide.

Although EDI is no-longer considered an ESG Priority, these initiatives reflect the Company's ongoing commitment and efforts allocated to fostering an inclusive environment where everyone feels valued and supported.

1. Used to be 2025, changed to 2026 to allow for more resources to be allocated to the ESG priorities.
2. Used to be 2026, changed to 2028 following the reprioritization exercise.
3. Used to be 2028, changed to 2030 following the reprioritization exercise.

*Canadian population as represented by the Government of Canada's workforce availability for women, Indigenous peoples, persons with disabilities, and racialized persons; as represented by statistics from The Canadian Centre for Diversity and Inclusion for persons who identify as 2SLGBTQIA+; and as represented by Statistics Canada's 2021 census for persons who are non-binary.

Looking Ahead

Over the past year, the Company has made advancements in the six areas of focus outlined in this report.

The Company's impact reporting aims to accurately and transparently report on the Company's results and to highlight the significant positive outcomes that its initiatives have brought to local communities and beyond, demonstrating the shared and collective commitment of all CLCL employees.

As the Company approaches its 30th anniversary, it remains focused on demonstrating leadership that generates positive outcomes. Our teams are looking forward with optimism while continuing to uphold strong governance and accountability practices that steer CLCL towards a sustainable future.

With a recognition and understanding that there may be uncertain times ahead, the Company remains committed to navigating these challenges with strength and resilience. The expertise and dedication of CLCL teams play a crucial role in building a stronger and more resilient organization.

The Company looks forward to its continued investment towards evidence-based reporting and results as part of future Impact Reports.

Glossary of Terms

Affordable Housing

Housing is considered affordable when priced below market rates; affordability includes a range of housing that costs less than 30% of a household's income before tax to 80% of average market rent. It's a very broad term that can include housing offered by the private, public and non-profit sectors. It also includes all forms of housing tenure: rental, ownership and co-operative ownership, as well as temporary and permanent housing.

Climate Resilience

The capacity to prepare for, recover from, and adjust to climate effects such as increasingly common and severe weather events, prolonged droughts, extreme rainfall or heatwaves. This can involve reducing the impact of severe rainfall events by increasing vegetative cover, soil depths and infiltration methods to manage increased storm water.

Decarbonization and Energy Management

Reducing a company's carbon footprint (or decarbonizing) throughout its operations while striving to align with, and increase contributions to, the goal of achieving net-zero emissions by 2050 or earlier. This involves developing a plan to decrease and offset both direct and indirect emissions (Scope 1 and Scope 2) as well as GHG across the entire supply chain (Scope 3). It also entails managing energy usage, including transitioning to renewable sources and improving energy efficiency, and reducing the carbon intensity of electricity used in operations and business activities. For the Company, this encompasses planning for decarbonization and energy usage in real estate development projects.

Diverse Procurement

Actively ensuring participation of under-represented groups in the Company's vendor selection processes and supply chain.

Equity, Diversity and Inclusion (EDI)

This considers an organization's EDI performance as it relates to the employee, executive and Board levels. Diversity refers to the range of people and ideas both within and outside the organization. Inclusion is 'diversity in action', creating an environment of involvement, respect and connection, where diverse ideas, backgrounds and perspectives are valued to enhance business outcomes. Diversity includes gender, age, cultural background, physical abilities, race, religion and sexual orientation.

Indigenous Peoples Collaboration (IPC)

This involves making genuine efforts to engage and work closely with Indigenous peoples and communities where the Company operates. It is based on the following principles: building respectful relationships, being proactive in hiring a diverse workforce, and aiming to increase business opportunities with and for Indigenous peoples while also investing in community programs. It includes ongoing consultation, engagement, business development, long-term relationships and economic reconciliation with Indigenous communities.

Net-Zero Carbon Buildings

A highly energy-efficient building that produces on-site, or procures, enough carbon-free renewable energy to meet operations energy consumption annually.

Psychological Health and Safety (PHS)

This involves overseeing the implementation of best practices at all of the Company's locations. It includes providing training and ensuring that employees and contractors are well-informed about workplace hazards so they can work effectively and safely. It also takes into account the needs of the communities near these sites.

Scope 1 Emissions

Direct GHG emissions from sources the Company owns or controls, such as natural gas, gasoline, diesel, propane, etc.

Scope 2 Emissions

Indirect GHG emissions from purchased or acquired electricity, steam, heat and cooling.

Scope 3 Emissions

Indirect GHG emissions in the Company's value chain, including those upstream and downstream not covered in Scope 2.

Sustainable Development Goals (SDGs)

SDGs were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The goals recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Under-Represented Groups

Enterprises majority-owned and -operated by Indigenous people, women, Black or racialized people, 2SLGBTQIA+ people, or people with disabilities.

Data Tables

Housing

Housing	22/23	23/24	24/25
Affordable units enabled	247	154	1,464
Housing units enabled	1,031	1,015	4,145

Climate

Climate	22/23	23/24	24/25
Attractions and real estate properties that have developed climate resilience and adaptation plans	4%	4%	22%
Attractions and real estate properties that have implemented site-specific climate-resilience and adaptation plans	4%	4%	4%
% diversion of waste generated in operations during construction and demolition.		Nd	88%
# of properties sold designated for net-zero carbon buildings	0%	0%	0%
Procurement over $1M including a request for suppliers to identify their Scope 1 + 2 GHG emission reduction targets and tracking approach, with evaluation points for that disclosure.	Nd	Nd	100%
Scope 1 emissions	6,061.7	5,742.2	7,461.3
Scope 2 emissions	2,209.5	2,033.2	1,945.7
Total Scope 1 & Scope 2 emissions	8,271.3	7,775.4	9,407.0

Indigenous Peoples Collaboration

Indigenous Peoples Collaboration	22/23	23/24	24/25
Attractions with at least one relationship established with an indigenous community	0%	50%	50%
Real estate site with at least one relationship established with an indigenous community	53%	53%	58%

Psychological Health and Safety

Psychological Health and Safety	22/23	23/24	24/25
Foundational and high-priority elements from the 2022 PHS audit implemented	Nd	91.3%	91.3%

Diverse Procurement

Diverse Procurement	22/23	23/24	24/25
Total value of contracts awarded to Indigenous businesses	Nd	0.56%	0.90%
Total value of contracts awarded to businesses owned by underrepresented group(s)	Nd	1.64%	0.99%
Total number of contracts awarded to Indigenous businesses	Nd	0.41%	0.50%
Total number of contracts awarded to businesses owned by underrepresented group(s)	Nd	1.79%	1.68%

Equity, Diversity and Inclusion

Equity, Diversity and Inclusion	22/23	23/24	24/25
Representation			
Employees that are members of racialized groups	30.5%	37.4%	36.8%
Employees that identify as 2SLGBTQIA+	Nd	8.3%	8.4%
Employees with a disability	1.7%	5.3%	5.4%
Female employees	42.3%	41.7%	40.8%
Indigenous employees	1.2%	1.1%	1.1%
Non-binary/other employees	Nd	1.0%	0.8%
Learning and Growth			
People leaders who participate in training on inclusive leadership practices	Nd	Nd	92%
Culture of inclusion			
Feeling of Inclusion - Baseline Score 2022 - Overview	42%	Nd	Nd
Outreach			
New partnerships with community-focused organization that support underrepresented and Indigenous communities	Nd	Nd	7

For more information:

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