

# RIO CAN

## **CLIMATE POLICY**

**Version 1.0 – December 21, 2022**

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## INTRODUCTION

As a developer, owner and operator of a significant real estate portfolio, RioCan Real Estate Investment Trust (“RioCan” or the “Trust”) has a responsibility to consider the environmental, social and governance (“ESG”) impacts of our activities. As a part of this, we established our climate strategy to support resilient and responsible growth across our organization. The strategy outlines our plans for integrating climate criteria into our tools, accountabilities and decision-making processes across the business including asset management, operations, developments, investments, procurement and leasing processes. This will better enable us to protect asset value, enhance governance and disclosures, and meet evolving stakeholder expectations.

## APPROACH

The Board of Trustees’ Nominating, Environmental, Social and Governance Committee (NESGC) oversees RioCan’s strategy, policies and practices with respect to all ESG matters, including those related to climate. Additionally, the ESG Council, composed of a cross-functional executive and organizational leadership team, oversees ESG implementation and drives performance improvements. The Council members sponsor and provide guidance on ESG initiatives within the organization and enable performance measurement.

In 2021, the Trust established the Climate Committee, which is comprised of RioCan’s subject matter experts and functional heads. The mandate is to advance climate considerations within RioCan’s growth objectives through an enhanced focus on resource efficiency and climate-resilience. The committee has identified three pillars of RioCan’s climate strategy.

1. Strengthen Resilience

The objective of this pillar is to protect RioCan’s operations, property portfolio and developments against physical effects of climate change. To execute this pillar, RioCan will apply climate risk data to identify at-risk assets and develop plans to improve portfolio climate resilience.

2. Reduce Emissions

The objective of this pillar is to decarbonize operations, property portfolio and developments to support transition to low-carbon economy. RioCan has made a commitment to be net-zero by 2050. To achieve this commitment, RioCan will expand measurement and analysis of GHG emission reductions, set near-term and net-zero targets in-line with the Science Based Target initiative and implement five key strategies as follow:

- i. Energy efficiency  
Energy efficiency is one of the most cost-effective ways to reduce energy costs and emissions. RioCan will further enhance energy efficiency through efficient building construction, systems and equipment.
  - ii. Renewable Energy Resources  
RioCan will strategically integrate renewable energy in our operations by procuring on-site renewable energy (generated and consumed on-site) and off-site renewable energy (generated off-site or purchased from third party).
  - iii. Building Electrification  
On-site combustion of fossil fuels contributes to GHG emissions. RioCan will address this challenge by increasing the implementation of electricity driven heating systems at RioCan's assets.
  - iv. Embodied Carbon  
The embodied carbon in the construction building materials account for a significant portion of the lifetime carbon emissions. RioCan will focus on procuring and piloting lower embodied carbon materials that can be reused or recyclable at the end of their application in the building.
  - v. Supply Chain Engagement  
RioCan will engage with our partners and drive progress across our supply chain. Supply chain engagement will further promote transparent disclosure of emissions data.
3. Enhance Governance and Disclosure
- The objective of this pillar is to create accountability and oversight, and to ensure RioCan communicates its practices to stakeholders in alignment with disclosure standards such as the recommendations from the Taskforce on Climate-Related Financial Disclosures (TCFD).

## APPLICABILITY

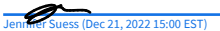
This policy is applied in conjunction with the Environmental, Social and Governance and Sustainable Development and Safety Policies. It applies to all new developments, operations and portfolio. For areas where this policy has not articulated specific commitments, national and local law, regulations and standards apply.

**RESPONSIBILITIES**

The Sustainability Department oversees the implementation and adherence of this policy. The Senior Vice President, General Counsel, ESG and Corporate Secretary monitors progress to the strategic plan.

RioCan’s corporate governance documents and annual Management Information Circular can be found on our website.

**VERSION HISTORY**

<b>Version</b>	<b>Date</b>	<b>Senior Executive Approval</b>	<b>Description</b>
<b>1.0</b>	December 21, 2022	 <a href="#">Jennifer Sues (Dec 21, 2022 15:00 EST)</a>	Initial Release
		