



CRREM Technical Council Terms of Reference

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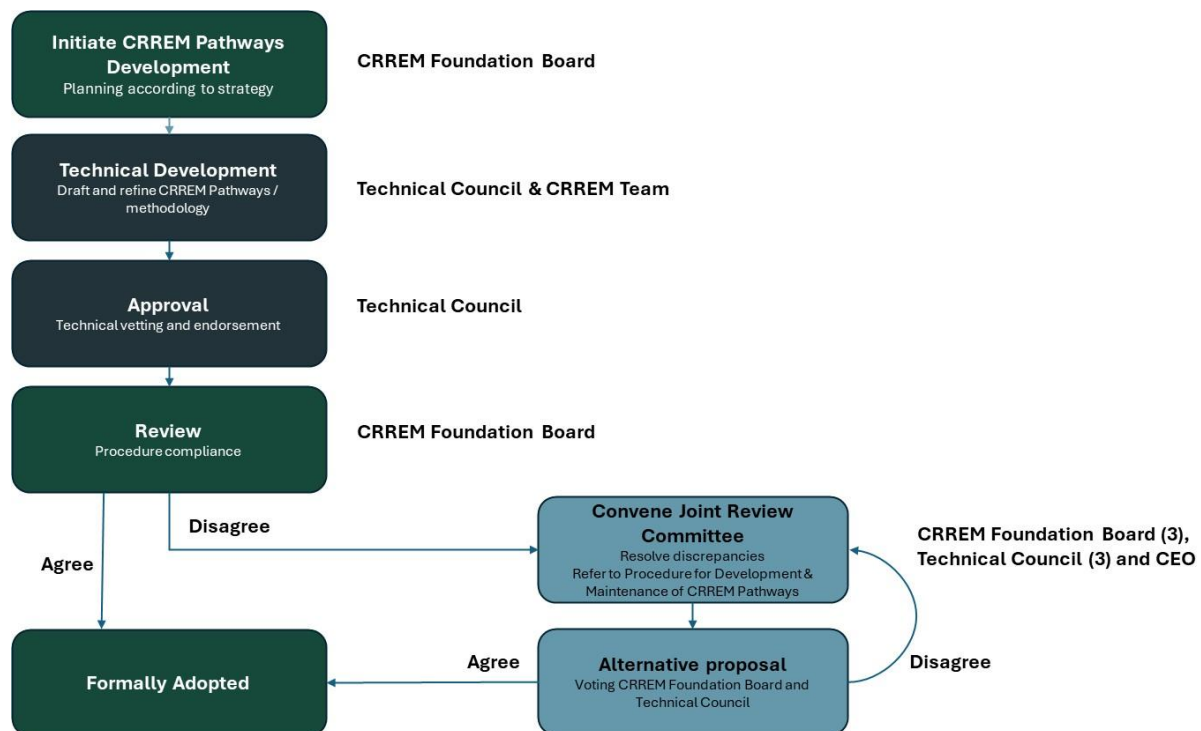
Introduction

This document sits along the Terms of Reference for the CRREM Foundation Board and aims to provide transparency regarding the governance structure of the CRREM Foundation and offers guidance to industry stakeholders on how they can engage with the Foundation to support its mission. The CRREM Foundation is committed to analyzing, calculating, and publishing decarbonization pathways that address energy efficiency and carbon intensity across the global real estate sector, segmented by market and asset type.

The procedures for developing and maintaining the CRREM Pathways and CRREM Pathway methodology are outlined in the *Procedure for Development & Maintenance of CRREM Pathways (will follow soon)*. **The CRREM Technical Council is responsible for the technical development and approval of these pathways and methodology.** Final adoption rests with the CRREM Foundation Board, which ensures that the CRREM Pathway and/or CRREM Pathway Methodology development & maintenance adheres to the established principles and procedures.

In the event of a disagreement between the Foundation Board and the Technical Council regarding the CRREM Pathways and/or the CRREM Pathway methodology, a joint Review Committee shall be convened to resolve the matter. Further details are described in this document as well as in the *Procedure for Development & Maintenance of CRREM Pathways*.

Figure: Work flow pathways development



More specifically this document outlines the role of the **CRREM Technical Council**, it's scope, composition, appointment process and working principles. These terms also reflect the decision-making procedures of the CRREM Technical Council.



Purpose

The CRREM Technical Council is responsible for the technical development & maintenance and approval of the CRREM Pathways and CRREM Pathway Methodology.

The CRREM Technical Council guarantees independent consideration and technical decision-making, and strives for scientific excellence for the on-going maintenance and development of the CRREM Pathways, the underlying CRREM Pathway Methodology, the CRREM Risk Assessment tool and any future products/derivative of the CRREM Pathways.

Scope

Key accountabilities

- The technical development & maintenance and approval of the CRREM Pathways and the CRREM Pathway Methodology
- The alignment of the CRREM Pathways with the global CRREM Pathway Methodology
- The accuracy of CRREM Risk Assessment Tool and Reference Guides
- The accuracy of any future products/derivative of the CRREM Pathways

Core activities

- Develop, review and approve the CRREM Pathways and global CRREM Pathway Methodology
- Review and approval of development and/or maintenance of the CRREM Risk Assessment tool(s)
- Verify selected data sources and inputs for the CRREM Pathways and CRREM Pathway Methodology, and recommend possible adjustments/improvements
- Suggest and help introduce relevant contacts for taking part in (regional) projects or driving improvement in the CRREM Pathways or CRREM Pathway Methodology
- Exchange information with the CRREM Foundation Board, most specifically on technical matters
- Generate input for the CRREM Foundation Strategy, for example by suggesting and developing ideas for future projects and initiatives
- Review and discuss relevant input from the Regional Advisory Committees as it pertains to technical matters
- Promote the use of the CRREM Pathways and tool(s)



Composition

Appointment

The CRREM Foundation Board will appoint members to the Technical Council for a three (3) year period with the possibility of a one (1) year extension¹

The Technical Council should be composed of a minimum of a simple majority of academic representatives to guarantee it operates independently of commercial interests and strives for scientific excellence. All members of the Technical Council must demonstrate proven and appropriate technical expertise in the field of carbon accounting and real estate energy efficiency.

All members of the Technical Council are appointed on individual capacity, based on his / her individual skills rather than just representing a certain group or region. Members must operate independently and are expected to bring a culture of critical review, amongst each other, the CRREM Foundation Board, commercial interests, or any other governance body.

Size

The Technical Council consists of an uneven number of members, with a minimum of five (5) members and a maximum of thirteen (13) members. Composition should be well balanced across expertise and global regions.

In case a council member changes their organization of employment or affiliation, they may continue their council membership after the CRREM Foundation Board's approval, subject that the Technical Council's ratio of academic / non-academic members remains allowable.

Membership of the CRREM Technical Council will be publicly disclosed on the CRREM Foundation website.

Remuneration

Academic representative are eligible to receive a minimum remuneration, subject to the approval of the CRREM Foundation Board, while all other non-academic members of the council are voluntary and do not receive remuneration.

Rotation Schedule

A rotation schedule will support stable diverse representation by academia / non-academia, expertise and global regions.

Succession planning, led by the Technical Council's Chair and CRREM Foundation's CEO is essential to guarantee a well balance representation and to make sure, collectively, the Technical Council is comprised of members with proven, appropriate, technical expertise.

¹ Some members of the founding board could be asked to stay on for one (1) extra year to establish an effective rotation schedule



Appointment process

An open call for candidates will be issued by the CRREM Foundation. The application will be communicated on various channels, such as the CRREM Foundation website, as well as different online and off-line media channels. The application will outline the application process and time frame.

Candidates for the CRREM Technical Council should meet the following key criteria:

- Proven, appropriate, technical expertise and significantly demonstrated hard skills in ESG, sustainability, and/or real asset industry/investing
- Understanding of, and alignment with, the CRREM Foundation vision, mission and purpose, and a demonstrated reputation of transparency, trust, collaboration, and leadership
- Commitment in terms of resources and time allocation to execute responsibilities associated with the Technical Council membership role
- Previous experience as a member of a governance committee, industry working/task group, or other similar steering body
- Industry leadership / demonstrated track record

Interested experts can apply via an application process outlined on the CRREM Foundation website (CRREM.org).

The Nomination Committee is responsible for the selection of Technical Council candidates. The selected candidates will be presented to the CRREM Foundation Board for final approval.

The formal process of inviting successful candidates to take up their appointment is managed by the CRREM team, including an introduction to the CRREM Foundation governance, and the key current work/ projects and discussion points.

Leave of absence

A council member may take a prolonged leave of absence from the CRREM Technical Council after approval of the CRREM Foundation Board for;

- Parental leave of up to 12 months, or
- Others at the discretion of the CRREM Foundation Board.

The individual taking the prolonged leave may nominate a substitute, who needs approval of the Nomination Committee. In case the Nomination Committee does not agree, then the vacancy would be advertised and recruited following the normal appointment procedure, as described above (appointment process) with the exception that the council seat would be temporary.



The council member taking the leave of absence would automatically resume their position on the Technical Council at the end of their leave of absence.

The term of the council member would include the time for which they were temporary replaced.

If the CRREM Foundation Board does not approve the leave request, the prolonged leave of absence will be considered as a voluntary resignation.

Termination

A council member's position can be terminated;

- By voluntary resignation
- By a two-thirds majority vote of the CRREM Foundation Board, when there are risk to the CRREM Foundation's ambition and reputation
- When changed organization and with their new position, the allowable ratio (see above) is not met

Working principles and decision making processes

Frequency

The CRREM Technical Council meets at least 4 times per year in online meetings.

An annual calendar of meetings will be established, making sure that the planning is aligned with the calendar of meetings of the CRREM Foundation Board.

In case of any urgent decisions are required, these can take place via email communication.

Roles and responsibilities

The Technical Council will elect a Chair for a two (2) year period with the option of a one (1) year extension. The Chair should be an academic representative or representative from non-commercial organization.

A team member of the CRREM Foundation will be appointed as Technical Council Administrator.

The Chair, supported by the Technical Council Administrator will prepare the agenda and circulate the agenda and papers at least one (1) week prior to the meeting to all board members.

The Technical Council Administrator is responsible for the minutes and will circulate these within two (2) weeks after the meeting for approval. Approval requires responses within five(5) working days.



The final minutes, clearly listing all decisions, will be shared with the CRREM Foundation Board and Regional Advisory Committees, and published on the CRREM Foundation website.

Decision making

Each council member is entitled to cast one (1) vote.

In the event of absence, council members may not appoint a substitute to attend or vote on their behalf.

Voting shall take place during the meeting. Proxy voting is not permitted, except for specific agenda items clearly identified in advance. For such items, council members may submit a written vote to the Chair no later than one (1) hour before the meeting commences.

The council strives to reach decisions by consensus. However, most decisions shall be made by a simple majority of the council members present at the meeting, including any validly submitted proxy votes where applicable.

If the required majority is not achieved during a vote, the CEO shall consult with the relevant parties and propose a way forward. This proposal must document both the advantages and disadvantages of the original proposal and the suggested alternative.

A quorum of at least 50% plus one (1) of the Technical Council is required for meetings where decisions are to be made.

Principles

All matters discussed during council meetings shall remain confidential, unless otherwise agreed upon by the council or explicitly recorded in the official minutes.

Council members commit to attending meetings well-prepared, respecting the agenda, allocated time, and established deadlines, and fostering a culture that values diverse perspectives.

The Chair (or their alternate) shall refrain from expressing their views until other board members have had the opportunity to share theirs.

All council members—particularly the Chair—are expected to actively facilitate, guide, and encourage open and balanced discussions within the Technical Council, ensuring inclusive participation in the decision-making process.

Council members shall uphold and support the decisions made by the Technical Council, regardless of their personal views, and ensure those decisions are implemented effectively.

Joint Review Committee

In the event of a disagreement between the Foundation Board and the Technical Council regarding the CRREM Pathways and/or the CRREM Pathway methodology development & maintenance, a Review Committee shall be convened to resolve the matter.



Each of the CRREM Foundation Board and the Technical Council shall appoint three (3) of its members to serve on this committee, along with the CEO.

The Review Committee shall consult with the relevant parties and formulate a proposed resolution, documenting the advantages and disadvantages of both the original proposal and the alternative presented.

The proposed resolution shall then be submitted for a vote by both the CRREM Foundation Board and the Technical Council. If consensus is not reached, the Review Committee shall reconvene and continue its deliberations until a proposal is approved by both bodies.

Conflict of Interest Policy

Council members must disclose any actual, potential, or perceived conflicts of interest as soon as they arise. Disclosures should be made in writing to the Chair of the Technical Council and Technical Council Administrator.

After disclosure, the remaining disinterested council members shall determine, whether a conflict of interest exists and whether it is material. They may request further information or independent review.

If a conflict is determined to exist, the council must ensure that:

- The transaction or decision is in the best interest of the organization;
- Reasonable efforts are made to obtain alternatives that do not involve the conflict;
- The conflict is documented in meeting minutes, including the nature of the conflict, steps taken, and the board's final decision.

Any council member with a conflict must not participate in discussions or decisions related to the matter and should temporarily leave the meeting during deliberation and voting.

The Technical Council Administrator will manage a Conflict of Interest register, clearly stating the nature of the conflict, steps taken, and the board's final decision.

Performance evaluation

The Technical Council Administrator will support the Technical Council in a bi-annual (every other year) self-evaluation including, but exclusive a review of:

- Function and effectiveness of the Technical Council
- Decision-making process and quality of the decisions made
- Contribution of its members and specific roles (e.g., Chair)



- Communication and interaction with the CRREM Team, the CRREM Foundation Board and Regional Advisory Committees

Amendments

The Term of Reference will be reviewed at least every three years. The CRREM Foundation Board may amend this Terms of Reference by majority agreement.

