CommonWealth partners

SUSTAINABILITY 2017

Sustainability for the Common Good

Since implementing our Sustainability Program in 2013 —

$4.2+M

in Utility Cost Savings

37%*

Reduction in CO_2 Emissions

22%*

Reduction in Energy Consumption

* Our 2020 target was surpassed in 2016

EXECUTIVE MESSAGE

As we round out the end of our 22nd year, we'd like to recognize our many great achievements and continuing efforts of 2017. This report proudly shares our biggest milestones.

CommonWealth Partners has been in a leader in the industry, maintaining sustainable operations for efficient buildings with a strong commitment to expanding new sustainable programs and initiatives. With Class A buildings, one would think there isn't much to expand on and yet we have implemented many new programs to keep moving the needle forward. With a powerful energy optimization strategy and participation in reporting platforms such as GRESB, CDP, ENERGY STAR Partner and more, we have maintained a consistent sustainability focused improvement across the portfolio in 2017.

For four consecutive years, CommonWealth Partners has continued to perform well by the Global Real Estate Sustainability Benchmark (GRESB) ranking 3rd in the private office category. As the reporting competition gets steeper each year, our increase in rankings is a testament to the success of our Environmental Social Governance program. Since 2013, CommonWealth Partners has generated more than $4.2 million in utility cost savings. We are also pleased to share that as of 2016, we have surpassed our 2020 Emissions and Energy reduction targets, and continue to steadily improve performance year over year.

Looking to the future, CommonWealth Partners will continue to purchase properties to be maintained by our ESG goals and continue to seek tenant engagement and participation with the surrounding community to create resilient relationships.

CommonWealth *partners*

TABLE OF CONTENTS

Executive Message 3
About This Report 5
ENERGY STAR Partner of the Year Award 6-7
Program Highlights 8-9

GOVERNANCE

Company Profile 12-13
Responsible Investment 12-13
Sustainability Commitment 13-21
ESG Materiality 24-25
Case Study: 560 Mission Achieves Fitwel 26-27

ENVIRONMENT

Environmental Management System 30
Science Based Targets 31
2020 Targets and Performance Goals 32-33
Sustainability Initiatives 34-37
Performance Indicators 38-39
Case Study: 1888 Century Plaza LEED and Cool Roof 42-43
Our Properties 44-45
Sustainability Timeline 2015-2018 46-47

SOCIAL

Stakeholder Engagement 50-55
Battle of the Buildings Bootcamp 56-57
2015-2018 Awards and Recognition 60-61
Case Study: Energy Impact at City National Plaza 62-63

Partnerships and Programs 64-65
Reporting and Disclosure 66
The Global Reporting Initiative 67

ABOUT THIS REPORT

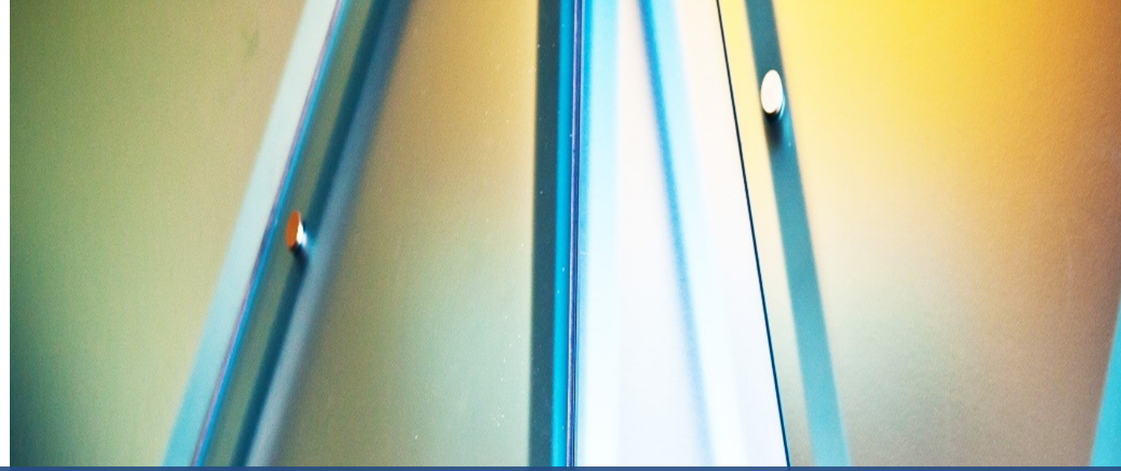
Each year, CommonWealth Partners publishes a corporate sustainability report to summarize the progress and commitments made within our environmental, social and governance (ESG) objectives. The qualitative and quantitative data referenced in this report reflect the 2017 calendar year and are illustrated by referencing the Global Reporting Initiative's (GRI) G2016 guidelines. This report provides an "at a glance" overview of our key sustainability initiatives, strategies, targets, and programs. The 2017 Sustainability Report Summary includes normalized data only for energy, greenhouse gases and water which has been adjusted for occupancy and exceptional tenant loads. The properties identified in this report represent the entire calendar year of January 1, 2017 – December 31, 2017 having been owned by CommonWealth Partners. Various events and awards achieved may have been given in 2018 based on the 2017 information given.

ENERGY STAR 2018 PARTNER OF THE YEAR

City National Plaza, Los Angeles, CA
CommonWealth Partners' HQ

CommonWealth Partners is proud to announce that it has received the 2018 ENERGY STAR® Partner of the Year Award from the U.S. Environmental Protection Agency for reducing energy use, building operating costs and carbon emissions across its entire office portfolio. CommonWealth Partners stood out among many highly competitive submissions this year, demonstrating exemplary commitment and dedication to leadership in energy efficiency and the ENERGY STAR program, according to the EPA in its letter announcing the award.

"This award truly belongs to our entire team who are dedicated and tireless in their efforts to achieve superior energy efficiencies at our properties," said Travis Addison, Executive Vice President, CommonWealth Partners. "We are ardent advocates for sustainable building operations because they allow our tenants to enjoy healthier workplaces and reduced costs while also achieving superior results for our investors. Equally important for all of us, we are contributing toward healthier communities for future generations." The EPA's ENERGY STAR platform helped CommonWealth Partners to identify important reductions in energy use and provided key performance measurement tools.



CommonWealth Partners' sustainability accomplishments in 2017 that earned the Partner of the Year Award include:

- **Reducing energy consumption and greenhouse gas emissions by 20%, well before its 2020 target date**
- **Cutting electricity use across the portfolio by 3,116 megawatt hours while**
- **Earning the ENERGY STAR label for 77% of the CalPERS/CommonWealth Partners' portfolio**
- **Earning an average ENERGY STAR score of 90.8 on the benchmarked properties**
- **Achieving LEED certification for 99.5% of the portfolio including 3 Platinum and 10 Gold certifications**
- **Reducing annual CO_2 emissions by 2,252 tons, equivalent to removing 437 passenger vehicles from the road for one year**
- **Establishing an award-winning tenant engagement campaign**

GOVERNANCE

CommonWealth Partners is proud to be an ethical company with a positive record of accomplishment in world-class corporate governance.

We aim to be a responsible member of all the communities in which we operate. CommonWealth Partners maintains a holistic investment strategy that puts sustainability and financial longevity at the center of our decision making. Our ESG mission and vision are consistent with the values and standards we hold ourselves to every day.

560 MISSION, SAN FRANCISCO, CA

CommonWealth *partners*

As the reporting competition gets steeper each year, our increase in rankings is a testament to the success of our Environmental Social Governance program. We are proud to share these accolades with you!

GRESB

2014–2017

GREEN STARS

3RD
OFFICE CATEGORY
2017

2ND
OFFICE CATEGORY
2016

3RD
OFFICE CATEGORY
2015

9TH
OFFICE CATEGORY
2014

ENERGY STAR

2018

PARTNER OF THE YEAR

96%

OF PORTFOLIO IS BENCHMARKED

90.8

2017 WEIGHTED AVERAGE SCORE
ACROSS ENTIRE PORTFOLIO

USGBC LEED

99.5%

OF PORTFOLIO LEED CERTIFIED

3

LEED PLATINUM

10

LEED GOLD

INSTITUTE FOR MARKET TRANSFORMATION

2018

GREEN LEASE LEADER AWARD

BATTLE OF THE BUILDINGS

HIGHEST ESTIMATED ENERGY SAVINGS

2017 BATTLE OF THE BUILDINGS

HIGHEST ESTIMATED EMISSIONS REDUCTION

2017 BATTLE OF THE BUILDINGS

BETTER BUILDINGS CHALLENGE LOS ANGELES

CITY NATIONAL PLAZA

MOST ENERGY EFFICIENT
BUILDING NOMINATION

COMMONWEALTH PARTNERS

MOST INNOVATIVE
PORTFOLIO NOMINATION

COMPANY PROFILE

CommonWealth Partners LLC is a vertically integrated, privately owned real estate investment, development and management organization headquartered in Los Angeles, CA with assets located throughout the United States, including New York, Washington DC, Seattle, San Francisco (including Silicon Valley), and Southern California (Los Angeles and San Diego). The company offers a wide array of services including investment and capital market transactions, portfolio management, asset management, property management, marketing, leasing, development, and reporting with a sharp focus on its tenants and investors. This approach maximizes value and provides superior service because the same organization and, in many cases the same individuals, will be involved in strategy and implementation at the portfolio, investment, asset management, property management, leasing, and development levels. CommonWealth Partners is an equal opportunity employer.

As an investment partner of **CalPERS** since 1998, CommonWealth Partners has acquired and managed Class A office and mixed-use properties across the United States. In addition to developing high-class assets, CommonWealth Partners provides tenants and financial partners with the highest level of real estate management capability and experience leading to unmatched levels of service.

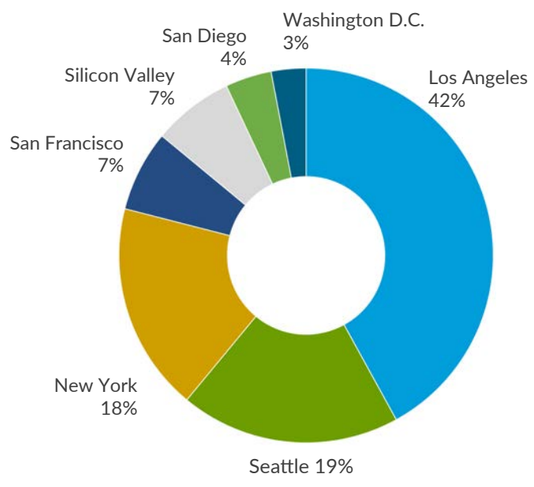
RESPONSIBLE INVESTMENT

CommonWealth Partners' commitment to responsible investing goes beyond owning and operating sustainable real estate. We prioritize investments that promote the health and wellbeing of our tenants and communities as well as the programs that help us achieve best-in-class corporate governance. Our leadership aims to stay ahead of Environmental, Social, and Governance (ESG) trends and best practices in order to provide exceptional value to our investors and stakeholders.

9,923,948
TOTAL SQ FT

11
PROPERTIES

14
BUILDINGS



3
LEED PLATINUM

10
LEED GOLD

77%
ENERGY STAR LABELED

96%
ENERGY STAR BENCHMARKED

SUSTAINABILITY COMMITMENT

ENERGY OPTIMIZATION PROCESS

CommonWealth Partners has made significant efforts not only in terms of policy and strategy, but also in terms of real reductions realized across the portfolio. CommonWealth Partners achieved its 20% energy and carbon reduction targets three years early, and the reductions in portfolio-wide energy consumption have had a direct impact on the company's operating expenses and value creation. CommonWealth Partners sets ongoing goals and identifies projects by completing comprehensive audits every five years, prior to budget season, and engages tenants in through their leases and through direct engagement.

In alignment with our capital partner, CalPERS, CommonWealth Partners sees Energy Optimization Monitoring as a lucrative opportunity due to high energy usage and the age of our assets. CommonWealth Partners makes common sense energy optimization decisions. These strategies encompass performance tracking of buildings and projects, in addition to the processes by which assets maintain optimal performance and identify new capital/ retrofit opportunities.

To this end, CommonWealth Partners maintains a very robust strategy that ties together all aspects of this category. Assets are evaluated based on EUI and whole-building performance, and action is taken to investigate improvement opportunities at under-performing assets. We are also constantly evaluating and implementing portfolio-wide strategies to maintain optimal building performance, such as ongoing commissioning and, more recently, real-time energy management leveraging sub-meter data.

The sustainability team is responsible for measuring and tracking energy performance and communicating progress with management, employees, tenants, and vendors.

ENERGY STAR Portfolio Manager

CommonWealth Partners uses the Portfolio Manager to both benchmark and certify properties in the Energy Optimization Program. Currently, 96% of CommonWealth Partners' portfolio is benchmarked in ENERGY STAR Portfolio Manager with 77% labeled.

Other benchmarking, audit, performance tracking and certification systems include:

GRESB

The Global Real Estate Sustainability Benchmark is utilized to benchmark our portfolio against other similar portfolios to help identify where we are performing at top quality and where there is room for improvement.

Indoor Air Quality and Energy Audits

As a national standard to achieve appropriate air and energy quality at each building, all properties perform indoor air quality audits on an annual basis and energy audits every five years.

LEED

99.5% of our properties are LEED certified and most of these properties are recertified on an annual basis.

ISO 14000

Our Environmental Management System (EMS) including our Data Management program is aligned with ISO 14000 standards.

SUSTAINABILITY COMMITMENT

SUSTAINABLE DEVELOPMENT GOALS

In 2017, CommonWealth Partners began evaluating the United Nation's Sustainable Development Goals that were established in 2015 under the United Nation's adoption of the 2030 Agenda for Sustainable Development with the intention of ending all forms of poverty, inequalities, and negative climate impacts. While Sustainable Development Goals mostly pertain to government entities, businesses can still play a big role in promoting and aligning with these goals. Businesses have an opportunity to make impacts as engines of employment, as technologic innovators, and as sources of finance.

CommonWealth Partners has made a commitment to align with the UN's Sustainable Development Goals. Throughout this report you will see we have found that our program and initiatives are especially relevant in the following areas:

	Definition	Target	Actions Taken	Page Ref#
	#3 GOOD HEALTH AND WELLBEING Ensure healthy lives and promote well-being for all at all ages	• Achieve universal health coverage, including financial risk protection • Encourage healthy indoor air quality • Encourage Fitwel certification for 75% of the portfolio by 2023	• All employees have health coverage and 401k plans • All properties conduct annual indoor air quality tests every 25,000 sq. ft. • Achieved 5% Fitwel certification of the portfolio's managed assets in 2017-18	13, 50 26, 54, 64-65
	#4 QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Ensure equal access for all employees to be educated on sustainable operations for the buildings	• Green Janitor Education Program occurring at City National Plaza. Also, all Property Managers and Chief Engineers receive annual in-person sustainability training	26, 50-51, 52, 53
	#5 GENDER EQUALITY Achieve gender equality and empower all women and girls	• Ensure equal opportunities for leadership at all levels of decision-making	• All employees have equal access to leadership opportunities	12

	Definition	Target	Actions Taken	Page Ref#
	#6 CLEAN WATER & SANITATION Ensure availability and sustainable management of water and sanitation for all	• Reduce water use by 20% from 2013 levels by 2020 • Minimize release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	• Achieved a 10% reduction in water use in 2017. • Cooling Tower Water Management Plan is in place for all assets with cooling towers to ensure hazardous chemicals are disposed of properly	32-33, 35, 37
	#7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all	• Investigate renewable clean energy onsite as applicable for the portfolio.	• Researched options – investigation still in processes	36
	#8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Ensure all contracted service providers at each asset meet the sustainable guidelines set forth in the contract • This goal addresses employment with focus on promoting sustained, inclusive, and productive employment to create sustainable economic growth and decent work for all	• 99% of the portfolio is LEED certified following sustainable guidelines set for service providers to follow • CommonWealth Partners is dedicated in providing equal opportunities for its employees	21, 32-33, 38-39, 46-47

SUSTAINABILITY COMMITMENT

SUSTAINABLE DEVELOPMENT GOALS

	Definition	Target	Actions Taken	Page Ref#
	#9 INDUSTRY INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	• Reduce scope 1 and 2 GHG emissions by 20% by 2020 from a 2013 baseline • Implement Green Leasing across the portfolio • Track utility data within ENERGY STAR for 100% of the managed assets. • Perform energy audits or retrocommissioning every 5 years on all operationally controlled assets • Establish an energy monitoring system for all operationally controlled assets • Establish cyclical tenant engagement programs annually for participation • Achieved in 2017 at a 21.9% reduction	• Achieved award in 2018 through The Institute for Market Transportation (IMT's) green leasing certification • Achieved 100% utility tracking within ENERGY STAR for all managed assets. • On track with energy audits • On track for 2018 energy monitoring system implementation • Achieved, currently on average, with at least 8 sustainable programs per year	21, 24, 26, 31, 50-51, 53, 55, 56-57, 64-65

	Definition	Target	Actions Taken	Page Ref#
	#11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient, and sustainable	• Pursue 100% of the portfolio to achieve LEED certification. • Relieve the environmental impact of municipal waste management through achieving a 75% diversion rate by 2020 of overall waste generated from a 2013 baseline. • Ensure all assets have healthy indoor air quality. • Ensure each asset provides emergency training for all building occupants to ensure safe working conditions.	• Achieved 99% LEED certification in 2017. • Achieved a 56% diversion rate in 2017 • 100% of assets conduct indoor air quality testing annually • Safety training occurs annually at all assets	13, 21, 37, 38-39, 52, 53
	#12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns	• Ensure all restaurant retail spaces have access to compost bins • Ensure all bins have signage to promote correct public procurement practices that are sustainable, in accordance with national policies and priorities • Promote Green Office Guide to all tenants implementing tenant improvements to ensure sustainable management and efficient use of natural resources • Purchase all green cleaning products for at least 50% of all property managed spaces • Provide electric car charging stations to at least 75% of the portfolio • Promote all 21 sustainable policies to tenants on an annual basis	• All properties have compost bins available at the restaurant spaces • All bins have accurate waste diversion signage • Tenants have access to the Green Office Guide through the internal property website • Achieved green cleaning for all managed properties • Achieved with 78% of the buildings having EV charging stations onsite • Achieved through annual stakeholder engagement, reporting, and LEED certification	26, 32-33, 34, 36, 37, 52, 53, 55

SUSTAINABILITY COMMITMENT

SUSTAINABLE DEVELOPMENT GOALS

	Definition	Target	Actions Taken	Page Ref#
	#13 CLIMATE ACTION Take urgent action to combat climate change and its impacts	• Reduce greenhouse gas emissions intensity by 20% by 2020 • Implement energy efficient operations upgrades to the asset • Utilize sustainable due diligence guidelines for new acquisitions and analyze existing assets vulnerability on resiliency measures • Provide education to stakeholders on climate change measures, adaptation, impact reduction, and early warning into corporate policies, strategies, and planning meetings	• Achieved a 37% reduction to-date in 2017 • Annual budget requests identify energy efficient impact • Annually assessed on a per asset basis and reassessed to identify resiliency measures • Achieved through annual in-person meetings with stakeholders, and annual updates to existing Resiliency and Climate Change Policy	21,26, 30, 32-33, 36
	#14 LIFE BELOW WATER Conserve and sustainably use the oceans, seas and marine resources for sustainable development	• Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	• Investigating options to work with restaurants and tenants to eliminate single -use plastics	26, 37
	#15 LIFE ON LAND Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	• All new landscape projects include at least 50% native or pollinator friendly vegetation	• 100% of our properties contain at least 50% native or pollinator friendly vegetation	26, 37

	Definition	Target	Actions Taken	Page Ref#
	#16 PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	• Substantially reduce corruption and bribery in all their forms • Promote and enforce non-discriminatory laws and policies for sustainable development	• Current policy exists to reduce corruption and bribery	21, 24, 31, 50-51
	#17 PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the global partnership for sustainable development	• Participate in global partnerships for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	• Achieved through partnerships with GRESB, CDP, Science Based Targets, ENERGY STAR, and USGBC • Support local non-profit organizations - Food drives, toys for tots, blood drives etc.	21, 24, 26, 30, 31, 46-47, 56-57, 60-61, 64-65, 66

SUSTAINABILITY COMMITMENT

RISK MANAGEMENT

CommonWealth Partners' portfolio management services maximize value on a portfolio basis by optimizing leverage, credit, and geographic strategies. Using sophisticated financial analyses in managing the portfolio, CWP is able to mitigate risk while improving returns by taking a holistic view of the assets. CommonWealth Partners' hands-on management and development expertise continually adds incremental value while actively mitigating risk. CWP's asset management group develops a strategic plan for every property and coordinates the leasing, property management, and development efforts to implement this plan.

At the asset level, all properties conduct safety training to ensure all occupants are aware of the procedures in place, in case of an emergency.

INVESTMENT STRATEGY

CommonWealth Partners' objective is to maximize risk-adjusted returns at all points of the real estate cycle. CWP's "cycle-sensitive" investment and management strategy seek to benefit from the cyclical nature of the real estate business. By combining sophisticated capital markets analyses, development, investment management, and asset management with broad in-house operating capabilities and experience, CWP is in the optimal position to maximize risk-adjusted returns at every point in the cycle.

RESILIENCY STRATEGY OVERVIEW

We assess on an annual basis the physical, social, economic and environmental factors of each property. The table below identifies our risk assessment checklist identifying where a property may need more assistance based on uncovering specific factors of the site and location.

PHYSICAL

- Building Safety and Materials
- Contamination
- Transportation

SOCIAL

- Health, Safety and Well-being

ECONOMIC

- Socio-Economic
- Regulatory

ENVIRONMENT

- Resilience
- Climate Change Adaptation
- Flooding / Water Supply
- Energy Efficiency
- GHG Emissions
- Water Efficiency
- Waste Management
- Indoor Air Quality
- Natural Hazards

CommonWealth strives to play a key role in sustainability through innovation. By incorporating and implementing new ideas throughout the portfolio, we plan to minimize our impact while also inspiring others to follow.

TRAVIS ADDISON | EXECUTIVE VICE PRESIDENT

787 SEVENTH AVENUE, NEW YORK, NEW YORK

LEED V4 O+M GOLD

Sustainability Initiatives in 2017: Achieved LEED v4 O+M Gold Initial certification, implemented building-wide recycling program per new NYC recycling laws, and benchmarking for the city.

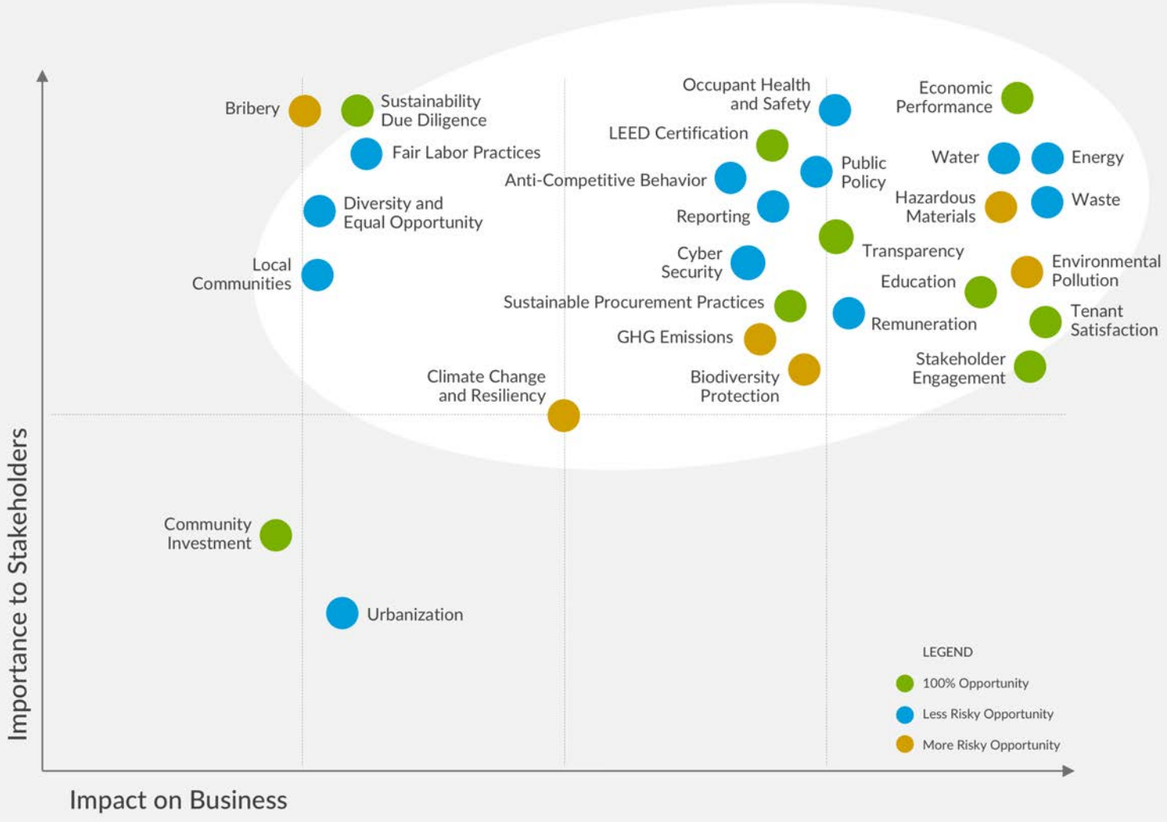
ESG MATERIALITY

CommonWealth Partners conducts a formal ESG materiality assessment with the intent of continuously improving our understanding of the operational and environmental issues that affect our investors, tenants, partners, and communities. This process allows us to make the necessary investments and strategies to limit the potentially negative impacts from our operations and become a better corporate partner to our stakeholders.

Our materiality matrix intended to prioritize key sustainability issues as they relate to our business and stakeholders. This continues to be an important feature for sustainability disclosure. The graph describes the stakeholder's assumptions if the various topics would pose a risk, an opportunity, or both to improve the company's operations and bottom line.

Since conducting this survey in 2016, we have highlighted where we have made progress in the areas of water reduction, stakeholder engagement, and working with local communities. In 2017, we identified one of the risk factors, climate change and resiliency, as being right in the middle of being important to stakeholders and impactful on business.

Due to the recent natural disasters, CommonWealth Partners began strategizing further areas of resiliency that are not already being met and joined the Sustainable Development Goals initiative to evaluate ways to ensure all assets and the people inside them are safe and remain resilient despite the impact climate change is having.



EXTERNAL STAKEHOLDERS

- Investors
- Certifications Groups
- Ratings Groups
- Industry Working Groups

INTERNAL STAKEHOLDERS

- Corporate Responsibility Reporting Team
- Board
- Executive Management
- Employees
- Tenants

TOP 10 MATERIAL ISSUES

1. **Economic Performance**
2. **Occupant Health and Safety**
3. **Energy**
4. **Water**
5. **Waste**
6. **Hazardous Materials**
7. **Environmental Pollution**
8. **Tenant Satisfaction**
9. **Education**
10. **LEED Certification**

TENANT SURVEY

CommonWealth Partners has administered a separate survey for the tenant stakeholders in 2016 and 2017. These surveys identified key metrics for a year over year comparison on which sustainability topics are most applicable overall.

Metrics found of most importance to tenants are identified below:

1. **Indoor Air Quality**
2. **Recycling**
3. **Human-Health Based Products Standards**
4. **Health and Well-Being Programs**
5. **Resilience Including Assistance in Case of Disaster**

Read more in Stakeholder Engagement.

CASE STUDY

560 MISSION ACHIEVES FITWEL

TENANT IMPROVEMENT CONSTRUCTION AND FITWEL CERTIFICATION

In 2017, 560 Mission had four different construction projects occur which equaled around 100,000 sq. ft. across seven floors. With varying levels of improvements, the property team worked strategically with each tenant as it related to design and materials. With the various policies in place as it relates to low VOC paint, indoor air quality measures during construction, and lighting controls, the Green Office Guide provides tips for a variety of improvements to assist tenants with strategies on how to choose sustainable material.

As part of these improvements, 560 Mission also became the first property in the portfolio to pursue Fitwel certification. 560 Mission applied for the 1 Star Fitwel Rating under the Multi-Tenant Building scorecard in December 2017.

Fitwel is the premier certification system for optimizing buildings to improve health and productivity outcomes of occupants through targeted improvements to workplace design and operational policies intended to improve ESG. 560 Mission received a Fitwel certification in Spring 2018.

Through the Fitwel application, this process reinforces that 560 Mission is already a leading example for the entire portfolio to replicate especially in the categories of Feeling of Well-being, Community Health, and Healthy Food Options. Due to its well-maintained operations and health promoting design, minimal cost was involved, making it an ideal choice to pursue this certification. Some examples include:

- **High Walkscore (95) due to its transit-oriented and walkable area of San Francisco**
- **Fitness centers with accessible showers**
- **Designated secured bike parking**
- **Green cleaning and purchasing programs**
- **Availability of healthy food options**
- **Comprehensive emergency preparedness programs**
- **Access to water**
- **Availability of daylight and views in tenant space**
- **Open stairwells**

100% of strategies Impacts Community Health

61% of strategies Reduces Morbidity & Absenteeism

45% of strategies Support Social Equity

73% of strategies Instill Feelings of Wellbeing

86% of strategies Provides Healthy Food Options

60% of strategies Promotes Occupant Safety

65% of strategies Increases Physical Activity

560 Mission in San Francisco has ample walking and transportation access; Open and airy lobby which is used for many tenant, employee and community event throughout the year; Healthy food options; Upgraded outdoor seating in a courtyard garden; Employees and tenants participate in fitness oriented events.

ENVIRONMENT

We work hard to set an example by being a responsible steward of natural resources and minimizing our contribution to climate change. CommonWealth Partners complies with or exceeds regulatory requirements and strives to reduce the impacts of our development and operations wherever possible.

Reducing energy use, water use, and waste are just a part of our multifaceted approach to improving our environmental performance.

CITY CENTER PLAZA, BELLEVUE, WA

ENVIRONMENTAL MANAGEMENT SYSTEM

Our comprehensive Environmental Management System (EMS) incorporates our sustainability objectives into our daily operations.

The EMS platform allows us to strategically plan, optimize, communicate, and effectively manage all key components of our program, and is aligned with ISO 14001 standards and on par with our industry peers. Every year we re-evaluate our program to ensure the initiatives we set forth are meeting the goals.

SCIENCE BASED TARGETS

Keep it under 2°C

SCIENCE BASED TARGETS

This year, CommonWealth Partners will be joining over 400 other companies in pursuing Science-Based Targets (SBTs). These targets are robust emission reduction goals aligned with science to fight climate change and maintain global temperatures.

With recent studies and the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPPCC AR5), science has concluded that we need to keep the global temperature increase well below 2 degrees Celsius compared to pre-industrial temperatures to prevent catastrophic consequences like floods, droughts, sea level rise, and extreme weather events. The many companies taking action with SBTs are proving proactiveness and responsibility in addressing this serious challenge.

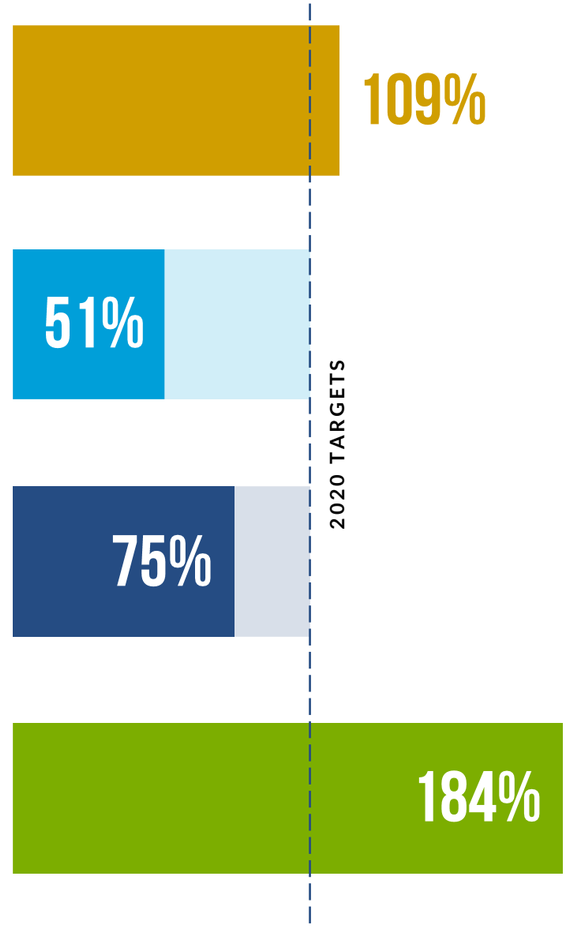
CommonWealth Partners is committed to take part in the bigger solution for climate change, while also building business resilience and improving profitability.

GOALS, TARGETS AND PERFORMANCE

Our fourth year in measurement of our past performance has helped us identify clear goals each year as to what to improve. Last year we met our target in Energy and Emissions and saw room for growth in Water. Based on that knowledge and action, we have shown a significant improvement in our water use reductions. Here are the percentage reductions for 2017 from the 2013 baseline.

Goal	Target	Total Savings in 2017	Change Since 2013
ENERGY Using 2013 as a baseline, decrease energy use intensity (EUI) by 20% by 2020	↓20%	2,745 Mwh OF ENERGY	↓21.87% **TARGET SURPASSED IN 2016**
WATER Using 2013 as a baseline, decrease water use intensity (WUI) by 20% by 2020.	↓20%	8,623.44 Kgals OF WATER	↓10.19%
WASTE Reduce the overall amount of waste generated and increase the diversion rate through recycling and composting by 75% from a 2013 baseline by 2020.	↑75%	610.99 TONS OF WASTE	↑56.19%
EMISSIONS Using 2013 as a baseline, reduce greenhouse gas (GHG) emission intensity across the portfolio by 20% by 2020.	↓20%	2,255 $MtCO_2$ OF CARBON EMISSIONS	↓36.90% **TARGET SURPASSED IN 2016**

PROGRESS TOWARDS OUR 2020 TARGETS



SUSTAINABILITY INITIATIVES

ENERGY EFFICIENCY

Achieving our 2020 goals of 20% portfolio-wide energy use reduction 3 years early was an exciting accomplishment. In 2017 we continued to stay on track with these achievements and maintained our buildings at optimal performance this year. Across the entire portfolio, we reduced energy by 2.1% last year, saving about 3,116 MWh of energy, which is enough to power 238 homes for a year!

City National Plaza went through an extensive list of improvements to increase its energy efficiency allowing for 1.7% of energy use reduction. City National Plaza reduced over 855 MWh of electricity (from 2016-2017), equivalent to powering 68.7 homes for a year or taking 136 cars off the road.

At 787 Seventh Ave, from 2016 to 2017 the property achieved a 3.8% electricity savings of 1,592 MWh, which is equivalent to 127 homes' energy use for one year or 254 cars driven for one year!

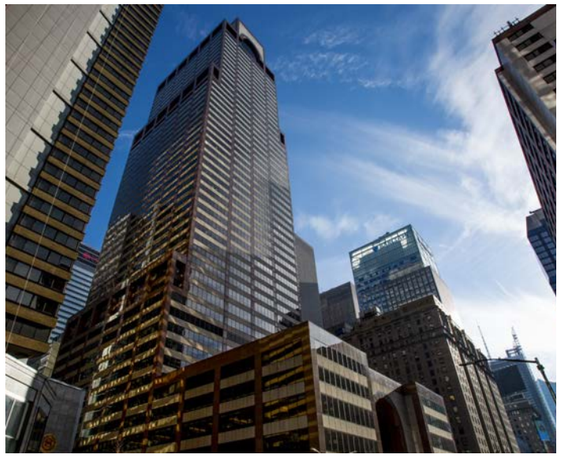
PORTFOLIO-WIDE:

2.1%

ONE YEAR ENERGY REDUCTION

3,116 MWh

SAVED, EQUIVALENT TO 238 HOMES' ENERGY USE FOR ONE YEAR



787 Seventh Avenue, New York, NY 3.8% electricity savings of 1,592 MWh, which is equivalent to 127 homes' energy use for one year or 254 cars driven for one year!

WATER EFFICIENCY

Due to benchmarking, we identified our efforts needed to focus on water use reduction. In 2017, our properties converted much of the landscaping over to a variety of pollinator friendly, native or adaptive landscaping and xeriscaping which all had an impact on reducing water consumption. We saw a 5.6% overall reduction from 2016 to 2017 in water consumption portfolio-wide, saving 8.6 million gallons of water!

650 Page Mill achieved a 15% annual savings in water consumption by converting turf grass to the landscaping (see photo). This water reduction amounted to 233,205 gallons of water saved. This is equivalent to the total daily potable water intake for 326,954 people!

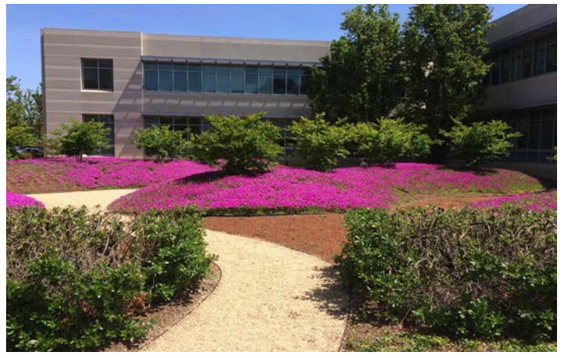
PORTFOLIO-WIDE:

5.6%

ONE YEAR WATER CONSUMPTION REDUCTION

8.6M Gals

WATER SAVED, EQUIVALENT TO 13 OLYMPIC-SIZED SWIMMING POOLS



The new native landscape garden at 650 Page Mill, Palo Alto, CA. 650 Page Mill saved achieved 233,205 gallons of water. That's a 15% one year water savings, which is equivalent to daily potable water for nearly 327,000 people!

SUSTAINABILITY INITIATIVES

EMISSIONS

In 2016 we reached our 2020 goals of emission reduction by 20%, 3 years ahead of schedule. We celebrate these achievements and provide features at our buildings to allow amenities such as 63 EV charging stations at 11 of our 14 buildings totaling 125 plugs to encourage tenants to use alternative vehicles to assist in lowering carbon emissions.

EV charging station at 650 Page Mill, Palo Alto, CA.
650 Page Mill has 6 charging stations and 8 plugs!

PORTFOLIO-WIDE:

11/14

PROPERTIES HAVE EV CHARGING STATIONS

63

STATIONS

125

PLUGS

WASTE MANAGEMENT

In 2017, CommonWealth Partners generated 611 less tons of waste than in 2016, and diverted a total of 2,977 tons of waste from the landfill, representing 56.2% of the total waste generated.

To comply with new California regulation, City National Plaza has officially begun composting onsite. As CommonWealth Partners' largest property with over 8,000 occupants and visitors coming in and out each day, City National Plaza diverted a total of 580 tons in 2017, which makes up 56.65% of their total waste.

How did we do it? The sustainability team met with the compost hauler, NASA and DC Environmental to review what is allowed for composting; created new recycling and composting signage and painted a directional “compost” line on the loading dock floor; trained janitorial staff on the new requirements; and hosted a compost-requirements meeting with building tenants and retailers.

At 787 Seventh Ave, the building's recycling program has shown that over the course of one year, 967 tons of material have been diverted from the landfill. That’s the equivalent to taking 719 cars off the road. Further, 51,596 pounds of e-waste were diverted from the landfill in 2017 through 21 separate events.

PORTFOLIO-WIDE:

611

LESS TONS OF WASTE GENERATED
IN 2017 THAN IN 2016

2,977

TONS OF WASTE DIVERTED, EQUIVALENT
TO TAKING 2,215 CARS OFF THE ROAD

56.2%

OF TOTAL WASTE GENERATED

City National Plaza, Los Angeles, CA diverted
580 tons of waste in 2017, which is 56.65%
of total its waste.

2017 PERFORMANCE INDICATORS

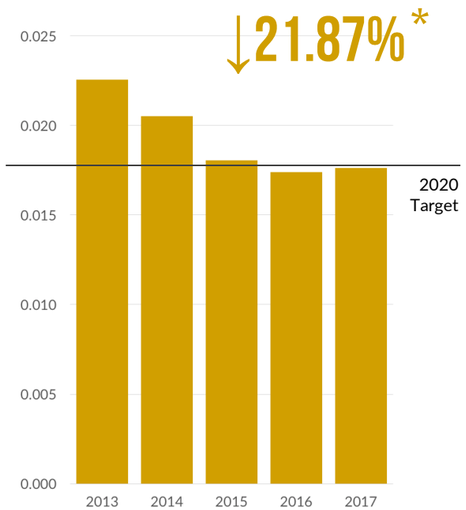
As shown in the figures, over the last three years, ENERGY STAR benchmarking and LEED certifications have increased, and water and energy usage, and direct and indirect greenhouse gas emissions have decreased. For consistency, consumption data has been normalized based on square footage and occupancy rates using a 2013 baseline.

Methodology—CommonWealth Partners uses Goby SeaSuite, a utility automation service, to upload each property's monthly utility data into ENERGY STAR Portfolio Manager. With no estimations of data made in Portfolio Manager, ULI Greenprint via Measurabl pulls the data from Portfolio Manager and compiles the performance data into a report. This report is also analyzed for variances and gaps to provide accuracy for our performance indicators.

To further ensure accuracy, CommonWealth Partners completes extensive data verification both internally and through 3rd party verifiers. To ensure our progress and data is accurately captured within this report, we've included DNV-GL as a third party verifier for our performance indicators. This external assurance assessment followed the ISAE 3000 standard as the basis of the assurance. Additionally, Verdani Partners oversees all data supplied to ENERGY STAR, LEED, GRESB, etc., to verify that no discrepancies are found. Like-for-like calculations are used to prepare these rates, where the like-for-like portfolio excludes properties without 15 days of data or more from either their 2016 or 2017 annual consumption totals. The emission calculations use the most common emission factors, including EPA's 2014 eGrid, AR5 Greenhouse Gas Initiative, 2015 UK DEFRA and other internationally accepted data sets.

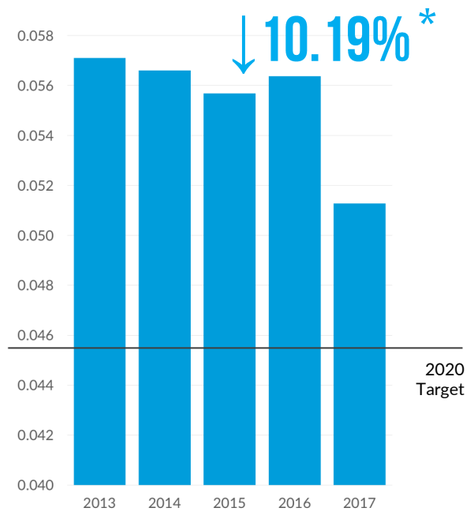
CommonWealth partners

99.46% OF PORTFOLIO LEED CERTIFIED		**77%** OF PORTFOLIO ENERGY STAR LABELED	**9,923,948** TOTAL SQ FT		**3RD** OF 35, IN THE U.S. GRESB OFFICE NON-LISTED
3 LEED PLATINUM	**10** LEED GOLD	**90.8** ENERGY STAR AVG. SCORE FLOOR AREA WEIGHTED	**11** PROPERTIES	**14** BUILDINGS	**GREEN STARS** GRESB 2014-2017



ENERGY USE INTENSITY

(MWh/sf)

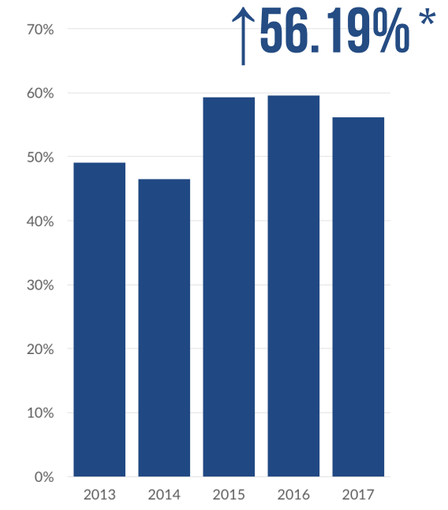


WATER USE INTENSITY

(m3/SF)

EMISSIONS USE INTENSITY

(MTCO$_2$e/sf)



WASTE DIVERSION

(floor area weighted %)

We evaluate each project carefully to determine the best return on the efforts and upgrades needed. We see emerging efficiency solutions on the market every year, but we invest in the technologies that make the most sense for our buildings.

HAMILTON SQUARE, WASHINGTON, DC.

LEED O+M RECERTIFICATION, ENERGY STAR 73

In 2017, Hamilton Square underwent a lighting retrofit, won 2017 Battle of the Buildings Bootcamp Challenge for reducing the most waste overall (52.6 Tons or 33% of its total waste), more than any other building in the portfolio, and received its LEED O+M Gold Recertification and ENERGY STAR Label with a score of 73.

CASE STUDY

1888 CENTURY PARK EAST

ACHIEVING LEED GOLD AND A COOL ROOF!

Congratulations to the 1888 Century Park East team for achieving LEED Gold Certification in the LEED for Existing Buildings Operations + Maintenance v4! 1888 Century Park East has shown a 4.35% reduction in overall energy throughout the last several years. In 2016-2017, the property initiated several energy reduction measures including the installation of a cool (white) roof to reflect the sun's rays instead of absorbing them, and an LED lighting retrofit throughout the garage and lobby increasing the total number of LED lights throughout the entire property.

4.35%

OVERALL ENERGY REDUCTION
LAST SEVERAL YEARS

1.4 MWh

ONE YEAR ENERGY SAVINGS IN 2015—2016, EQUIVALENT TO 112 HOMES' ENERGY USE

15%

OR –35.7% KGALS REDUCTION
IN POTABLE WATER USE

47%

WASTE DIVERSION—100 TONS, EQUIVALENT TO TAKING 893 CARS OFF THE ROAD!

$40K

LED LIGHTING IN THE ENTIRE PROPERTY, SAVING $40,000 AND 304,382KWH ANNUALLY, WITH A 3-MONTH PAYBACK

Energy—From 2015 to 2016, an energy savings of 1.4MWh was achieved, which is equivalent to 112 homes' energy use.

Water—With high efficiency restroom and kitchen fixtures, a 15% water reduction was achieved when using those fixtures when compared to neighbors with inefficient fixtures. Water consumption decreased by 325.7 kGal in 2017, which is equivalent to half an Olympic swimming pool. The reduction directly relates to the upgrades to low flow plumbing, the conversion of all exterior vegetation to drought tolerant, and the replacement to artificial turf in specific areas.

Waste—A waste audit found the property diverts 47% of its waste from the landfill via recycling and other reduction and reuse methods. Most common items found in the waste stream that can be recycled were plastic water bottles and soda cans. What was recycled as part of our recycling program has shown that over the course of one year, 100 tons of material have been diverted from the landfill. That's the equivalent to taking 893 cars off the road! Green certified janitorial products are purchased whenever possible. This includes trash liners, cleaning solutions, and environmentally preferable cleaning equipment. A free on-site collection box for electronic recycling (including batteries and lightbulbs) are available for all tenants.

Air Quality—An annual indoor air quality testing was conducted to ensure our building maintains a healthy working environment for all occupants and visitors.

Transportation—A transportation survey was conducted to assess the amount of reduction in conventional commuting trips (driving a gas-car to work). 3% of occupants take alternative modes of public transit such as the tram/light rail which helps to reduce the greenhouse gas pollution by property occupants. Bike facilities are in the parking garage plus showers are available in the fitness center.

GOLD

LEED V4 O+M

88

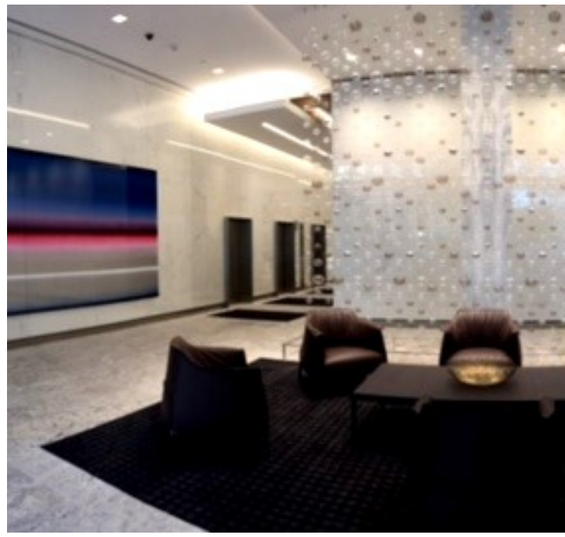
AVERAGE SCORE
ON ENERGY STAR

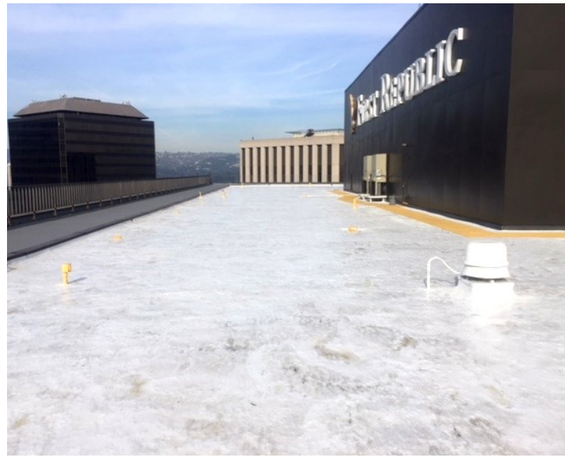
LED Lighting—Implemented full parking garage, building stairwells and basement lighting retrofit of 969 LED bulbs. Annual projected savings from the lighting retrofit estimated to be an annual utility cost savings of $40,000 or 304,382kWh, resulting in a 3-month project pay-back.

Cool Roof—In the Fall of 2017, a white roof made of 2-ply polyester reinforced membrane with 1-ply polyester/acrylic reinforced surface to assist in heat island reduction, was installed. As a result, the building achieved a LEED credit in addition to an expected 219 kWh reduction in energy.

Sustainability Policies—Eight (8) Sustainability Policies/Plans were implemented.

Built in 1969, 1888 Century Park East is a 500,000+ Sq. Ft. office building in Los Angeles, California, owned and managed by CommonWealth Partners. In addition to CommonWealth Partners, the team that implemented the sustainable projects includes janitorial services provider DMS Facility Services; ABM Engineering; indoor air quality company, Healthy Buildings; and Corporate ESG Management and LEED Consultant, Verdani Partners. It was awarded its LEED v4 O+M Gold certification in 2017.

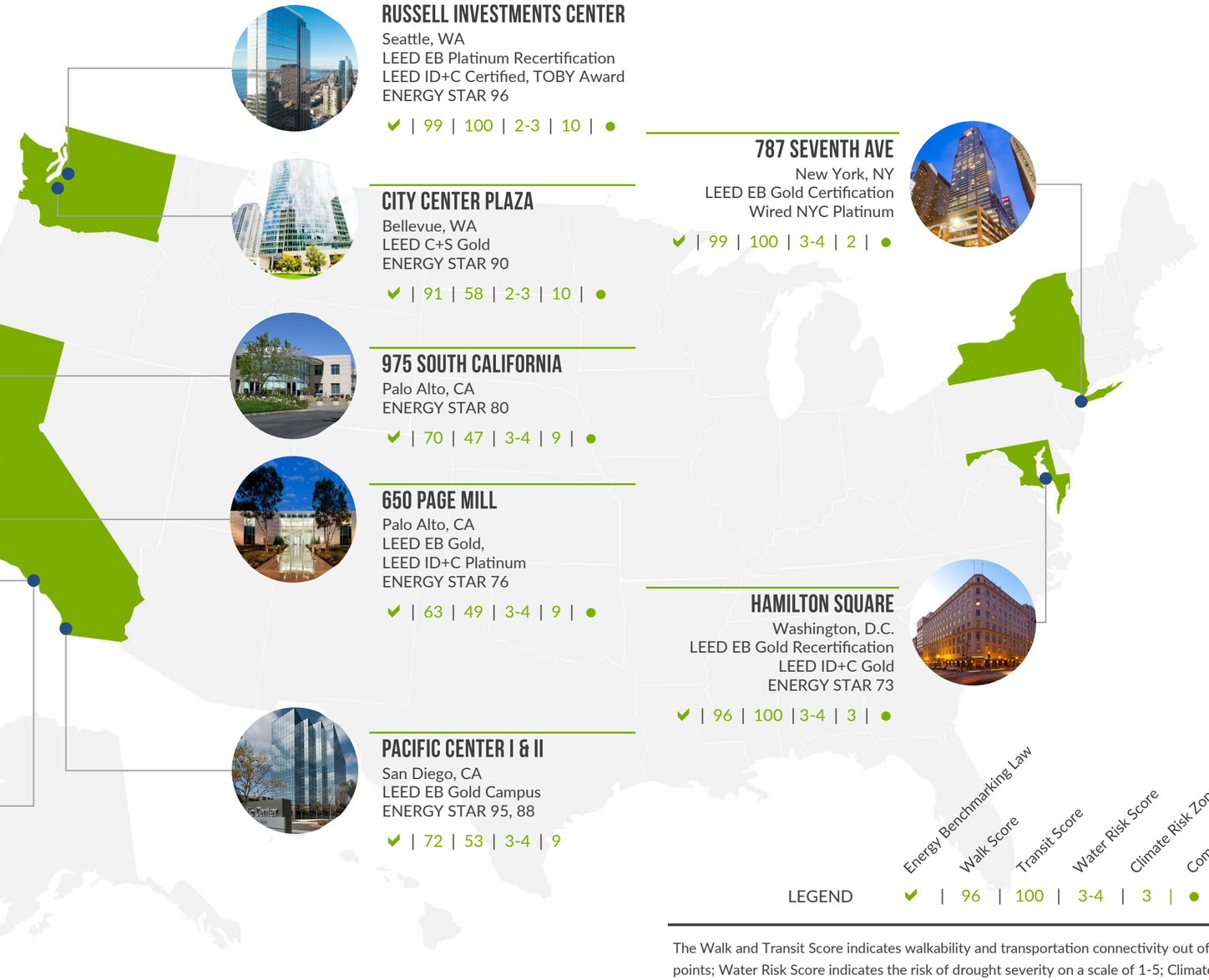




OUR PROPERTIES

CommonWealth partners

Properties owned by CommonWealth Partners in 2017



560 MISSION
San Francisco, CA
LEED Platinum Recertification
LEED ID+C Silver
Fitwel 1 Star Certified
ENERGY STAR 94

✔ | 95 | 100 | 3-4 | 9 | ●

SUNNYVALE OFFICE PARK
Sunnyvale, CA
LEED BD+C Platinum,
Gold & Gold

✔ | 13 | 47 | 3-4 | 9 | ●

CITY NATIONAL PLAZA
Los Angeles, CA
LEED EB Gold Recertification
LEED ID+C Platinum, BOMA 360
TOBY Award
ENERGY STAR 91

✔ | 99 | 100 | 3-4 | 9| ●

1888 CENTURY PARK EAST
Los Angeles, CA
LEED EB Gold Certification
2005 BOMA Building of the Year
ENERGY STAR 88

✔ | 77 | 68 | 3-4 | 9| ●

RUSSELL INVESTMENTS CENTER
Seattle, WA
LEED EB Platinum Recertification
LEED ID+C Certified, TOBY Award
ENERGY STAR 96

✔ | 99 | 100 | 2-3 | 10 | ●

CITY CENTER PLAZA
Bellevue, WA
LEED C+S Gold
ENERGY STAR 90

✔ | 91 | 58 | 2-3 | 10 | ●

975 SOUTH CALIFORNIA
Palo Alto, CA
ENERGY STAR 80

✔ | 70 | 47 | 3-4 | 9 | ●

650 PAGE MILL
Palo Alto, CA
LEED EB Gold,
LEED ID+C Platinum
ENERGY STAR 76

✔ | 63 | 49 | 3-4 | 9 | ●

PACIFIC CENTER I & II
San Diego, CA
LEED EB Gold Campus
ENERGY STAR 95, 88

✔ | 72 | 53 | 3-4 | 9

787 SEVENTH AVE
New York, NY
LEED EB Gold Certification
Wired NYC Platinum

✔ | 99 | 100 | 3-4 | 2 | ●

HAMILTON SQUARE
Washington, D.C.
LEED EB Gold Recertification
LEED ID+C Gold
ENERGY STAR 73

✔ | 96 | 100 | 3-4 | 3 | ●

	Energy Benchmarking Law	Walk Score	Transit Score	Water Risk Score	Climate Risk Zone	Compost Program
LEGEND	✔	96	100	3-4	3	●

The Walk and Transit Score indicates walkability and transportation connectivity out of a possible 100 points; Water Risk Score indicates the risk of drought severity on a scale of 1-5; Climate Risk Zone indicates the climate type (out of 10 regions) in which a property is located.

Industry/Program Award
Competition Participation
Energy Star Label
Energy Star Benchmark
LEED Certification
Fitwel Certification
Communications/Reporting
Stakeholder Event/Activity

SUSTAINABILITY TIMELINE: 2015–2018

	2015	2016	2017	2018
JAN		Better Building Challenge Portfolio Participation Achieve LEED EB Silver for 301 Congress	Better Building Challenge Portfolio Participation	Official commitment with Science Based Targets Better Building Challenge Portfolio Participation
FEB	City National Plaza (CNP) — LEED Gold Recertification	Russell Investments Center (RIC) — LEED EB Platinum Recertification Sustainability Newsletter #4	CNP Achieved the 2016 Sustainability Award from LADWP	RIC — LEED Platinum Recertification CNP — LEED Gold Recertification Portfolio-wide Energy Monitoring Software
MAR	Sustainability Newsletter #2	EBIE Award Application Submission Participated in Earth Hour	Participated in Earth Hour	Nominated by LABBC for Most Innovative Portfolio and CNP as Most Energy Efficient Building in 2017 Participated in Earth Hour
APR	Property Manager Waste Hauler Distribution Field Trip Earth Day Tenant Events Hamilton Square LEED Gold Recertification	Annual Property Management Sustainability Summit Earth Day Tenant Events	Earth Day/E-Waste Tenant Events Sustainability Newsletter #6	Earth Day/E-Waste Tenant Events Sustainability Newsletter #8 ENERGY STAR 2018 Partner of the Year Award
MAY		CNP—BOMA 360 Performance Building Award	1st annual 2016 Employee Appreciation Winners Bike to Work Day 1888 CPE began LADWP Demand Response Program	560 Mission Achieved Fitwel 1 Star Certification Participated in Bike to Work Day 2nd annual 2017 Employee Appreciation Winners
JUN	CDP Application Received 2014 Sustainability Annual Report	560 Mission—EBIE Award Winner 2015 Sustainability Annual Report GRESB Survey Submitted	Participated in Daylight Hour 2016 Sustainability Annual Report GRESB Survey Submitted	Awarded Green Lease Leader Award Participated in Daylight Hour 2017 Sustainability Annual Report
JUL	Safeco Plaza — LEED Gold Certification	CDP Application Received	CDP Application Received	
AUG	3rd Place in GRESB for the Office Sector	2nd Place in GRESB for the Office Sector	560 Mission — LEED Platinum Recertification via Arc 3rd Place in GRESB for the Office Sector	
SEP	LEED Gold Campus Certification for Pacific Center	Sustainability Newsletter #5	Energy Awareness Month via Battle of the Buildings Annual Property Management Sustainability Summit	
OCT	Sustainability Newsletter #3	ENERGY STAR Battle of the Buildings Bootcamp ULI Greenprint Report	Water Awareness Month via Battle of the Buildings Bootcamp Challenge Sustainability Newsletter #7 787 Seventh Ave Achieve LEED v4 O+M Certification	
NOV	CWP Annual Sustainability Awards Announced	Submit ENERGY STAR Partner of the Year Application LA Green Business Program certified 4 tenants at CNP	Hamilton Square — LEED Gold Recertification Green Office Challenge Internal Competition	
DEC		ENERGY STAR Labels for 96% of Eligible Buildings	1888 CPE achieves LEED v4 O+M Certification Commitment to UN's Sustainable Development Goals	

SOCIAL

The engagement and wellbeing of our stakeholders are essential components of our ESG strategy.

CommonWealth Partners is committed to providing safe, healthy, and productive work environments for our employees and tenants. We also collaborate closely with our supply chain to ensure that our values and expectations are upheld throughout our operations.

HAMILTON SQUARE, WASHINGTON D.C.

STAKEHOLDER ENGAGEMENT

Our commitment to sustainability goes beyond policies and compliance. CommonWealth Partners believes in driving sustainability for the common good of all our stakeholders and communities.

TENANT ENGAGEMENT

CommonWealth Partners has been successful in establishing strong tenant relationships through the belief that the tenant -landlord relationship is a partnership that benefits from an owner-operator approach. The owner-operator is in the best position to cost efficiently control and manage property management services that result in significant synergies from controlling all of the major inputs to asset performance. CWP operates based on the belief that our customers, in addition to demanding high-quality office space, are seeking a broad range of services to support and enhance their core business operations. CWP strives to understand our customers' business and to work cooperatively with them to provide targeted building amenities and service programs to serve their needs and enhance their productivity, as well as meticulously maintaining the physical foundation of each asset.

Floor Warden Emergency Training at 560 Mission

ANNUAL TENANT SURVEYS

In 2016 and 2017, we sent a survey to all our tenants at each directly managed asset to gauge overall tenant satisfaction on our sustainability measures. Below are the results:

Overall Tenant Satisfaction

Overall tenant satisfaction to the portfolio's sustainable building commitment is at 79% (It actually decreased from 2016 to 2017 from 82% to 79% but we also changed the label of "green" to "sustainable") .

Of Highest Importance

Of the sustainability features mentioned, indoor air quality remains to be consistently of the highest importance to tenant's year over year (at 62% in 2017). That's why every property has extensive indoor air quality testing to ensure the upmost indoor air quality at all times. This also includes consistent filter change outs and strict air quality requirements during tenant improvements.

Top Area for Tenant Training

Tenants ranked their top two most desired areas of training in 2016 to be indoor air quality and natural hazards. In 2017 it changed to recycling and human-health based products standards.

Top Area for Community Engagement

The top two community engagement interest's tenants identified both in 2016 and 2017 was health and well-being programs followed by resilience including assistance in case of disaster. By identifying these results, we have determined that pursuing Fitwel for the portfolio is a measurable way to ensure each property has health and well-being services.

79%

OVERALL TENANT SATISFACTION WITH SUSTAINABILITY COMMITMENT

62%

RATE INDOOR AIR QUALITY RATES AS HIGHEST IMPORTANCE, YEAR OVER YEAR

89%

RATE RECYCLING PROGRAM AS MOST IMPORTANT FOR SUSTAINABLE OPERATIONS

2017 MOST DESIRED AREAS OF TRAINING

1. Recycling
2. Human-health based product standards

WHEREAS IN 2016, THEY WERE:

1. Indoor Air Quality
2. Natural hazards

2016 & 2017 MOST DESIRED AREAS FOR COMMUNITY ENGAGEMENT

1. Health & Well-being
2. Resilience (including emergency assistance)

Emergency Plan Training

Additionally, all properties conduct annual fire drills, and host trainings on emergency plans. Recently, some properties have begun trainings on active shooter drills and what to do in a cyber-attack.

Top Area for Sustainable Operations

Overall the highest rating of sustainable operations is a recycling program at 85% importance (categories included (in order of ranked importance) recycling, energy efficiency, water efficiency, renewable energy, followed by 3rd party green building certifications) .

Composting Training at City National Plaza

STAKEHOLDER ENGAGEMENT

COMMONWEALTH PARTNERS' FIRST GREEN LEASE LEADER AWARD

Accepting the Green Lease Leader Award

Tenants are typically responsible for nearly 70% of the total building energy consumption. Educating tenants is the first step towards addressing tenants' large percentage of energy use and ensuring a mutually beneficial agreement that address split incentive dilemmas to advance our sustainability programs. These sustainability goals we follow influence the properties' capital and operating budgets and ultimately provide an overall efficient portfolio.

In 2018, CommonWealth Partners was awarded the 2018 Green Lease Leader award as recognized through the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance for the work performed in 2017. Our Executive Team directs the establishment of sustainability goals, leads the efforts of our development and operations teams, and monitors the progress toward achievement of the goals set forward.

Green leasing remains an important part of our tenant engagement strategy. We have implemented master lease forms and green tenant guidelines that include green lease language. The following are key components to which how we achieved this recognition.

EDUCATION

Education is the key component to making our sustainability initiatives effective. All tenants are given access to the property's website where the property's sustainability policies are located. We include resources and examples of programs to help each asset work together to achieve CWP's personal sustainability goals. In the fall, the properties hosted an internal competition initiated by the Department of Energy's Battle of the Buildings (see next page for results). The properties also performed annual tenant surveys on their efficiency measures through an interdepartmental green office challenge. This is where tenants can compete with other tenants and the tenant with the most points across the entire portfolio will receive recognition in the portfolio newsletter. All tenants that participate also receive a certificate with tips on how to improve for the following year. These strategies help to inform the tenants of our continued commitment toward reducing our overall energy, emissions, water use, and waste.

Earth Day Event at Hamilton Square

COMMUNICATIONS

CommonWealth Partners sends a bi-annual newsletter on best management to all internal staff. In April and November 2017, both newsletters celebrated our benchmarked properties (96% of CommonWealth Partners' portfolio is benchmarked), which boast an average ENERGY STAR score of 89.) Through these newsletters, emails, and flyers, CommonWealth Partners encourages employees and properties to participate in various green events throughout the year such as Earth Day, E-Waste Drives, Earth Hour, ENERGY STAR training events and many more. We also host many activities and events at each asset throughout the year that relate to various stakeholders.

The table below provides a depiction of those activities and how they relate to each stakeholder group:

TENANT	COMMUNITY (includes Tenants, Employees, Public)	EMPLOYEE
Education & Outreach	**Education & Outreach**	**Education & Outreach**
Earth Hour and Earth Day	**Earth Day**	**Earth Hour and Earth Day**
E-Waste	**Blood Drives**	**E-Waste**
Fire Drills	**Concerts in the Plaza**	**Fire Drills**
Quarterly CWP Social Hour (Fun, Food, Music)	**E-Waste Drive**	**Lunch & Learn** (all topics including Sustainability)
Lunch & Learn (all topics including Sustainability)		**Bike to Work**
Bike to Work		**Employee Newsletter (from Sustainability Program)**
Tenant Newsletters (from Property Manager)		
Green Office Challenge		
Battle of the Buildings Bootcamp		

STAKEHOLDER ENGAGEMENT

LOBBY EVENTS

Lobby events are the best approach to connect with tenants and build a community. Specifically, our Earth Day lobby events are highly effectively at informing tenants of the sustainability programs available at each property. With a booth in the lobby of the building, property managers are available for tenants to ask questions on our sustainability programs, host a time to perform the annual transportation surveys, and allow for the property's vendors to identify the type of services they provide onsite.

Earth Day Event at Russell Investments Center

HEALTH AND WELLBEING

Not only do we evaluate the building's operations, we strive to ensure the health and wellbeing of our tenants. Bike to Work Week is part of our health and wellbeing initiatives to encourage our employees and tenants to participate and maintain and improve a healthy lifestyle. Each building includes activities such as free giveaways, flavored water, power energy bars, fresh fruit, and easy access to secured bicycle parking with bike repair stations. At City National Plaza, there are bicycles available onsite for tenants to use at any time of the year.

SIGNAGE

As part of our educational component, we also provide environmental signage where applicable in addition to providing bi-annual sustainability newsletters to inform tenants and stakeholders about updates and highlights from CWP's assets.

PROGRAMS AND POLICIES

CommonWealth Partners' corporate wide policies have enabled us to stay on target with our overall goals that have been set. Of the 20 policies we maintain, we've highlighted three policies and plans that assisted in the Green Lease Leader and ENERGY STAR Partner of the Year awards.

Green Tenant Improvement Guide

Another corporate program CommonWealth Partners has implemented is the Green Tenant Improvement Guide (Green TI Guide). This guide educates tenants on reducing energy and water consumption, minimizing waste, and creating more productive and healthier workspaces. This is given to new tenants and to tenants that are initiating tenant improvements and is available in hard copy at each property management office. It provides information on suppliers who offer green products and outlines a variety of strategies tenants can use to green their interior spaces during renovation and build out as it relates to purchasing construction material, recycling the construction material that will be removed due to the TI, and indoor air quality measures to ensure a healthy working environment. It also outlines an internal competition called the Green Office Challenge providing additional methods for tenant engagement.

Energy Efficiency Policy

Our Energy Efficiency Policy provides the foundation for successful energy management and articulates our commitment to energy efficiency. The policy includes extensive sections on ENERGY STAR account setup and ENERGY STAR Portfolio Manager tips and best practices in order to facilitate seamless integration from the top down. In addition, we mandate ENERGY STAR labels for all eligible buildings. The Energy Efficiency Policy provides guidelines on how each property must maintain their building as it relates to sustainable practices.

Displaying the Green Tenant Guide & ENERGY STAR performance during an Earth Day event at 560 Mission

GHG Inventory Management Policy

In 2017, CommonWealth Partners expanded from its original Energy Policy and created a new GHG Implementation Plan. This plan follows the guidance from ISO14000 and includes detailed instructions on how to track information on Portfolio Manager in order to track scope 1 and 2 emissions. The plan also assigns responsibilities to multiple depart-ments, including senior management, and also addresses communicating ENERGY STAR updates with property managers, ensuring all information is updated and accurate on ENERGY STAR and that all utility data is synced with other reporting platforms.

COMMONWEALTH PARTNERS' INTERNAL

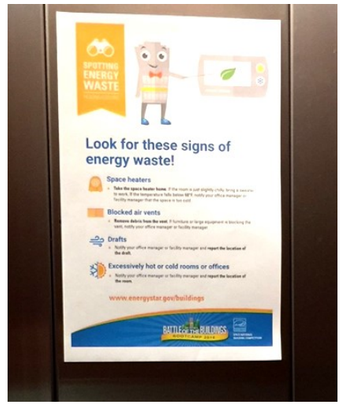
2017 BATTLE OF THE BUILDINGS BOOTCAMP CHALLENGE

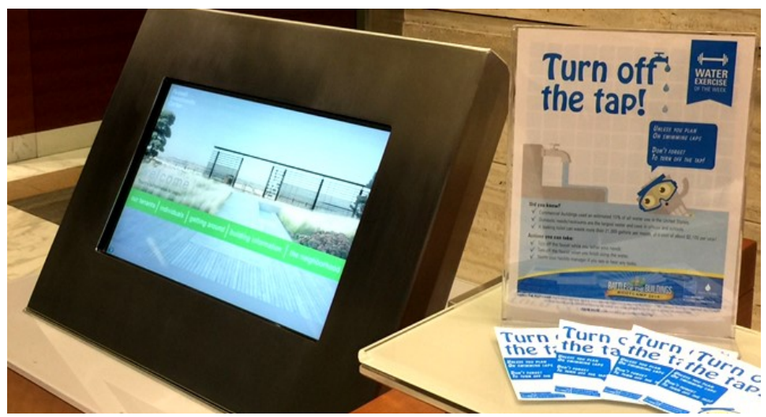
REDUCED MOST OVERALL		RUNNERS UP
	975 California 86.4 MWh OF ENERGY ↓10%	560 Mission Russell Investments Center
	Russell Investments Center 12,747.9 m^3 OF WATER ↓22%	Pacific Center 2 City National Plaza
	Hamilton Square 52.6 TONS OF WASTE ↓33%	560 Mission 1888 Century Park East

BATTLE OF THE BUILDINGS

EPA's NATIONAL BUILDING COMPETITION

ENERGY STAR





Working with our tenants to incorporate green clauses into our leases has allowed Commonwealth Partners to tackle the issue of tenant driven energy use and make capital improvement that ensure mutually beneficial split incentives between landlord and tenant. This collaboration helped CWP meet our 20% energy efficiency and emission reduction target 3 years early.

CITY NATIONAL PLAZA, LOS ANGELES

LEED EB GOLD RECERTIFICATION, ID+C PLATINUM
ENERGY STAR 91, BOMA 360

Sustainability projects in 2017 included full automation of a central plant, upgrading 29 additional floors with DDC controls; installing solar reflective window film on the Southern and Eastern exposures of the building, retrofitting off-site garage lighting with LEDs, implementing Encelium lighting controls for each floor, installing two chill water pump VFDs, and adding high-efficiency motors for all four chill water pumps.

AWARDS & RECOGNITION

INTERNAL SUSTAINABILITY AWARDS

We are proud to announce the winners of the 2017 Internal Sustainability Awards, which are given to property managers and engineers who demonstrate exceptional commitment to and performance in the Sustainability Program:

Mitchel Waer, Chief Engineer
GREEN ENERGY CHAMPION
1888 Century Park East

Marguerite Anastassiou, General Manager
GREEN PROPERTY CHAMPION
City National Plaza

Richard Corey, Property Manager
GREEN PROPERTY CHAMPION
City National Plaza

2012

Outstanding Building of the Year (TOBY®)
LEED-EB Platinum
ENERGY STAR Score 100—
Russell Investments Center

2013

EBie Award, All Rounder—
City National Plaza

EBie Award Finalist—
560 Mission

Gold Certification as a Green Business Leader by the City of Austin—301 Congress

Most Improved Water Efficiency between 2013 and 2014—975 California

Most Improved Energy Efficiency between 2013 and 2014—City National Plaza

2014

USGBC LA Chapter Gala Finalist—
City National Plaza

EBie Finalist, All Rounder, It Takes A Village—
Cottonwood Corp Center

2015

INTERNAL SUSTAINABLE BUILDING AWARDS

Most Energy Efficient Building—
Russell Investments Center

Top 5 buildings with the highest ENERGY STAR Scores:

#1 Russell Investments Center
#2 Cottonwood Corp Center
#3 560 Mission Street
#4 City National Plaza
#5 Wellesley Gateway

Most Water Efficient Building for Indoor Plumbing Fixtures—
1888 Century Park East

Building with Highest Recycling Rate—
560 Mission Street

CORPORATE AWARDS

Better Building Challenge

ENERGY STAR Certification National Premier Member

Certifications
CommonWealth Partners is recognized by several institutions for leadership in sustainability

12 LEED EB: O+M Certifications (67% of portfolio) completed. 10 buildings registered, in the process of pursuing LEED recertification

13 ENERGY STAR Labels (65% of portfolio) average score 90 out of 100

2016

PROPERTY AWARDS

301 Congress—
LEED-EB Silver

Russell Investments Center—
LEED-EB Platinum Recertification

BOMA 360 Performance Building Award—
City National Plaza

EBIE Award Winner, 'Smooth Operator' —
560 Mission

2017

LADWP 2016 Sustainability Award—
City National Plaza (April 2017)
1st Place in Energy Management

———

INTERNAL 2016 SUSTAINABLE BUILDING AWARDS

Most Energy Efficient Building
Pacific Center 1

Top 5 buildings with the Highest ENERGY STAR Scores:

#1 Russell Investments Center
#2 560 Mission Street
#3 Pacific Center 1
#4 City National Plaza
#5 City Center Plaza

560 Mission Street—
LEED O+M Platinum recertification

787 Seventh Ave—
LEED O+M Gold Initial certification

1888 Century Park East—
LEED O+M Gold Initial certification

2018

Russell Investments Center—
LEED O+M Platinum Recertification

———

INTERNAL 2017 SUSTAINABLE BUILDING AWARDS

Most Energy Efficient Building—
Pacific Center I

Most Water Efficient Building—
1888 Century Park East

Most Waste Diversion—
560 Mission Street

———

LABBC—City National Plaza **nominated for Most Energy Efficient Building**

LABBC—CommonWealth Partners **nominated for Most Innovative Portfolio**

CommonWealth Partners awarded **ENERGY STAR 2018 Partner of the Year**

Fitwel Certification—
560 Mission (1st for the Portfolio)

2nd Annual Individual Sustainability Awards—2017 Awards for Property Managers and Engineers

2018 Green Lease Leader Award

CASE STUDY

ENERGY IMPACT AT CITY NATIONAL PLAZA

In 2017, City National Plaza completed multiple energy efficiency improvements allowing for a 855 MWh annual reduction in electricity use! Below are some key successful measures:

WINDOW FILM

After earning ENERGY STAR certification for the last 11 years and installing a range of performance upgrades, in 2017, City National Plaza continued to drive down energy use by installing high performance 3M Night Vision 25 window film on the south and east-facing windows of both towers (225,000 sq. ft. of glass). Without the window film, temperatures inside at the glass reached 110 degrees, but the addition of the film helped to maintain internal temperatures at 75 degrees. This reduction in cooling loads resulted in 1,736 MWh of annual electricity savings in 2017 (comparing 12 months of energy usage before installation of April 2015-March 2016 and after installation of April 2017-March 2018). The electricity savings in turn saved an estimated $289,560 and showed an ROI in less than a year. Not only did the building benefit, but also occupant comfort was improved by reducing glare and enhancing views.

75° vs 110°

WITH WINDOW FILM VS WITHOUT FILM

1,736 MWh

ANNUAL ELECTRICITY SAVINGS

$289,560

SAVED, AND ROI WITHIN ONE YEAR

DDC CONTROLS

Starting in 2014, City National Plaza began implementing DDC controls to provide more accurate control of the buildings' systems with system-wide access and control from a single computer. Better control of the building systems improves efficiency and can yield energy savings. In 2017, DDC controls were installed on 29 additional floors, completing a total of 48 upgrades between both towers of the plaza. With a total of 91 occupied floors, we've already converted 52% of all floors with DDC controls, and we plan to continue upgrading and improving!

48

FLOORS OF DDC CONTROLS UPGRADES

52%

OF FLOORS

317 MWh

PROJECTED ANNUAL ENERGY SAVINGS

$54,002

ESTIMATED SAVINGS PER FLOOR

PARKING GARAGE ENERGY REDUCTION

The challenge of the project was to reduce the amount of excessive lighting without compromising the safety of the occupants accessing the parking garage at any time of day. The problem was solved by installing motion sensors at the entrance of each elevator and entry into the garage.

After converting 3,000 T8 fluorescent light fixtures to LED, and achieving a $30,247 annual savings from that alone, the engineering team when a step further to install a wireless Lighting Control package to the entire 11-story parking garage. This system provides a holistic view of the building's energy consumption. By assessing the lighting requirements for each floor, it was easy to adjust the output by floor to maintain the right percentage of lighting to still feel comfortable. After several days of adjusting the settings, the engineering team found the right setting per floor to utilize on an ongoing basis.

In just 8 months of utilizing the lighting control system, the engineering team found an additional 33% kWh energy use savings!

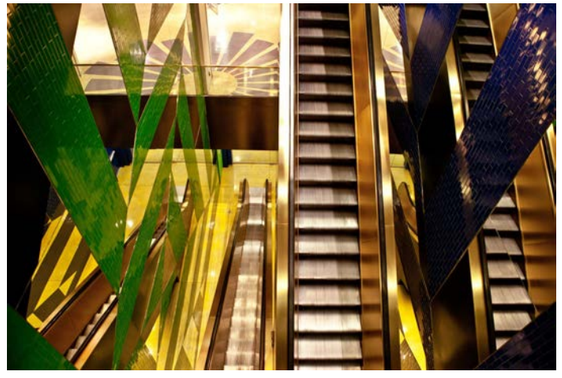
$30,247

SAVED ANNUALLY FROM LED RETROFIT

33%

MORE ENERGY USE SAVINGS FROM LIGHTING CONTROL SYSTEM UTILIZATION

Top to bottom: Window film; Main escalator; Parking garage lighting/energy management interface



PARTNERSHIPS & PROGRAMS

ENERGY STAR PARTNER

As an ENERGY STAR Portfolio Partner, CommonWealth Partners has benchmarked all the properties that we manage on Portfolio Manager, ENERGY STAR's online tracking system.

Verdani Partners

CommonWealth Partners engaged Verdani Partners, a full service sustainability consulting firm, to help manage our portfolio-wide corporate sustainability programs. The Verdani team supports our properties with ENERGY STAR Portfolio Manager and data management for energy, water, waste, carbon emissions, stakeholder engagement, health and wellbeing and manages our green building certifications. In addition, Verdani manages our corporate reporting efforts including reporting to the Global Real Estate Sustainability Benchmark (GRESB) and Carbon Disclosure Project (CDP) and the development of an annual sustainability report aligned with the Global Reporting Initiative (GRI).

USGBC Member

As a U.S. Green Building Council member, CommonWealth Partners is committed to LEED certifying all our eligible buildings. Additionally, CWP's Head of Sustainability, Daniele Horton, represents our company on the National Market Advisory Committee. She founded the Los Angeles chapter's Existing Buildings (EB) Committee where we host an annual Think Tanks with local building owners to discuss strategies to increase implementation of sustainable building operations.

ULI Greenprint

As a member of its Advisory Board and Performance Committee, CommonWealth Partners is part of a worldwide alliance of real estate owners, investors, financial institutions, and other industry stakeholders committed to reducing carbon emissions across the global property industry.

California Sustainability Alliance

Through our Green Building Advisory Committee membership, CommonWealth Partners provides guidance and support to the California Sustainability Alliance to stimulate voluntary adoption of sustainability amongst real estate management companies.

BOMA 360

CommonWealth Partners is involved with the national Building Owners and Managers Association. In addition, our Sustainability Advisor is a member of the BOMA/GLA Sustainability Committee and participates on monthly meetings with other local owners and speaks at their Annual Sustainability Seminars created to educate and inform BOMA/GLA members on sustainable practices and trends.

Better Building Challenge

In 2016/2017, CommonWealth Partners made a commitment to reduce energy consumption by 20% from a 2010 baseline within 10 years. We are still on track to meet this goal.

Seattle 2030 District

We are a member of the Seattle 2030 District, a high-performance building district in downtown Seattle with a goal of reducing environmental impacts through education and collaboration. To learn more, view the 2030 District website: http://www.2030districts.org/seattle/ members

Green Lease Leaders™ recognizes forward-thinking companies and real estate practitioners who break down barriers to high-performance buildings by revolutionizing leases to incorporate energy efficiency and sustainability.

REPORTING & DISCLOSURE

REPORTING METHODOLOGY

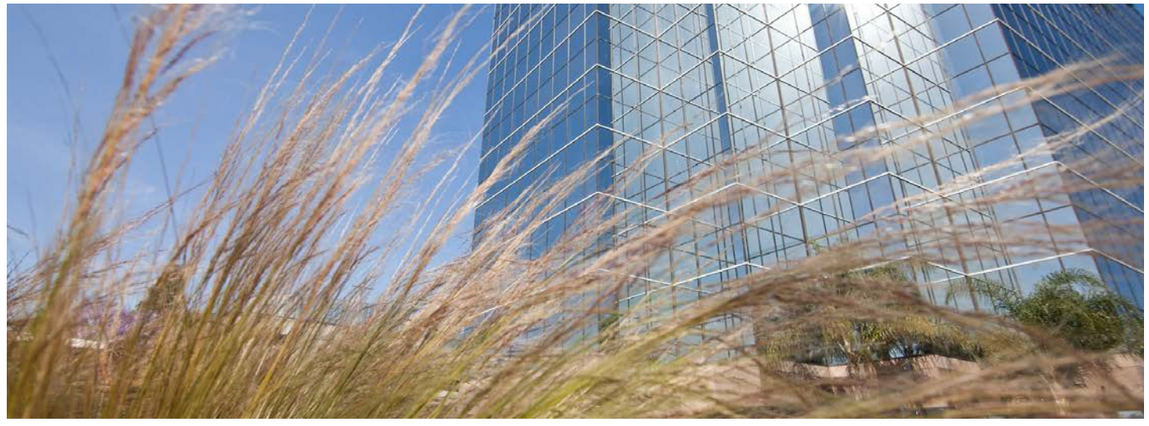
The data contained within this report represents the like-for-like portfolio that has remained the same year-over-year representing the 2017 calendar year. CWP's 14 occupied and actively managed office buildings totaling 9.9 million gross square feet (SF) accounted for 93.9% of the company's total in-service portfolio by area. Key performance indicator disclosures have been aligned with CommonWealth Partners' Global Real Estate Sustainability Benchmark (GRESB®) assessment.

THE GLOBAL REPORTING INITIATIVE

This report contains material that references Standard Disclosures from the GRI Sustainability Reporting Guidelines. The table is the corresponding GRI Content Index based on the G 2016 indicators. The index displays the referenced GRI Standards disclosure numbers and titles, the location in this report of material that references each GRI disclosure, and the title of each page in this report that contains GRI-referenced material.

For more information about this report, contact:

Jessica Loeper, Director of Sustainability | sustainability@cwpla.com
Daniele Horton, Sustainability Advisor | dhorton@cwpla.com



GRI INDEX

Number	Description	Page Number	Reference
FOUNDATION			
101.3	Materiality	24-25	ESG Materiality
STRATEGY			
102-14	Statement from senior decision maker	3	Executive Message
102-15	Key Impacts, Risks, and Opportunities	21	Risk Management, Investment Strategy
ORGANIZATIONAL PROFILE			
102-1	Name of the Organization	1	Cover Page
102-2 102-3 102-4 102-5 102-6	Activities, brands, products, and services Location of headquarters Location of operations Ownership and Legal Form Markets served	5 12-13 44-45 12-13 44-45	About this Report Company Profile Our Properties Company Profile Company Profile
102-12 102-13	External Initiatives Membership of Associations	14-19, 31, 50-55, 64-65	Sustainable Development Goals, Science Based Targets, Stakeholder Engagement, Partnerships & Programs
STAKEHOLDER ENGAGEMENT			
102-40 102-42 102-43 102-44	List of Stakeholder Groups Identifying and Selecting Stakeholders Approach to Stakeholder Engagement Key Topics and Concerns Raised	24-25 50-55	ESG Materiality, Stakeholder Engagement
REPORTING PRACTICE			
102-50 102-51 102-52 102-53 102-54	Reporting Period Date of Most Recent Report Reporting Cycle Contact Point for Questions Regarding the Report Claims of Reporting in Accordance with the GRI	5, 66 5, 66 5, 66 66 5, 66	About this Report Reporting & Disclosure Reporting & Disclosure Reporting & Disclosure Reporting & Disclosure
ETHICS AND INTEGRITY			
102-16	Values, Principles, Standards and Norms of Behavior	12 24-25	Company Profile, Responsible Investment ESG Materiality
ENVIRONMENT (Materials, Energy, Water, Emissions)			
301-1	Materials Used by Weight or Volume	32-33 37, 38-39	Goals, Targets & Performance & Sustainability Initiatives & Performance Indicators
302-1 302-3 302-4	Energy Consumption within the Organization Energy Intensity Reduction of Energy Consumption	32-33 34, 38-39	Goals, Targets & Performance Sustainability Initiatives Performance Indicators
303-1 304-1	Water Withdrawal by Source Operational Sites Owned Outside of Protected Areas	32-33, 35, 38-39	Goals, Targets & Performance Sustainability Initiatives Performance Indicators
305-1 305-2 305-5	Direct (Scope 1) GHG Emissions Energy Indirect (Scope 2) GHG Emissions Reduction of GHG Emissions	32-33, 36, 38-39	Goals, Targets & Performance Sustainability Initiatives Performance Indicators

Independent Assurance Statement

Introduction

DNV GL Business Assurance USA, Inc. (DNV GL) has been commissioned by the management of CommonWealth Partners (CWP) to carry out an independent verification of its 2017 environmental footprint claims and assertions relating to GHG emissions (Scope 1 and 2), Energy Consumption, Water consumption and Waste Generated for GRESB. These assertions are relevant to the 2017 calendar year.

CWP has sole responsibility for preparation of the data and external report. DNV GL, in performing our assurance work, is responsible to the management of CWP. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including CWP.

Scope of Assurance

The scope of work agreed with CWP includes the following:

- Organizational boundaries for the environmental data inventory are all global sites operating under CWP's operational control
- All environmental data were verified for the period January 1st to December 31st, 2017
- Emissions data verified includes Scope 1 and Scope 2
    - Additional environmental metrics verified include Energy Consumption, Water Consumption, and Waste Generated
- The assurance was carried out in June 2017

Level of Assurance

We performed a limited assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised)*, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV GL applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

Assurance Methodology

DNV GL is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries.

In that respect, the environmental footprint inventories have been evaluated against the *GRESB 2018 Real Estate Reference Guide* and the following reporting criteria:

- World Business Council for Sustainable Development (WBCSD) / World Resources institute (WRI) Greenhouse Gas Protocol, Corporate Accounting Standard
- WBCSD/WRI Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

DNV GL used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both CWP and its stakeholders. DNV GL applied a materiality threshold of five percent for all performance indicators in scope.

The following methods were applied during the assurance of CWP's environmental footprint inventories and management processes, the data that supports the company's environmental footprint inventories including assertions and claims presented by the company:

- Review of documentation, data records and sources relating to the corporate environmental footprint data claims and GHG emission assertions
- Review of the processes and tools used to collect, aggregate, and report on all environmental data and metrics;
- Interview of managers and data users representing relevant functions for supporting the environmental inventory management process;
- Assessment of environmental information systems and controls, including:
  - Selection and management of all relevant environmental data and information;
  - Processes for collecting, processing, consolidating, and reporting the environmental data and information;
  - Systems and processes that ensure the accuracy of the environmental data and information;
  - Design and maintenance of the environmental information system;
  - Systems and processes that support the environmental information system.
- Performed sample-based audits of the processes for generating, gathering, and managing the data;
- Examination of the environmental data and information to develop evidence for the assessment of the environmental claims and assertions made;
- Evaluation of whether the organization conforms to the verification criteria;
- Evaluation of whether the evidence and data are sufficient and support CWP's environmental claims.

Data Verified

The environmental footprint claims for CWP are as follows:

Greenhouse Gas Emissions

- 2017 Greenhouse Gas Emissions
  - Scope 1 Emissions — 2,618 ($MtCO_2e$)
  - Scope 2 Emissions (location-based) — 47,044 ($MtCO_2e$)

Energy

- 2017 Energy Consumption — 177,702,255 kWh

Water

- 2017 Water Consumption — 556,393 m^3

Waste

- 2017 Total Waste Generated — 4784 tonnes
- 2017 Total Diversion Rate (Recycling and Compost) — 56.46%

Assurance Opinion

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the environmental claims and assertions listed are not materially correct and are not a fair representation of environmental data and information, and have not been prepared in accordance with the calculation method referenced.

Independence

DNV GL was not involved in the preparation of any part of CWP's data or report. This is our first year of providing assurance for CWP. We adopt a balanced approach towards all stakeholders when performing our evaluation.

DNV GL Business Assurance USA, Inc.
Oakland, California
June 29, 2018

Tom Gosselin	**Natasha D'Silva**	**Shruthi Bachmanda**
Project Director	**Verifier**	**Technical Reviewer**

The purpose of the DNV GL group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability & Supply Chain Services team is part of DNV GL Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

CommonWealth
partners

515 S. Flower Street, 32 Floor
Los Angeles, CA 90071