

THOUGHTFUL **COLLABORATIONS**



REALTY INCOME

2023 SUSTAINABILITY REPORT

SUSTAINABILITY FOCUS

At Realty Income, we believe we have a responsibility to our community and the planet. We adopt business practices designed to nurture the communities where we operate and that reduce environmental impacts. We report on our environmental, social, and governance (ESG) efforts, initiatives, and performance on an annual basis.

As real estate partner to the world's leading companies, our innovative business approach allows us to adopt sustainable practices through collaboration across our value chain.

We are also dedicated to providing an engaging, inclusive, and safe work environment for our employees.

We aim to make a positive impact in our communities by building enduring relationships with local nonprofits.

From our employees to our clients, and from our local communities to our operations around the world, Realty Income continues to advance sustainability initiatives with invested stakeholders.

ABOUT OUR REPORTING

We prepared this annual Sustainability Report with reference to the Global Reporting Initiative (GRI) Universal Standards, investor feedback, and annual ratings and rankings submissions.

The expansion of environmental data coverage, among other factors, could reduce the ability to compare year-over-year performance. Financial, governance, and social responsibility disclosures are provided for the enterprise at large for the calendar year 2023, unless otherwise noted. We finalized the merger with Spirit Realty Capital, Inc. in the first quarter of 2024; assets we acquired as part of that

transaction will be included in our 2024 Sustainability Report.

Internal quality controls have been used throughout the data collection and analysis process; however, external assurance has not been performed on the environmental data in this report. Information stemming from our audited financial statements and other public disclosures is referenced accordingly.

Our statements (including data) are provided as of the indicated dates within this report and we do not undertake to update or revise any such responses or statements. These responses represent our current policy and intent, the current

data, metrics, and other information available to us, and are not intended to create legal rights or obligations.

The standards of measurement and performance contained in our responses are developing and based on assumptions, and no assurance can be given that any plan, target, initiative, projection, goal, commitment, expectation, or prospect set forth in our responses can or will be achieved. Our statements herein are separate and distinct from the process of identifying impacts, risks or opportunities (IROs) for any in-scope entities under any reporting directive, laws, regulations or other requirements, including the EU's

Corporate Sustainability Reporting Directive (CSRD), and are not indicative of any materiality determination, future disclosures, or determinations not to disclose, under CSRD.

With the implementation of new sustainability data management and reporting platforms in 2023, we are choosing to recast 2022 emissions information to increase year-over-year comparability in this year's report. The data presented in this report was externally checked, but not externally assured.

For questions about our reporting, contact sustainability@realtyincome.com.



THOUGHTFUL **COLLABORATIONS** FOR A **GREENER FUTURE**

Underlying all we do at Realty Income is a focus on nurturing strong relationships. We believe the path to developing our ESG programs, including decarbonizing our portfolio, is through collaboration with our clients and strategic partners. Together, we can move toward a more sustainable future.

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MESSAGE FROM THE CEO

As real estate and sustainability landscapes continue to evolve, Realty Income is harnessing the power of partnerships to meet challenges head-on and pioneer solutions that will help us and our clients meet our mutual sustainability goals.

Collaboration with clients, partners, and key stakeholders is vital as we adapt to changing physical and social environments, address climate-related challenges, and comply with evolving regulations, including new reporting requirements from domestic and international lawmakers and agencies.

At the heart of these challenges is the need to reduce the carbon footprint of our portfolio. We have made progress on several fronts, including:

- installing solar power at our San Diego headquarters as part of our effort to reduce carbon emissions across our corporate operations;
- building on the strong relationships we have with our clients to support green upgrades, such as initiating solar installations, LED lighting retrofits, HVAC replacements, and electric vehicle (EV) charging infrastructure, to help meet mutual environmental goals;
- investing in green certified buildings and new verticals such as sustainable farming.

Simultaneously, we continue to develop new ways to work with our clients to gather operations data that is important to charting a path to decarbonization.

We will continue strengthening our client relationships to further collaborate in a way that benefits both Realty Income and the leading companies we support.

With a strong foundation of data, we can work to strategically reduce the environmental footprint of our properties. We are already working to identify decarbonization opportunities at the asset level across the portfolio with our strategic advisors, focused on renewable energy development and building enhancements to optimize energy performance. Like so much of what we are doing, reducing emissions from our owned real estate will require close collaboration with our clients and other partners.

We are taking many positive steps forward as we continue to mature our social programs. Because collaboration requires inclusivity, we created an Inclusion and Belonging Committee in 2023 to strengthen our workplace programs. We also continue to expand partnerships with community organizations to positively impact where we operate.

Our Board of Directors plays an active role in sustainability oversight, strengthening our corporate position. We continually consider best-in-class governance provisions without compromising the



strategic elements we need to run our business. As part of our approach, we are embracing technology and innovation to drive value and build a stronger and more resilient company for our stockholders, our clients, and the 400+ colleagues who make up our One Team.

We believe we can achieve meaningful change by building strong and lasting relationships and collaborating across our value chain. By aligning our operational model and impact, Realty Income can be a sustainability partner to the world's leading companies.

I'm pleased to share with you the progress we've made along this continuous journey to grow our sustainability programs across our global real estate portfolio.

Sincerely,

Sumit Roy

President and Chief Executive Officer

September 30, 2024

OUR BUSINESS MODEL

ADVANCING SUSTAINABILITY UNDER A NET LEASE OPERATING STRUCTURE

Under a net lease operating structure, we generally do not have operational control over the assets in our portfolio. We encourage our clients to follow sustainable practices, and we routinely engage with our clients to support environmental impact reduction initiatives through a variety of efforts and offerings. However, ultimately, decisions are controlled by our clients to develop and direct their sustainability strategies and practices.

Net lease

Clients pay rent and certain property operating expenses, such as property taxes, utilities, and maintenance.



Advantages of net leases:

- Lower risk and more consistent cash flow for investors and Realty Income
- Predictable expenses from long-term leases
- Possible lower operating costs for clients and flexibility to make improvements and customize their space
- Building of meaningful relationships to achieve mutual operational and sustainability goals; incentive alignment

Opportunities with net leases:

- Asset Management, Real Estate Operations and Sustainability Departments engage with clients to support onsite renewable electricity, EV charging infrastructure, and energy efficiency opportunities
- Green leases address data sharing, site alterations, and, if requested, energy performance certificates

Challenges of net leases:

- Cannot collect property energy and emissions data without the client's cooperation
- Cannot unilaterally make sustainability upgrades such as green building retrofits and renewable energy installations
- Environmental data limited to headquarters, other properties under operational control, and information clients elect to share

ABOUT REALTY INCOME

GEOGRAPHIC DIVERSIFICATION⁽¹⁾

15,450 PROPERTIES

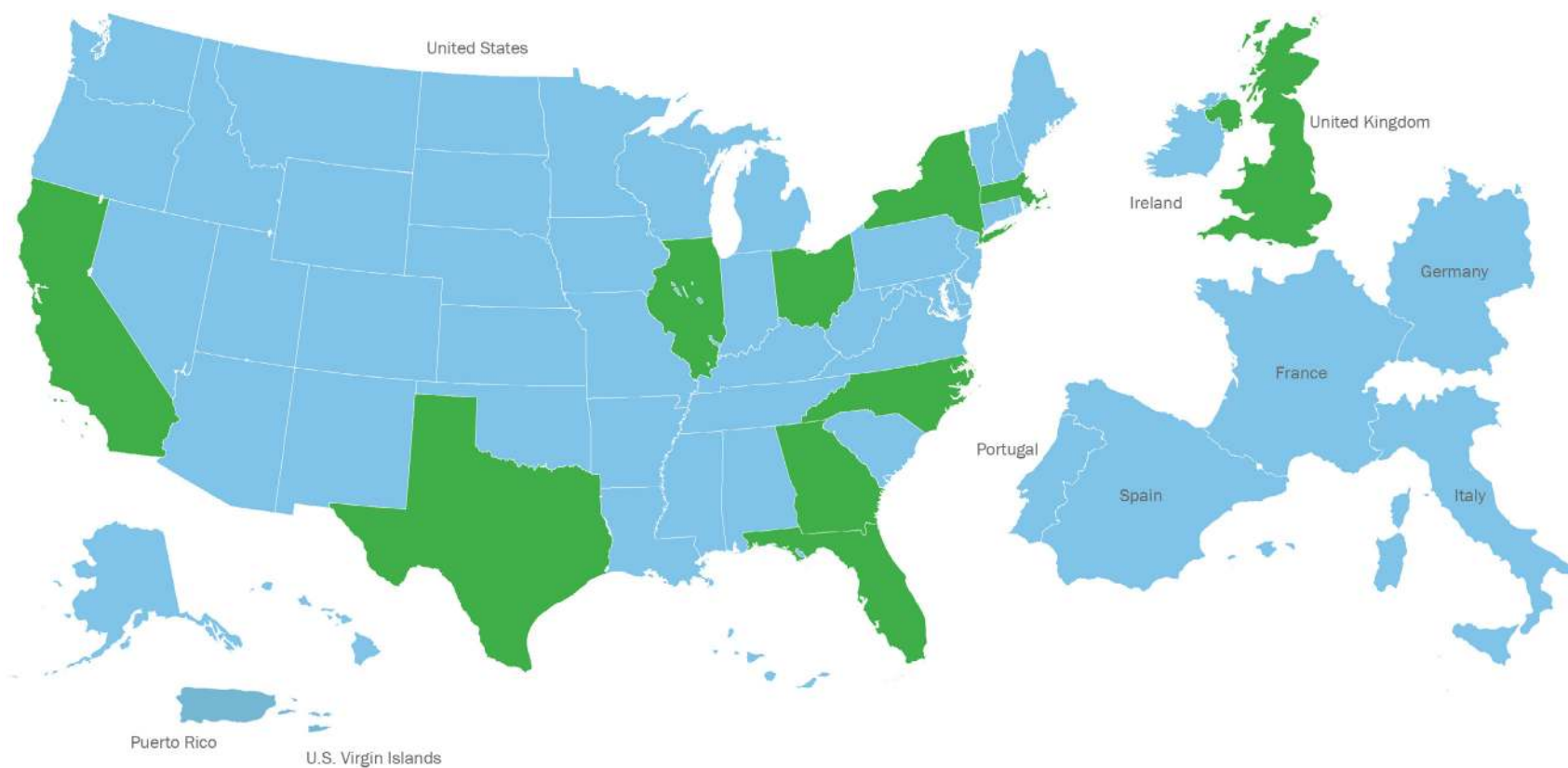
90 INDUSTRIES

1,551 CLIENTS

TOP 10 REGIONS (refer to the green shaded regions below)

Percent of Total Portfolio Annualized Contractual Rent⁽²⁾

UK **11.2%** TEXAS **10.5%** FLORIDA **5.2%** CALIFORNIA **5.0%** ILLINOIS **4.5%**
OHIO **4.1%** MASSACHUSETTS **4.0%** GEORGIA **3.6%** NEW YORK **2.9%** NORTH CAROLINA **2.7%**



MAP NOT TO SCALE

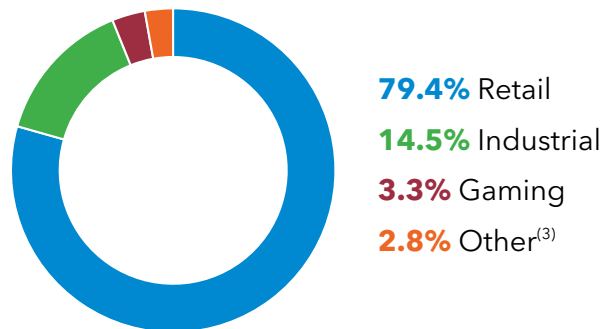
⁽¹⁾ As of 6/30/2024

⁽²⁾ Represents total portfolio annualized contractual rent contribution from U.S. and European properties.



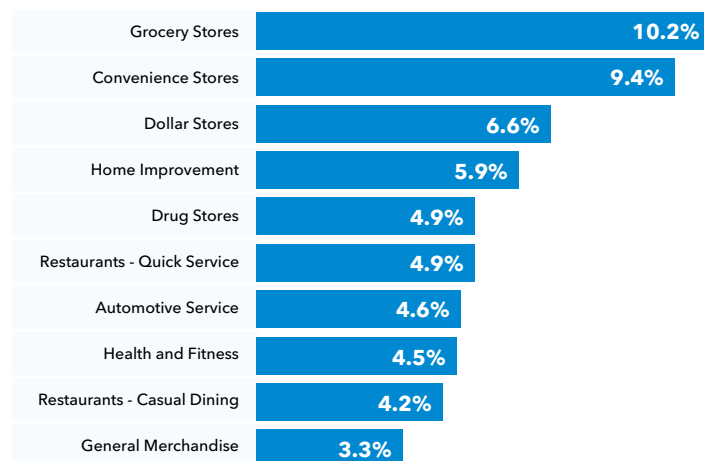
PROPERTY TYPE DIVERSIFICATION⁽¹⁾

Percent of Total Portfolio Annualized Contractual Rent⁽²⁾



INDUSTRY DIVERSIFICATION⁽¹⁾

Percent of Total Portfolio Annualized Contractual Rent⁽²⁾



⁽¹⁾ As of 6/30/2024

⁽²⁾ Represents total portfolio annualized contractual rent contribution from U.S. and European properties.

⁽³⁾ "Other" primarily includes 15 properties classified as office with \$45.7 million in annualized contractual rent, 27 properties classified as agriculture with \$38.1 million in annualized contractual rent, three properties classified as data centers with \$25.8 million in annualized contractual rent, and 21 properties classified as country clubs with \$23.2 million in annualized contractual rent, as well as one land parcel under development.

CLIENT DIVERSIFICATION⁽¹⁾

Percent of Total Portfolio Annualized Contractual Rent⁽²⁾

DOLLAR GENERAL	3.4%	ASDA	1.6%
Walgreens	3.3%	Sainsbury's	1.5%
DOLLAR TREE FAMILY DOLLAR	3.1%	CVS pharmacy	1.3%
7-ELEVEN	2.6%	LA FITNESS	1.3%
EG Group	2.2%	TESCO	1.2%
Wynn	2.1%	MGM RESORTS INTERNATIONAL BELLAGIO LAS VEGAS	1.2%
LIFETIME FITNESS	2.0%	Walmart Sam's Club	1.2%
FedEx	2.0%	TRACTOR SUPPLY CO.	1.2%
BJ's	1.6%	AMC THEATRES	1.1%
B&Q	1.6%	RED LOBSTER	1.0%

Note: Green indicates our clients with a credit rating, and our clients that are subsidiaries or affiliates of companies with a credit rating, as of 6/30/2024, of Baa3/BBB- or higher from one of the three major rating agencies (Moody's/S&P/Fitch). Subsequent to June 30, 2024, Walgreens was downgraded by Moody's to Ba3 and by S&P to BB and (B&Q) Kingfisher's Moody's rating was withdrawn.



OUR VALUE CHAIN

The following activities are where we can generate value.

INPUTS

(illustrative upstream partners)

- Real estate owners
- Developers
- Institutional investors
- Banks and private lenders
- Consulting and advisory partners

Market Research



- Forecasts for national/international property markets and industries
- Recommendations for investment strategy
- Advanced analytics utilizing machine learning, big data, and other predictive tools

Acquisitions



- Property selection
- Due diligence and underwriting
- Financing

Dispositions



- Property sales through active asset management
- Economic optimization via accretive capital redeployment

Portfolio Management



- Portfolio analysis and strategy
- Leasing/client services agreements/property upgrades
- Management of third-party service providers

Project and Portfolio Development



- Job acquisition and construction monitoring
- Renewal or redevelopment of existing holdings
- Technical maintenance administration

OUTPUTS

(illustrative downstream partners)

- Clients
- Property management partners
- Consultants and utility data providers

Business activities where we have varying degrees of control

FINANCIAL HIGHLIGHTS

Realty Income (NYSE:O), an S&P 500 company, is a real estate partner to the world's leading companies. We are known as "The Monthly Dividend Company", and cash flow generated from our highly diversified portfolio supports our mission to deliver dependable monthly income that grows over time. Realty Income's business model is built on four pillars:

- High-Quality Real Estate
- Conservative Capital Structure
- Prudent Growth Strategy
- Corporate Responsibility

In October 2023, we announced the acquisition of Spirit Realty Capital, Inc. The transaction resulted in an enhancement of Realty Income's size, scale, and diversification to expand our runway for future growth. The merger closed in the first quarter of 2024.

AT A GLANCE

- **~\$72B Enterprise Value**
- **~\$4.85B Total Portfolio Annualized Contractual Rent**
- **36.0% of total portfolio annualized contractual rent from investment grade clients⁽¹⁾**
- **13.5% Compound Average Annual Return since 1994 NYSE listing**
- **\$14.1B in dividends paid over our 55-year history**

as of 6/30/2024

O
LISTED
NYSE



⁽¹⁾ Clients with a credit rating, and our clients that are subsidiaries or affiliates of companies with a credit rating, as of the balance sheet date, of Baa3/BBB- or higher from one of the three major rating agencies (Moody's/S&P/Fitch).



PURPOSE, MISSION, VISION, VALUES

For 55 years, Realty Income has remained committed to investing in people and places. Our mission is simple yet powerful: to deliver dependable monthly dividends that consistently grow over time. We are driven by our purpose, mission, vision, and values, all of which serve as guiding forces in our pursuit of delivering investor returns. As we continue to evolve, our goal is to become an even more resilient company, ensuring long-term success for our investors and stakeholders.

PURPOSE

To build enduring relationships and brighter financial futures.

MISSION

To invest in people and places to deliver dependable monthly dividends that increase over time.

VISION

To be a global, preeminent S&P 100 enterprise that embraces the journey to creating long-term value for all stakeholders.



Realty Income San Diego Headquarters

OUR VALUES

Realty Income was founded on five basic values that have been fundamental to our business since inception.



Doing the right thing

How we act is as important as what we accomplish.



Taking ownership

Because our clients' success is our success.



Empowering each other

So everyone will be inspired to give their best every day.



Celebrating differences

Because Diversity, Equality, and Inclusion make us stronger.



Giving more than we take

In our community and the environment.

GOVERNANCE

BOARD STRUCTURE AND COMMITTEES

Our Board of Directors plays a key role in overseeing ESG at Realty Income, including with respect to embedding sustainability into our strategy, business activities, leadership activities, and risk management. Each of our three board committees has a charter outlining member roles and responsibilities, the frequency of meetings and communications, and how the committee interacts with other committees.

Advancing ESG in 2023

- An emphasis was placed on regulatory compliance and ESG reporting in Board discussions and decision-making was heightened.
- Board members completed third-party administered training focused on emerging ESG regulations in California and Europe.
- Director Priscilla Almodovar was appointed as chair of the Audit Committee, which oversees quantitative disclosures relating to ESG matters. Read more on pages [11](#) & [12](#).

Learn more about our Board of Directors and find each committee charter on our [website](#).

ETHICS

We believe in holding ourselves to high ethical standards for the benefit of our employees, local communities, clients, and stockholders. Our Code of Business Ethics guides all that we do and aligns with the company's values, strategic efforts, and ESG initiatives. All employees, directors, officers, and executives undergo annual training and commit to an ethics code and the Employee Handbook.



We completed Code of Ethics and Insider Training courses in 2023.

To uphold transparency and ethical business practices across our global operations, we comply with:

- The U.S. Foreign Corrupt Practices Act
- The UK Bribery Act
- UK Modern Slavery Act
- Our Anti-Corruption and Foreign Trade Control Policy
- Our Anti-Money Laundering and Anti-Terrorist Financing Policy
- Human Rights Policy
- Supplier Code of Conduct



There were 0 known and reported cases of corruption in 2023.

About our Board of Directors*

The diverse backgrounds and experiences of the 11 business leaders who make up our Board reflect the diversity we strive for as a company.

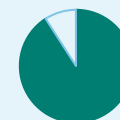
Board of Directors Diversity:



4 identify as female



6 of our Board members identify as members of historically underserved communities



10 of our Board members are independent, non-employee directors

Board of Directors Tenure:

<5 years: 4 ● ● ● ●

5-12 years: 4 ● ● ● ●

>12 years: 3 ● ● ●

* On 2/12/2024, Ronald L. Merriman notified the Board of Directors of his decision to retire and not stand for re-election at the company's annual meeting. All of the below figures are presented as of 04/15/2024 in the 2024 Proxy Statement for the Directors that stood for re-election and were subsequently re-elected at the 2024 Annual Meeting of Stockholders.

ESG AND CLIMATE GOVERNANCE

Realty Income has a robust governance structure to oversee and carry out our ESG program and performance.

- Our Board of Directors is elected on an annual basis with a majority vote standard.
- Our directors conduct annual self-evaluations and regularly participate in continuing education programs, including training on ESG topics.
- Along with Realty Income’s Management team, the Board reviews the company’s enterprise risk management (ERM) report annually. This review ensures the appropriate identification, management, and oversight of risks to the company, including climate-related risks.
- Our Board provides oversight on the company’s ESG programs and performance.

Audit Committee: This committee has oversight of the integrity of our financial statements, cybersecurity, enterprise-level risks, and of the accuracy and reliability of the company’s quantitative public disclosures relating to ESG matters.

Compensation and Talent Committee: This committee oversees human capital and talent management programs, including compensation and benefits, recruiting and retention, management succession, diversity, culture, and engagement.

Nominating/Corporate Governance Committee: This committee has oversight of governance matters, including related recommendations, policies, programs, and practices related to environmental, social, and governance matters, identification and recommendation of potential individuals to be Board members consistent with criteria approved by the Board, and succession plans for executive management.

Our ESG and Climate Governance Structure



Global Sustainability Committee

- Tasked with developing and executing the next phase of the company’s ESG strategy
- Made up of a cross-functional leadership team
- Monitors the ESG landscape, identifies opportunities and risks, and manages ESG performance

ESG Reporting Task Force

- Formerly the SEC ESG Task Force, it expanded in 2023 to include California and European reporting requirements
- Prepares for the potential inclusion of emissions and climate-related disclosures in regulatory filings
- Outside counsel provides briefings and training throughout the year

- Executive and leadership-level membership expanded to include investor relations and capital markets leaders

Inclusion and Belonging Committee

- Launched in 2023 to identify and address opportunities related to diversity, equality, and inclusion in the workplace
- Read more on [page 24](#)



STOCKHOLDER ENGAGEMENT

We take a collaborative approach to stakeholder engagement and strive for transparency to ensure our stakeholders have sufficient context to provide meaningful feedback. In the course of doing business, we engage with our clients and prospective clients, other business partners, employees and prospective employees, suppliers, local communities, and membership organizations for the purpose of information-gathering, consultation, and participation.

We regularly engage with stockholders on topics such as our Board composition and executive compensation program. Investors continue to express interest in ESG topics. In 2023, we reached out to stockholders representing approximately 69% of shares outstanding, and we engaged with stockholders representing approximately 60% of shares outstanding. Recent discussion topics included:

- Our compliance with existing regulations and preparing for anticipated ESG-related regulatory changes in the U.S. and Europe
- Increased data-driven, quantitative disclosure of environmental and social topics
- Climate-risk assessment for our company and business activities
- Diversity, equality, and inclusion initiatives and performance
- Increasing human capital metrics and performance

BOARD HIGHLIGHT

Priscilla Almodovar

Priscilla Almodovar, a Realty Income director since 2021, is the new chair of the Board's Audit Committee, which oversees sustainability reporting. She was also appointed as the CEO of Fannie Mae in 2023 and continues as a director, including as a member of the Community Responsibility and Sustainability Committee at Fannie Mae.



She also has extensive experience in the real estate and finance industries. She formerly was president and CEO of the affordable housing advocacy nonprofit Enterprise Community Partners and led JPMorgan Chase's national real estate businesses as its managing director.

She specialized in international project finance during her tenure as a corporate partner at the global law firm, White & Case LLP.



We have an anonymous whistleblower and ethics hotline and reporting platform, run by an independent third party, that is available to all employees and external stakeholders. A summary of reports from this hotline are relayed quarterly to our Audit Committee.

PRIORITY ESG TOPICS

We conducted a voluntary ESG materiality assessment in 2020 to identify priority ESG topics and have worked diligently to advance disclosure on all topics to the extent possible (see explanations for omissions in the GRI content index). More information on our process, along with our priority topics, can be found on our [website](#).

We are planning to conduct an ESG materiality assessment refresh in 2024 and intend to update our list of priority topics in our 2025 Sustainability Report. Our initial assessment aligned with the GRI Standards and considered topics covered by leading ESG disclosure frameworks and rating agencies, industry organizations such as Nareit and SASB Standards, and input from internal teams.

RISK MANAGEMENT

In 2023, we conducted an independent review and collected relevant metrics to confirm the effectiveness of our ERM program in managing risk company-wide. The review also highlighted the positive impact of geographic diversification in our portfolio, reducing climate risk.

Nevertheless, we continually assess potential risks, such as with Project Green, which tracks upgrades needed to meet international real estate energy requirements. In addition, our Strategy & Insights Department is expanding the data points it tracks to better gauge risk.

Monitored risks include:

- Uncertainty and inconsistency related to current and upcoming regulations across the regions where we operate
- Challenges in meeting data reporting requirements due to our net lease structure
- Costs and availability of insurance; although most of our clients are responsible for securing their own assets, we are increasing coverage where appropriate

- The potential impact of electric vehicle adoption
- Potential impact on access to capital related to unfavorable sustainability-related perception of our investments in the gaming industry

For more information on how we manage risks and impacts associated with climate change, please see our Task Force on Climate-Related Financial Disclosure (TCFD) response in the [appendix](#).

HIGHLIGHT

As we consider decarbonization opportunities, we are enhancing our systems and processes to enable improved data collection and evaluation of carbon-reduction opportunities.

We have partnered with third-party experts to build bespoke, comprehensive greenhouse gas accounting and sustainability reporting platforms aligned to our financial reporting. By using these systems and by implementing strategic partner guidance, we have created an enhanced assessment of Realty Income's carbon footprint and gained a clearer picture of our corporate operations and the portfolio's carbon emissions. The data will help us to make informed decisions about which potential carbon reduction measures are more likely to have the greatest environmental impact and make the most financial sense.



CYBERSECURITY & INNOVATION

OUR FOCUS

We proactively safeguard the security, safety, and success of our properties, clients, and team members in the face of a constantly evolving cybersecurity landscape.

The company maintains a 24/7 Security Operations Center (SOC) and cybersecurity insurance. Our ongoing employee training and assessments have increased awareness and improved the ability to identify phishing and other potential attacks. In 2023, we implemented vendor cybersecurity training requirements and tracking, conducted tabletop exercises and developed an incident response plan in cooperation with IT, Legal, and our Audit Committee, and completed Board training on cybersecurity and increased Board engagement in cybersecurity issues.



We are also driving efficiency and value through innovation by prioritizing:

- **Automating** routine People Success-related onboarding and offboarding tasks through our ticketing platform.
- **Streamlining** data collection, data sharing, and workflows through our proprietary Acquisitions workflow.
- **Increasing** efficiency and productivity through our data repository, which is expected to improve data aggregation, accessibility, and organization.
- **Continuing** to enhance our portfolio data architecture, including ESG information, in a more robust, customized enterprise application. We have also implemented an enterprise-wide platform to enable accuracy, completeness, and consistency in ESG data and reporting.
- **Automating** direct tax billing and direct insurance billing processes as well as client financial data
- **Developing** automated systems to pull ESG related property characteristics from acquisition data within our enterprise platforms.
- **Data storage**, which includes providers with net zero commitments.

More information on Cybersecurity can be found in the [2024 Proxy Report](#) and [2023 10-K](#).



ENVIRONMENTAL RESPONSIBILITY

CORPORATE OPERATIONS

At Realty Income, a focus on environmental responsibility is embedded in our operations, and we strive to follow sustainable business practices that benefit people and the environment. We continue to make decisions that increase the sustainability performance at our other corporate locations by investing in environmental initiatives or leasing green certified or energy efficient spaces. Our San Diego corporate headquarters has recently undergone a transformation, through the addition of solar carports in the parking lot, the implementation of LED lighting and the application of xeriscaping. We are also investing in renewable energy certificates (RECs) and carbon removals to impact emissions from corporate operations where projects can't be implemented.



PARTNERING WITH OUR CLIENTS

Partnering with clients to reduce the environmental impacts associated with our properties is an essential element of our sustainability strategy's success. Given the constraints of our net lease structure, we focus on collaborating with our clients to make green upgrades to our properties in addition to collecting environmental data.

CLIENT COLLABORATION

Using Solar Power to Advance Sustainability:

In 2023, Realty Income finalized a collaborative opportunity to finance and manage an onsite renewable energy installation for a retail client's distribution facility. This upgrade offsets electricity consumption, reduces operating expenses, sets a predictable electricity rate, and helps our client achieve their sustainability goals. This effort is an example of how we are continuing to build relationships with our clients to implement client/landlord solutions in the net lease industry.



SOLAR ARRAY DETAILS

- 90% offset of site electrical consumption
- 3.5 MW DC system size
- 6,100 MWh Year 1 production (est.)
- 4,268 metrics tons of annual CO₂e offset (est.)

SUSTAINABILITY FOCUS



Energy & Electricity (Renewable Energy)

- The San Diego headquarters solar installation became operational in January 2024. The carport canopy project development size is 430kW with Year one production to be approximately 700,000 kWh. This annual production is expected to offset the 2019 consumption we targeted.
- We invest in renewable energy certificates and carbon removals to offset electricity and fuel use across our corporate office locations.



Water

- Additional xeriscaping has been added across this location to reduce water usage and increase the water efficiency of our soil condition-based automated systems.



Waste

- In 2023, we recycled employee electronics through a certified e-waste program, Veterans Green Projects, in San Diego. Computers, monitors, servers, switches, and additional miscellaneous items totaling 2,500 pounds were diverted from the landfill.



Updates

- Hybrid work options for certain roles.
- We have implemented a greenhouse gas accounting platform to calculate and footprint additional Scope 3 emissions categories: 1, 2, and 6.

CORPORATE OPERATIONS IN 2023



San Diego Headquarters

OWNED
ENERGY STAR Certified

Phoenix Office*

LEASED
LEED Platinum Certified

London Office

LEASED
Energy Performance Certificate (EPC) "C"

Amsterdam Office*

LEASED
BREAM Certified Excellent

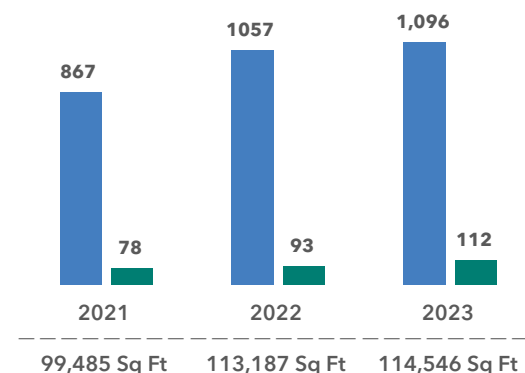
*Our Phoenix and Amsterdam office locations have moved in 2024, and any changes to environmental performance as a result of this will be reported in future years.



ENVIRONMENTAL PERFORMANCE METRICS⁽¹⁾

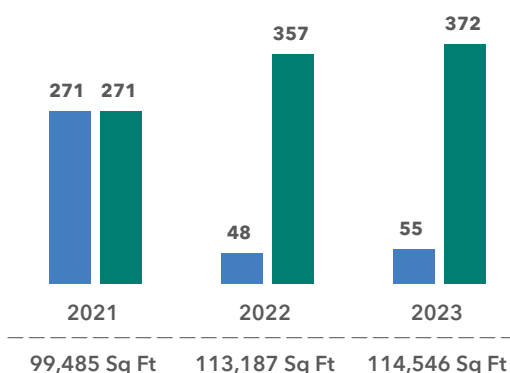
Corporate Operations Energy Consumption (MWh)

- Electricity, heat, and cooling purchased
- Fuel purchased

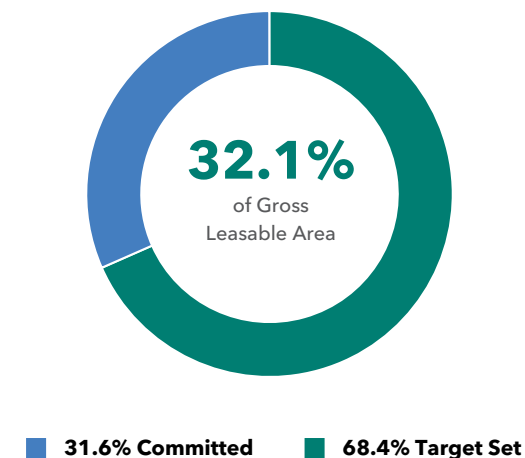


Scope 1⁽²⁾ & 2 Emissions (MT CO₂e)

- Total scope 1 & scope 2 emissions (market-based)
- Total scope 1 & scope 2 emissions (location-based)



Clients with Science-Based Targets



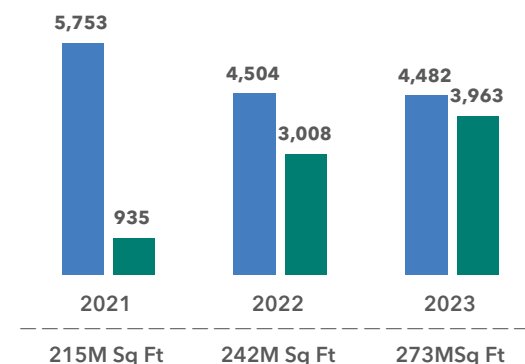
As of December 31, 2023, 32.1% of our gross leasable area for standing investments is operated by clients that either committed to or have set science-based targets*.

Due to recent changes in the Science Based Targets Initiative (SBTi) criteria and reporting requirements, some of our clients no longer hold SBTi commitments. However, this should not be interpreted as a reduction in their commitment to decarbonization. We believe that these clients, which account for 2.8% of Gross Leasable Area, will continue to work toward fulfilling their decarbonization commitments.

* Based on research conducted on the [SBTi database](#)

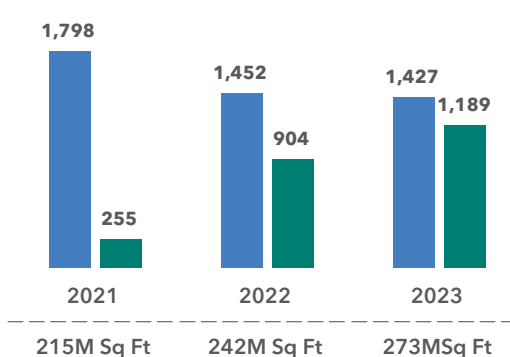
Portfolio Energy Consumption (Thousand MWh)

- Estimated energy
- Energy based on client-provided data



Scope 3.13 Emissions (Thousand MT CO₂e)

- Estimated emissions
- Emissions based on client-provided data



⁽¹⁾ Please refer to GRI Disclosure Items 302-1 (Corporate Offices), 302-2 (Portfolio Energy Consumption), 305-1 (Scope 1 & 2 Emissions), and 305-3 (Scope 3.13 Emissions) for calculation methodologies and sources related to values presented in these charts.

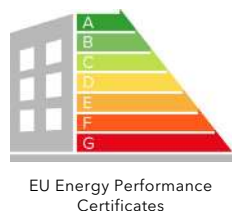
⁽²⁾ Fugitive emissions estimations are now included in 2022 & 2023 Scope 1 emissions as well as REC purchases included in Scope 2 market-based emissions.



OUR FOCUS

We track and report our annual performance and progress as part of our efforts to meet regulatory requirements, to make our operations more energy efficient, and to identify opportunities to engage with clients by offering sustainability solutions.

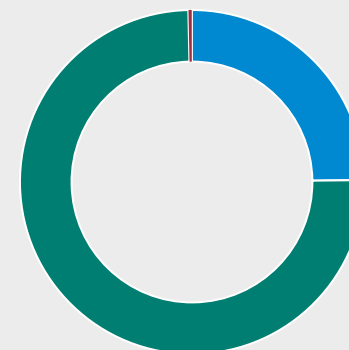
In addition to pursuing green certifications at our headquarters, we invest in certified buildings. Green certifications show that a building is more energy-efficient and uses fewer resources, making it less costly to operate and produce a lower carbon footprint. Our portfolio includes the following certifications:



2023 Corporate Office Green-Certified Space

147,782 SQ FT Gross leasable area

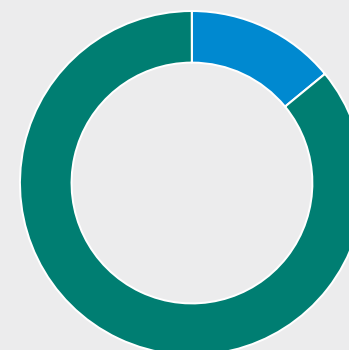
- LEED Platinum: **36,677 SQ FT**
- ENERGY STAR: **110,631 SQ FT**
- BREEAM Excellent **474 SQ FT**



2023 Energy Performance Certificate Rated A & B Square Footage within Portfolio

13,034,451 SQ FT Gross leasable area

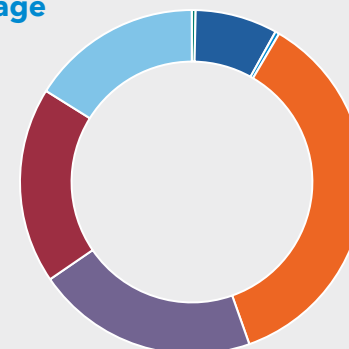
- EPC A/A+: **1,833,578 SQ FT**
- EPC B: **11,200,873 SQ FT**



2023 BREEAM and LEED Certified Square Footage within Portfolio

8,570,888 SQ FT Gross leasable area

- BREEAM Excellent: **30,386 SQ FT**
- BREEAM Very Good: **662,029 SQ FT**
- BREEAM Pass: **32,980 SQ FT**
- LEED Platinum: **3,096,700 SQ FT**
- LEED Gold: **1,786,732 SQ FT**
- LEED Silver: **1,581,116 SQ FT**
- LEED Certified: **1,380,945 SQ FT**



* Standing portfolio gross leasable area: 272,083,100. [The Bellagio](#) holds a "5 Green Keys" rating and "Four Green Globes" for existing buildings.



ENVIRONMENTAL MANAGEMENT SYSTEM

Realty Income has implemented an environmental management system (EMS) to align our sustainability reporting objectives with ESG frameworks and upcoming requirements and regulations, such as the SEC Climate Disclosure Rules, California Climate Rules, and EU Corporate Sustainability Reporting Directive (CSRD). The EMS is comprised of processes and technology systems to collect and consolidate data and comply with external reporting requirements. The primary objectives of the system are to enable efficient data analysis, ensure data accuracy and completeness, support audit processes, and improve Realty Income's sustainability performance.

Realty Income's environmental data is obtained from many sources. In 2023 and 2024, several enterprise-level technological changes were implemented to streamline environmental data collection and reporting processes – we now use several platforms to collect and collate data, calculate metrics, and draft environmental disclosures. One of the platforms is used for greenhouse gas emissions accounting, which uses certified, audited methodologies to collect relevant data and apply appropriate factors to derive Scope 1, 2, and 3 GHG emissions. Another platform serves as Realty Income's disclosure hub – it is used to conduct final internal reviews over key metrics, disclosures, and reports prior to external publication. Both of these platforms have SOC reports available to demonstrate and verify that they implement consistent and dependable security measures and controls. The GHG emissions accounting platform is ISO 14067 certified, whereas the disclosure platform is ISO/IEC 27001:2013 certified.

Additionally, the company is in the process of establishing additional internal controls for environmental data.



The five components of Realty Income's EMS are:

- 1 OBJECTIVE:** Realty Income is focused on improving our environmental sustainability performance by establishing or enhancing processes and by instituting systems as needed.
- 2 PLANNING AND ANALYSIS:** This component involves assessing Realty Income's impact on the environment, which includes assessments of impacts, risks, and opportunities to feed into our climate risk and materiality assessments. This component also includes identifying relevant disclosure requirements, data collection mechanisms, calculation methodologies, and stakeholder engagement needs.
- 3 IMPLEMENTATION:** This component involves assessing and reporting responsibilities to relevant internal stakeholders, aggregating and manipulating data, drafting external disclosures, and communicating with external stakeholders. Implementation also constitutes documenting data processes and conducting interim quality checks for audit purposes.
- 4 EVALUATION:** We monitor our environmental data and reporting processes to track whether our sustainability objectives are being met and take corrective action as necessary.
- 5 INTERNAL AUDIT AND REVIEW:** We conduct internal and external reviews on data collected for external reporting and test/correct anomalies, conduct internal reviews of our data estimation methodologies, and assess disclosures for accuracy and completeness. All of these steps are conducted to prepare for external auditors' requests for information as Realty Income plans for limited assurance over certain environmental metrics.

CLIENT COLLABORATION AND GREEN PROCUREMENT

We empower our clients to achieve their sustainability goals by providing customized solutions to reduce their carbon footprints, cut costs, and meet regulatory requirements. As more than just a landlord, we act as a partner, offering expertise and assistance in solving complex sustainability problems.

Through engagement at leasing touchpoints and regular contact by our Asset Management, Real Estate Operations, and Sustainability Departments, we educate and collaborate with our clients to advance sustainability. Our programs are tailored to each country, region, and the client’s specific size and goals. In Europe, we are actively working to ensure our properties comply with current and upcoming regulations, such as Minimum Energy Efficiency Standards (MEES), and EV charging infrastructure and solar canopy requirements in parking lots.

While Realty Income strives to choose sustainable materials, such as non-VOC paint, and energy-efficient equipment whenever possible for the spaces we operate, most sustainability initiatives are driven by our clients.

By collecting detailed information about our client base, we can identify those most likely to partner on green improvements, such as public companies or those who have set public ESG goals. For those clients that do not fall into these categories, we offer the same solutions to help them reduce operating expenses or provide Realty Income’s resources if they do not have the resources or capital. Property characteristics and energy metrics from across our portfolio are gathered in a central repository to give our department leaders the data they need to make decisions about opportunities for environmental performance upgrades and to meet current and upcoming regulatory requirements.

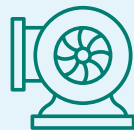
We offer the following services to our clients:



Solar installations and energy storage systems



LED lighting retrofits



HVAC replacements



EV charging infrastructure



Refurbished racking



Other efficiency services as needed

We recognize that cost can be an obstacle to making environmental performance upgrades. In 2023, we continued to enhance the ways we help our clients finance improvements by:

- **Leveraging** our scale to secure discounted pricing from leading manufacturers and installers
- **Financing** onsite renewable energy installations and providing fixed and/or reduced electricity rates and renewable energy certificates through power purchase agreements (PPAs). We also explore opportunities to establish regional PPAs or Virtual PPAs.
- **Structuring** LED and HVAC retrofit financing so that payments match monthly utility bill savings for no net increase in costs. Clients realize the savings once the project is paid off.

PARTNERING WITH OUR CLIENTS

As part of our sustainability strategy, Realty Income is committed to partnering with our clients to reduce the environmental impacts associated with our properties. Given the constraints of our net lease structure, we focus on collaborating with our clients to make green upgrades to our properties and collect environmental data.

GREEN LEASING

Because we rely on client collaboration to achieve mutual sustainability goals, we took several steps in 2023 to elevate our green leasing practices and align them with the Institute for Market Transformation (IMT) and international best practices. **Realty Income recently became a Green Lease Leader, a distinction launched in 2014 by the US DOE's Better Buildings Alliance and the Institute for Market Transformation.** Among the approaches we have taken to achieve this distinction are:

- **Enhancing green lease practices:** We continue to update our lease forms across our operations to drive landlord/client cooperation, utility data sharing, reduce energy use, implement site alterations, identify green project cost recovery, and track renewable energy usage. These are ways to help alleviate challenges a net lease real estate owner faces to reduce the portfolio's GHG footprint.
- **Energy Data Cooperation Agreements (EDCAs):** We created EDCAs to better collaborate with our clients. EDCAs, which support utility data collection needs, cover a client's entire portfolio rather than a single property, reducing the need to negotiate this aspect of every renewal. This new solution has efficiently scaled collection of necessary Scope 3 data that net lease REITs typically don't have access to.
- **Engagement and education:** Our Legal and Sustainability teams are available to explain green lease language, EDCAs, and PPAs directly to client representatives.
- **Finding solutions:** We include language in leases to address client concerns about confidentiality and have developed tools and processes to minimize client human and financial resources related to data sharing efforts.
- **Being mindful of regulations:** Both in Europe and the U.S., we work together to meet client and Realty Income sustainability needs, comply with government regulations, and achieve our goals. As our clients work to comply with new regulatory requirements, we can realize opportunities to make green improvements.

GREEN FINANCING FRAMEWORK

OUR FOCUS

Our Green Financing Framework enables us to issue financing instruments to raise capital for initiatives that reduce our environmental footprint and increase our sustainability performance. We were the first net lease company to issue green bonds in 2021. See more about our program on our [website](#).

UPDATE

We have collaborated with strategic partners to undertake a comprehensive analysis of our Green Financing Framework, enhancing our disclosures to further align with the International Capital Market Association's Green Bond Principles and industry best practices.

Additionally, we are having our Second-Party Opinion Letter revised based on these updates and plan to republish the framework in the coming months.

Key updates comprise:

- Shortening our lookback period
- Refining green building certification criteria for eligible projects
- Increasing the minimum target for energy efficiency gains
- Updating narratives to reflect the latest on our sustainability program

HIGHLIGHT

Client Solar Collaboration

We continue to engage with clients to bring landlord-led sustainability solutions to the properties we own. We are seeing increased client interest in onsite renewable solar energy. Realty Income has client portfolio pilots in place under PPAs with many more in the financial modeling or negotiation stages.

PROJECT DETAILS INCLUDE:

- **3 clients**
- **58 sites**
- **7.3 MW DC systems size (total)**
- **11,000 MWh year 1 production (est.)**
- **7,667 metric tons of annual of CO2e offset year 1 (est.)**

Bellagio

Also in 2023, we expanded our gaming sector presence with a \$950 million joint venture investment in The Bellagio Las Vegas. The Bellagio is an eco-friendly hotel and holds third party-assured Green Globe and Green Key certifications.



SOCIAL RESPONSIBILITY

OUR FOCUS

We are committed to providing an engaging work environment where team members can build fulfilling careers. We value diversity, equality, and inclusion, considering every employee an essential part of our **One Team**.

- In 2023, we renamed our human resources department to “People Success”, reflecting our focus on driving individual success.
- We invest in our people to strengthen our talented team and foster innovation, collaboration, and high performance.
- Our inclusive company culture celebrates differences, empowers employees, and promotes integrity, respect, and humility.
- We prioritize regular open communication, engaging with employees through surveys and opportunities to connect with leaders.
- We conducted both an employee engagement and a pulse survey across our company in 2023.

TEAM MEMBER DEVELOPMENT & TRAINING

Leadership Development Program

In 2023, Realty Income launched two inaugural and distinguished executive and senior-level leadership development programs as a part of our leadership learning initiatives. The two programs were yearlong initiatives that included activities such as leadership development assessments, experiential learning workshops, 1:1 and group coaching, and learning application activities.

Overall, the two learning programs consisted of 26 leaders and focused on their active development and advancement within Realty Income.

Between the two programs, Senior Vice President-Vice President and Associate Vice President-Director coaching pairings were made.

Professional Development Opportunities

Online learning platform access was available for all employees in 2023.

Over 1,100 hours of learning was completed by employees in 2023.



Change Management

In 2023, we delivered two People Leader workshops designed to educate our leaders around the basics of change management, key methodologies and roles and explored helpful change management planning resources.

Lunch & Learns

Our Lunch & Learn program is a key learning and development offering available to all employees in which internal speakers share information about departmental efforts and broader industry trends. In 2023, we hosted Lunch & Learn sessions available to team members onsite and with remote access.



SUPPORTING DIVERSITY, EQUALITY, AND INCLUSION

In 2023, we established an **Inclusion & Belonging Committee (IBC)** to strengthen our employees' sense of belonging, enhance the employee experience, and help ensure that everyone has an equal opportunity to succeed and thrive at Realty Income. The IBC is led by a steering committee and supported by employee volunteers.

In alignment with our **"Three Ps" framework of people, partners, and philanthropy**, and using input solicited from leaders across the organization, we established five key areas of focus for the IBC's future initiatives as illustrated to the right.

Also in 2023, we hosted a variety of voluntary learning opportunities that allowed participants to delve into topics, such as allyship, generational differences, racial diversity, and gender inclusivity.



PROGRESS ON OUR SOCIAL FOCUS AREAS >>>

At Realty Income, we display our focus on our people through a variety of initiatives, benefits, and programs.

Recruiting & Hiring

- We emphasize recruiting top talent that will deliver a broad range of perspectives to make our organization even stronger. This strategy is incorporated at all levels of the organization, from interns to senior leadership.
- Our recruiters are Certified Diversity Sourcing Professionals, and our hiring managers undergo unconscious bias training.
- We continue to deepen our Talent Acquisition team's knowledge and skills in diversity, equality, inclusion, and belonging.
- Our technology platforms are lauded by top industry professionals for efficiency and effectiveness.
- We reach out to organizations and associations that align with our purpose, mission, vision, and values.

Employment Benefits and Retention

- We conducted an employee benefits survey to help better meet our team's needs.
- We encourage our leaders to hold regular learning check-ins with their team members.
- We offer competitive benefits, professional development, and advancement opportunities.

Training & Development

- We introduced new changes to management training in 2023.
- We established customized Leadership Development workshops. Topics covered included Coaching & Developing Others, Giving & Receiving Feedback, and Team Effectiveness.
- Lunch & Learns cover topics such as how rising interest rates could affect our portfolio.

Occupational Health and Safety

We maintain Injury and Illness Prevention Plans for our U.S. operations, Health and Safety Policies for our international operations and hold safety trainings and evacuation drills.

Employee Engagement

- Our most recent employee engagement survey in 2023 resulted in an overwhelming 98% employee response rate. These results have been used to inform department-specific action plans for the next 18 months. For more information on our employee engagement surveys, read the highlight in [last year's report](#).
- Monthly **Coffee & Tea socials** allow team members to get to know the senior leadership team on a more personal level.

- Our **Team Building Committee**, made up of employees from across departments and seniority levels, organized activities in 2023, including:
 - Diwali celebrations in Phoenix and San Diego as well as virtual Jeopardy for Lunar New Year
 - Golf "O"pen in which employees in teams of four play a nine-hole mini golf course in our San Diego headquarters building
- **"REITeries"** offer employees a chance to network and connect with themed, location based events.
- **Location-Based Events:**
 - Phoenix: Summer kayaking and tubing at Saguaro Lake Beach and other events
 - San Diego: Summer BBQ picnic and other events
 - Atlanta: Atlanta United soccer game and other events
 - London: Summer social and other events
- **PMVV Week:**

As part of a five-week Living our Values challenge, our employees assembled and donated hygiene kits for Clean the World, an organization dedicated to saving lives while simultaneously diverting hotel waste.

EMPLOYEE WELLBEING

We are dedicated to promoting a healthy work environment for our employees and helping them succeed in their personal and professional lives. We believe in nurturing the unique talents, skills, and perspectives of each member of our **One Team**.

BENEFITS

**Plan offerings outside of U.S. may vary.*



Medical* – Competitive, affordable medical plans with incentives and rewards programs



Flexible Savings Account (FSA)* – Flexible spending account offerings for health and dependent care expenses



Employee Discount Programs* – Discounts portal to a variety of items, services, and activities



Wellbeing* – Year-round, company-sponsored wellbeing and fitness activities to support employees in their wellness journey



Legal Insurance* – Access to attorney networks for legal matters, at affordable group rates



Pet Insurance* – Affordable health coverage for pets, because pets are family too



Dental & Vision Plans* – Comprehensive coverage, low employee cost



Time Off* – Generous paid time off programs, paid holidays, and volunteer time off



Voluntary Benefits* – Accident, illness, hospital, and identity theft protection at affordable group rates



Employee Assistance Program (EAP) – Confidential counseling and support for personal needs, offered at no cost to employees



Flexible Work – Hybrid work schedules and half-day Fridays



Training & Development – Diverse learning opportunities to help our employees grow and thrive in their roles and careers



Retirement – Company contributes or matches employee retirement contributions to 401(k) or non-U.S. employer pension plans



Life/AD&D* – Company-paid life and accidental death and dismemberment (AD&D) insurance



Charitable Giving Program – With company match to employee donations



Health Savings Account* – Health savings account offerings for health expenses with generous employer contributions



Disability* – Company-sponsored insurance supporting employees unable to work due to disability



Employee Referral Bonus – Reward for recruitment efforts of our employees who support the company's growth



Parental Leave* – Generous parental leave and salary continuation programs for new parents

WORKING AT REALTY INCOME: BY THE NUMBERS⁽¹⁾

4.7

Approximate employee
average tenure (years)

45%

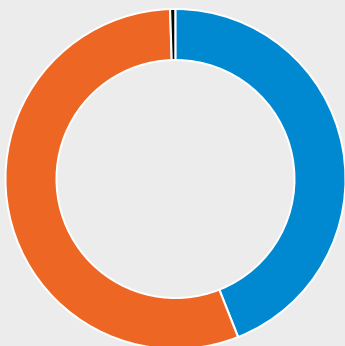
of our managers
identify as female

8.9

Approximate senior leadership
average tenure (years)

34%

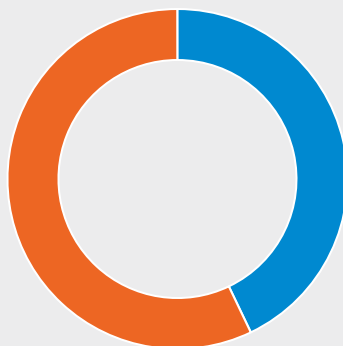
of our employees are diverse
in terms of ethnicity



55.5% of our workforce
identify as female

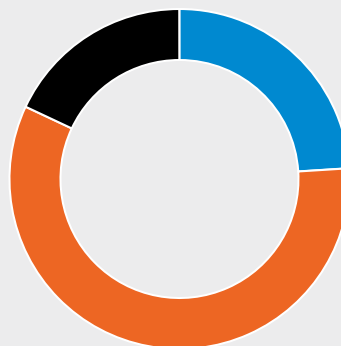
44.0% of our workforce
identify as male

0.5% of our workforce did
not disclose



57.1% of executives
identify as male

42.9% of executives
identify as female



58.0% of our employees are
between 30-50 years old

24.0% of our employees are
over 50 years old

18.0% of our employees are
under the age of 30



"O"VERALL WELLBEING

Our "O"verall Wellbeing program focuses on key elements of wellness, such as purpose, social, financial, community, and physical wellness.

- Our **"O"Zone** employee intranet promotes transparency, celebrates successes, and facilitates resource sharing.
- We conducted a **wellness survey** in March 2023 to better understand our employees' needs.
- Our **"O"verall Wellbeing** program featured interactive, educational, and fun events in 2023, including a company walking group, fitness classes, and webinars focused on personal development, healthy eating, and stress reduction. In addition, we held health, wellness, and vaccination fairs, biometric screenings, and a Retirewise financial wellness workshop.
- Other wellness benefits include flexible work schedules, fitness programs and gym subsidies, food services, car wash services, paid family leave, lactation rooms, and an infant-at-work program for new parents.

⁽¹⁾ As of 12/31/2023. Please note that this data includes both U.S. and international employees.

RESPECT FOR HUMAN AND LABOR RIGHTS

Realty Income is committed to conducting our business ethically, which includes respecting human and labor rights in our operations and supply chain. Our Human Rights Policy, Code of Business Ethics, and Supplier Code of Conduct set out these values, which are important components of our purpose, mission, vision, values, and strategy.

SUSTAINABILITY AND HUMAN RIGHTS IN THE SUPPLY CHAIN

We seek to collaborate with supply chain partners who support our values which are found in our [Supplier Code of Conduct](#).

CASE STUDY

REALTY INCOME INTERNAL MOBILITY PROGRAM: The breadth and depth of our team's skills and expertise are integral to the success of our business, and we offer employees resources to help them succeed and grow within the company.

"While I was very happy and thriving in my previous role as a Legal Assistant, the Lease Analyst opportunity really piqued my interest.

When I approached my then-current manager about a possible move within the company, he could not have been more understanding and encouraging. I felt supported in my decision to pursue my interests and future goals. The entire transition process went smoothly as my new manager and team were equally supportive and welcoming. One year later, I am still learning, being challenged, and finding fulfillment in my role as a Lease Analyst daily."

– **Leslie Kisch**,
Lease Analyst



"I am proud to work at an organization that values diversity, fosters curiosity, and supports continuous learning. Realty Income's Internal Mobility Program has

propelled my career growth from Lease Accounting Supervisor to Manager, Accounts Receivable, and finally to Manager, Operational Initiatives in Corporate Finance. The company's culture and mentorship have been instrumental in my development. I am excited about the ongoing growth opportunities and look forward to a long and fulfilling career with Realty Income."

– **Stephanie Short**,
Manager, Operational Initiatives



"I am very grateful for the opportunity to move within the company from Development to Real Estate Operations. I have been able to leverage my previous skills and learn more about the business in my new role. I look forward to continuing to contribute to the success of Realty Income!"

– **Jennifer Borman**,
Real Estate Operations Analyst



SERVING OUR COMMUNITY

OUR FOCUS

We are committed to being a responsible global citizen and building enduring relationships with our communities. We support nonprofits that aim to sustainably improve and uplift our communities, focusing on the areas where our corporate operations are concentrated: San Diego, Phoenix, Atlanta, and London. We also encourage our employees to give back through volunteering and financial donations.

- We made corporate donations to several causes:
 - The American Red Cross in the wake of the devastating wildfires in Maui in August
 - Save the Children relief efforts after the disastrous earthquake hit Turkey and Syria in February
 - The National Forest Foundation

- We placed collection bins for Toys for Tots in our San Diego and Phoenix offices and encouraged our employees at other locations to donate in their communities or by buying a gift from our Amazon wish list to be delivered to our San Diego office.

Employee Volunteering*

We allow employees eight hours of work time for volunteering and give employees who volunteer their personal time at nonprofits up to \$400 through our Dollars for Doers program.

Employee Donation Matching*

We match employee donations up to \$500 a year.

* or the currency equivalent of the country in which they reside

Local Nonprofit Partners

- In 2023, our UK team raised funds for LandAid, a charity working to end youth homelessness in the UK, through their SleepOut event and a separate 10K run in London's Regents Park.
- We have developed a strong partnership with Cristo Rey High School in support of their Corporate Work Study Program.
- We have a global relationship with Habitat for Humanity.

San Diego Community Impacts

- Our Finance Operations team put together festive Saint Patrick's Day-themed centerpieces for the nonprofit Serving Seniors Gary & Mary West Senior Wellness Center.
- We conducted a November food drive for Jacobs & Cushman San Diego Food Bank.
- Dedicated employees helped with seasonal tasks such as maintaining spaces and growing food at Coastal Roots Farms to further its mission of nourishing communities through equitable access to food and environmental education.



LandAid's SleepOut

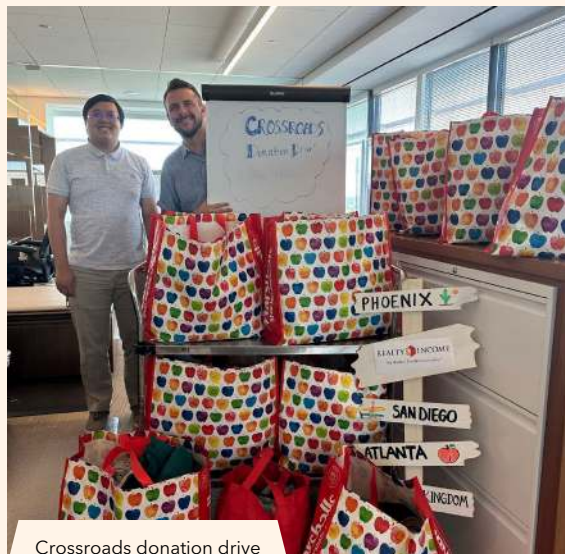


San Diego Food Bank

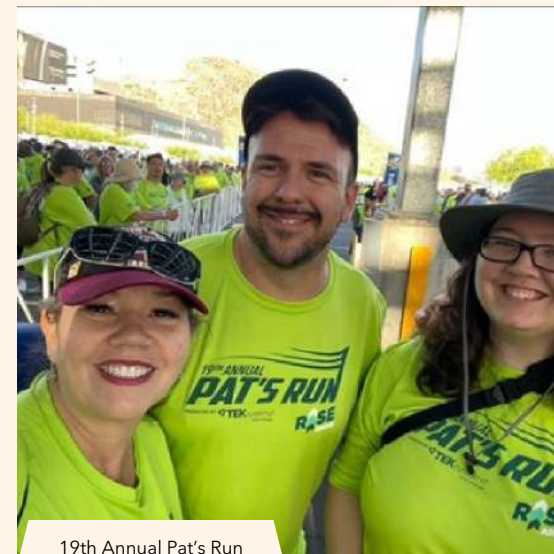


Phoenix Community Impacts

- We sponsored interested employees in the 2023 Walk to Save Animals at Tempe Beach Park to benefit the Arizona Animal Welfare League.
- We held a donation drive and fundraising events for Crossroads women's substance abuse rehabilitation center in Phoenix. Team members collected large tote bags filled with clothing and essential supplies along with fitness supplies for the center.
- Employees participated in the 19th annual Pat's Run in Tempe to benefit the Pat Tillman Foundation's scholarships for active-duty service members, veterans, and military spouses.



Crossroads donation drive



19th Annual Pat's Run

Atlanta Community Impacts

- To celebrate Earth Day, our team members participated in events supporting the Trees Atlanta Project and planted native trees in preselected sites.
- We adopted a family and provided gifts for the holidays through Solidarity Sandy Springs, a nonprofit that works to provide food and resources to families in need.



Trees Atlanta Project



Adopt a Family

HIGHLIGHT

Long-Term Partnership with Cristo Rey

In partnership with Cristo Rey High School, the Corporate Work Study Program (CWSP) serves as an employment agency adjacent to the school. It offers students with limited economic resources early exposure to professional networks and environments, equipping them with the skills to excel in careers they may not have otherwise considered.

Realty Income's Education to Employment Program with Cristo Rey for the 2023-2024 school year provided two high school seniors the opportunity to work as interns, providing them with corporate experiences such as:

- Work-study rotations with our Acquisitions, Real Estate Operations, Asset Management, and Strategy & Insights teams
- Professional development workshops aimed at enhancing skills around topics such as resume writing, interviewing, and effective presentations

Habitat for Humanity

We expanded our relationship with Habitat for Humanity to include efforts across all our corporate offices, including London, Atlanta, and San Diego.

Realty Income's first of three company-sponsored Habitat for Humanity home builds in the U.S. for 2023 occurred in Phoenix. Team members braved the blazing Arizona sun to roof, frame, saw wood, move large pieces of plywood, and do lots of hammering, putting the volunteer hours to good use to help provide safe and affordable housing for families in need.

Additionally, the three-home site build will continue to enhance local home values and strengthen the community. Realty Income also donated to Habitat for Humanity Central Arizona.



APPENDICES

Task Force for Climate-Related Financial Disclosure (TCFD) Report

Governance: Disclose the organization's governance around climate-related risks and opportunities.

a) Describe the board's oversight of climate related risks and opportunities.

The Nominating/Corporate Governance Committee of the Board of Directors, among other things, oversees efforts around environmental, social, and governance (ESG) matters. This structure and regular interaction allows for deeper engagement on ESG matters, including those related to climate-related risks and opportunities.

In addition, all Board committees oversee specific aspects of our ESG performance and strategy, in alignment with their responsibilities laid out within individual committee charters, and provide oversight over Realty Income's existing enterprise risk management (ERM) framework and process. Realty Income's Sustainability Department reports to the Executive Vice President, Chief Legal Officer, General Counsel, and Secretary. The Sustainability Department discusses with the Nominating / Corporate Governance Committee challenges relating to client engagement, ESG related reporting, and reviews key public ESG disclosures. The Audit Committee has oversight of the company's quantitative disclosures related to ESG matters. The Sustainability Department periodically reports to the Nominating/Corporate Governance Committee on the company's client engagement initiatives, the evolving regulatory environment across the countries in which it operates, and company green initiatives, as well as climate-related and broader ESG reporting efforts.

The Board and its committees receive trainings and updates from the Sustainability Department, among other internal and external resources, on the changing ESG regulatory and reporting landscape. In 2023, Board members received training administered by an external expert on sustainability-related regulatory developments in the European Union and in California.

Our Board of Directors has overall responsibility for risk oversight (including ESG and climate related risks as applicable) with a focus on the more significant risks facing our company and reviews and oversees our ERM program. The company-wide ERM program is designed to identify and assess management's visibility into critical company risks and to facilitate incorporating risk considerations into decision-making effectively and efficiently. The ERM program does this by defining risks relevant to the company and bringing together executive managers and key internal stakeholders to discuss and appropriately prioritize these risks. We believe this promotes visibility and constructive dialogue around risk at the executive, management, and Board levels, and enables appropriate risk response and mitigation strategies. As part of the ERM program, management and the Board of Directors discuss material risks to our business.

Climate-related risks and opportunities are captured by the ERM process. As a result of our TCFD assessment completed in 2023, Realty Income added relevant climate risks into our risk register, began developing related mitigation plans, and assigned risk owners. Other risks will be monitored annually as part of our enterprise risk management assessment process with oversight from the Board. For more information on our management approach to climate-related risks, please refer to the risk management section of this index.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

Realty Income established a dedicated Sustainability Department in 2019 that continues to work cross-functionally to propel Realty Income's sustainability program forward. The Sustainability Department has worked with other key internal stakeholders (e.g., IT and Internal Audit) to strengthen our information infrastructure and technological capabilities and to formalize our sustainability-related policies, procedures, and management systems. These efforts are designed to help Realty Income better identify and manage climate-related risks



and opportunities. The Sustainability Department's responsibilities include ongoing client engagement for ESG-related data acquisition and collaboration opportunities, domestic and international sustainability reporting and disclosure development, internal and external stakeholder engagement for ESG matters (e.g., working with Realty Income's ERM team to identify key risks for the company, conducting educational sessions for key internal stakeholders, and consulting with institutional investors), conducting climate risk analyses, identifying and deploying decarbonization opportunities at the asset level, enhancing controls and governance around ESG data, adopting practices while working with leading sustainability consultants, and industry collaboration on ESG topics. The Sustainability Department's initiatives are regularly communicated to leadership and the Board.

In 2022, we formed an ESG Reporting Task Force (Task Force), comprised of executives and department heads from our Legal, Finance, Accounting, and Sustainability departments, to prepare the company for climate-related disclosures within our U.S. Securities and Exchange Commission (SEC) filings and to plan for other upcoming domestic and international disclosures. With the support of the Task Force, Realty Income partnered with an external consultant to perform a climate risk and opportunity assessment in 2023. The executive team participated in the assessment through stakeholder interviews, workshops, and feedback on various deliverables. As a result of this engagement, Realty Income is evaluating our risk management and mitigation programs and risk response strategies with respect to climate matters.

Realty Income's ERM program and assessment is administered by the Internal Audit Department. The process includes interviews with leaders and key managers throughout the company to identify and prioritize material risks to our business operations. Stakeholders consulted as part of the ERM process include numerous members of Realty Income's leadership, including the Chief Executive Officer (CEO) and department heads of key functions within the company, including Internal Audit, Corporate Finance, Accounting, Asset Management, Real Estate Operations, Development, Legal, Sustainability, Strategy & Insights, and IT.

In addition, the Sustainability Department and other internal groups continue to develop sustainability and risk management strategies. This includes expanding

client engagement for asset-level energy, water, and waste data acquisition within the geographies we operate in, evaluating the emissions performance of our portfolio, promoting energy transition and energy efficiency efforts, and continuing our work to quantify the costs and benefits of climate adaptation and mitigation initiatives.

Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

In the climate risk and opportunity assessment completed in 2023, we included both physical risks and transition risks for owned and operated facilities and for leased assets. Realty Income engaged key stakeholders across the organization – including the CEO and department heads of key functions within the company, such as Internal Audit, Corporate Finance & Accounting, Asset Management, Real Estate Operations, Development, Acquisitions, Legal, Sustainability, Strategy & Insights, and IT – for feedback regarding potential business impacts and risk response strategies through a combination of surveys and workshops. Short-term (present-2023), medium-term (2023-2033), and long-term (2033-2053) time horizons were considered in the assessment.

This work considered climate scenarios for physical risks informed by the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs): RCP2.6, RCP4.5 and RCP8.5. Specifically, the following climate scenarios were used to consider potential climate futures:

Transition Risks

- High Carbon Scenario: RCP8.5
- Low Carbon Scenario: RCP2.6

Physical Risks

- High Carbon Scenario: RCP8.5
- Low Carbon Scenario: RCP4.5

RCP2.6 may be considered for physical climate risks in the future. Individual risks and opportunities were grouped into mutually exclusive buckets. These buckets include physical climate risk, policy and legal risk, market risk, litigation risk, and reputational risk. The opportunities were grouped into a single market opportunity bucket. Litigation risk and reputational risk were not financially quantified in this assessment.

The potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning were identified as follows:

Physical Climate Risk

Natural disasters and extreme weather

- **Wildfire risk:** Climate change increases the frequency and severity of droughts in regions where Realty Income properties exist, leading to increased wildfire risk. Impacts may include damage/loss to assets, reduced revenue, negative human health impacts, operations disruptions, and increased insurance claims.
- **Flood risk:** Properties may likely be at risk as a changing climate increases the frequency and severity of flooding. Impacts may include property damage that leads to increased insurance claims, reduced asset value and permanent property damage, and negative human health outcomes for clients and surrounding communities.
- **Risk of high-wind weather events:** High-wind weather events could impact Realty Income's properties by leading to permanent property/asset damage, negative human health outcomes, disruption of business or operation, and increased insurance claims.

Policy and Legal Risk

- **Energy efficiency and other sustainability industry standards, regulations, and trends:** Changes in building heating/cooling standards and regulations (e.g., the rollout of Building Performance Standards throughout the U.S., Building Control Performance Standards in the UK) may require Realty Income to invest in energy efficient systems and upgrades across our properties to comply with federal or state requirements, which could lead to increased capital expenditures across various assets. Clients may have additional requirements beyond government standards to accommodate their organizations' climate goals. Additionally, Realty Income may need to

switch to low-carbon and renewable energy sources for properties within our portfolio to meet sustainability focus areas. Increased costs may result from purchasing renewable energy certificates (RECs), purchasing third-party green energy from current utility providers, installing on-site renewable energy generation infrastructure, or entering into power purchase agreements.

- **Implementation of sustainable business practices with clients:** Collaborating with clients to implement sustainable business practices (e.g., purchasing green energy for the property, installing energy efficient equipment) can pose challenges as some clients may resist or struggle to adopt sustainable practices due to perceived or actual higher costs or operational changes. Our net-lease structure poses additional difficulties since we can't unilaterally perform green projects at our assets without client consent and partnership.
- **Water use and pollution regulations:** As climate change causes increased impacts to water availability/drought and quality (see above risks), increased scrutiny on water pollution and usage may occur for Realty Income, including potential regulatory exposure or increased fines for polluting local waterways.
- **Carbon pricing and lower carbon usage:** As international agreements (e.g., the Paris Agreement), regional (e.g., EU), and country-level climate policies grow in maturity, carbon prices may be implemented or increased to reduce emissions and help transition corporations and other entities to a low-carbon economy. At the time of this report, the [World Bank Group](#) recognizes 110 carbon pricing instruments that have been implemented around the world across 53 national jurisdictions. However, these carbon pricing schemes (including cap-and-trade systems) are unlikely to emerge uniformly and will likely be implemented at different speeds (e.g., 2025 vs. 2030). This uncertainty could potentially limit Realty Income's ability to reach any future emission reduction targets and result in additional capital and operating expenses to the company.

Market Risk

- **Changing client preferences and expectations:** Implementing sustainable business practices in collaboration with clients can pose challenges for Realty Income. Some clients may resist or struggle to adopt sustainable practices due to perceived or actual higher costs or operational changes. This could lead to

potential conflicts or difficulties in aligning client behavior with Realty Income's sustainability goals. Alternatively, there could be added pressure from clients to have Realty Income's properties' features fulfill their own ambitious sustainability goals, which could prove cost-prohibitive to Realty Income for certain properties. Moreover, if a significant portion of the client base fails to adopt sustainable practices, it may impact the overall sustainability performance of the portfolio and Realty Income's ability to meet our climate-related targets.

Market Opportunity

- **Expansion of green infrastructure:** Investment in green infrastructure, such as renewable energy, electric vehicle charging, and energy-efficient systems, may enhance property value and attractiveness and enhance Realty Income's market reputation.
- **Green leasing options:** The offering of green financing that incentivizes energy efficiency and sustainable business practices by clients may lead to reduced energy consumption and costs, improved reputation, and increased client satisfaction for Realty Income across our property portfolio. This could result in 1) increased interest from tenants in taking up or renewing leases with Realty Income, 2) increased property value as a result of practices implemented, and 3) overall company reputation improvement, which could attract more investors.

Reputational Risk

- **Brand image:** In the future, it's likely that companies will experience increased regulatory and peer pressure to disclose, report, understand, and act on sustainability initiatives. Realty Income's ability to take a proactive, demonstrated, and publicized shift to sustainable business practices, set and achieve decarbonization objectives, and adopt other impact reduction strategies in collaboration with clients across our property portfolio may result in a positive public perception of brand image, whereas a failure to transparently report on sustainability metrics or progress toward decarbonization objectives could result in a negative public perception of brand image.
- **Investor and institutional stakeholder expectations:** As global policy drives mandatory disclosure around ESG risk and as large investor firms increase oversight on ESG issues for investment decisions, investors may increase pressure on Realty Income to similarly understand, manage, and disclose

efforts related to ESG risk and opportunities. Subsequently, these institutional stakeholders may build expertise on ESG topics and decrease support or capital for organizations that fail to address ESG risks and opportunities.

Litigation Risk

- **Climate-related litigation:** With climate-related litigation (energy, emissions, water, and waste) on the rise, Realty Income could be affected by an increase in client and/or public litigation. There has been an increasing number of cases attributing responsibility to organizations for climate impacts or a lack of climate action. Additionally, as extreme weather events increase, building code regulations may change, which could cause clients to sue Realty Income for a lack of due diligence in following sustainable building standards or global ESG regulations/directives, such as the CSRD. Litigation could pose a risk if Realty Income itself becomes subject to a lawsuit.

As part of this assessment, Realty Income used the following focal parameters to guide the explorative scenario analysis:

Physical and Transition Risks

- The potential financial implications of transitioning to a low-carbon economy and adapting to physical and transition climate risks in the United States; and
- How these risks vary by geography, client, and asset type.

Transition Opportunities

- The potential financial benefits and pitfalls of the global transition to a low-carbon economy for Realty Income's sustainability initiatives, including providing clients with green lease options and the expansion of green infrastructure within owned properties; and
- How these opportunities vary by geography, client, and asset type.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Our 2023 climate risk assessment mainly focused on the climate impacts on our business and portfolio properties within the U.S. We plan to extend our analysis to our assets in the EU prior to our next reporting period.

There are inherent challenges in modeling future risks and opportunities along uncertain scenario projections, and our results are indicative of estimations of future risks. The analysis used publicly available, peer-reviewed data, as well as expert-led assumptions (Realty Income engaged an external consultant to explore multiple carbon scenarios as they apply to the various transition risks listed above) to help compensate for any lack of publicly available or robust data. However, it is expected that these forecasts will improve over time as the climate risk landscape evolves and matures. To enhance reporting in future years, Realty Income is currently expanding on our risk assessment to conduct a more comprehensive physical and transition risk assessment across our property portfolio.

We quantified unmitigated financial risk as a percentage range of revenues. Prior to the next reporting period, we are assessing mitigated risks to better understand plausible impacts based on our business model.

TRANSITION RISKS

Policy and Legal Risk

Risks included: More stringent heating/cooling standards, evolving global ESG regulations and industry trends, requirements for lower emission and renewable energy, water use and pollution regulations, and carbon prices.

Description: As the global energy supply mix shifts, Realty Income may need to increase sourcing of renewable energy throughout owned facilities and increase energy efficiency initiatives to meet current or future sustainability focus areas and/or compliance requirements by local governments. Increased costs may arise from private sourcing of RECs, Guarantees of Origin (GOs), or other offsets, in addition to increased investment costs for implementing on-site renewable energy generation options, energy efficiency initiatives, or entering Virtual Power Purchase Agreement/Power Purchase Agreement (VPPA/PPA) contracts (though longer-term savings may result from the latter two).

Impact

- Time horizons: Short, medium, and long
- Likelihood: Likely in certain regions of operation
- Magnitude of impact: Low (due to unlikelihood)

- Confidence level of quantified risk: Low – indicative numbers were based on extrapolation from UK energy performance projections.

Financial Impact Methodology

- The analysis was conducted based on Realty Income's European ESG diligence efforts focused on the Minimum Energy Efficiency Standards in England, Wales, and Scotland, and energy performance certificate (EPC) regulations in the EU.
- Estimated investments for required building rating improvements were taken into account when assessing the financial impact of compliance with upcoming policies and legal requirements. The current analysis covered major regions of Realty Income's operations, and we plan on expanding this analysis in the upcoming year to include additional regions as well, as feasible.
- Estimations were extrapolated from the UK projections.

Market Risk

Risks included: Changing client expectations

Description: Implementing sustainable business practices from clients can pose challenges for Realty Income. Some clients may resist or struggle to adopt sustainable practices due to perceived or actual higher costs or operational changes. This could lead to potential conflicts or difficulties in aligning client behavior with Realty Income's sustainability goals. Moreover, if a significant portion of the client base fails to adopt sustainable practices, it may impact the overall sustainability performance of the properties and Realty Income's ability to meet sustainability targets.

Impact

- Time horizon: Short
- Likelihood: Very Likely
- Magnitude of impact: Medium-low
- A financial impact is plausible in a short-term low carbon scenario but there is no estimated financial impact on revenue in a high carbon scenario as regulations and sustainability initiatives are unlikely to influence client relations in a significant warming scenario.

Financial Impact Methodology

- Clients were categorized into large clients and “smaller” clients. The large clients are Realty Income’s top 20 clients which made up ~40% of annualized contractual rent during our 2023 analysis. 85% of these Top 20 clients already have a public climate commitment, with the remaining clients expected to set a climate target before 2030. The remaining, “smaller” clients collectively account for ~60% of annual contractual rent during our 2023 analysis. One-quarter of these clients already have a public climate commitment, and half of the clients without current commitments are expected to set a climate target before 2033.
- To assess this risk, we focused on the group of “smaller” clients as the majority of larger clients either already have sustainability commitments and the remaining clients are expected to follow suit before 2033.
- The financial estimate of this risk assumes that 50% of smaller-sized clients will not prioritize sustainability efforts prior to 2033 and will require a discount on annualized rent due to their willingness to adapt to any reporting or sustainability initiatives we may incorporate.
- The financial impact of this risk is estimated with internal data from Realty Income and an estimated percentage discount on the rent that Realty Income could offer to encourage clients to disclose emissions and stay on property.
- Confidence level: Medium – based on assumptions and high-level assessment of a sample of 120 clients.

PHYSICAL RISKS

Risks included: Property damages, increased insurance claims/costs, property value depreciation caused by flood, and wildfire risks

Description: Wildfires and floods are expected to affect Realty Income’s properties across the portfolio. Insurance limits risk exposure, but rates may increase as insurers price in climate change. Climate-related stranded asset risk is likely immaterial due to portfolio diversity.

Impact of All Physical Risks

- Time horizon: Short, medium, long
- Likelihood: Very Likely
- Magnitude of impact: Low

- Potential Financial Impact:

- Property damages
- Stranded assets

Financial Impact Methodology

- Value at risk for wildfire, flood, and hurricanes was modeled for each individual property in the U.S., and this was multiplied by Realty Income data on the reconstruction value of the properties to generate annualized risk. This was calculated for the different time frames and scenarios.
- Realty Income’s international expansion helps further diversify our portfolio and reduce the relative impact of overall physical and, even to some extent, transition risk.
- Insurance limits risk exposure, but rates may increase as insurers price in climate change.
- Confidence level: Medium/High – based on granular assessment using modelled climate and replacement cost data

OPPORTUNITIES

Market Opportunity

Opportunities included: Climate change adaptation – New developments, green financing

Description: The identified market opportunity is realized in two financial impact areas: new developments in the form of climate change adaptation and mitigation, and green financing for owned and non-owned properties. Climate change adaptation includes the financing of new developments in the form of dikes, water treatment, and green roofs. Climate change mitigation developments include Realty Income financing investments in new developments like PV solar, wind turbines, and reforestation. Climate adaptation investments offer a greater opportunity in a high-carbon scenario as there will be greater energy efficiency/renewable energy opportunities to capitalize on and climate change will be more impactful, whereas the opportunity for climate mitigation investments will be stronger in a low-carbon scenario as it will provide Realty Income with the opportunity to push the boundaries of innovation. Another aspect of this opportunity is green financing, which includes Realty Income

offering financing for low-carbon technologies on owned properties and non-owned properties. The owned properties opportunity is a future projection of our existing program that offers energy services financing for clients. This green financing framework offers clients the opportunity to make energy-efficient upgrades to properties, and Realty Income has seen success with this program already. The new business model opportunity would apply our existing financing program to non-owned properties.

Impact

- Time horizon: Short
- Likelihood: Very Likely
- Magnitude of impact: Medium-low
- Potential financial impact:
 - New developments
 - Climate change adaptation
 - Climate change mitigation
 - Green financing
 - Existing clients
 - New business model

Financial impact methodology for each opportunity type

- New developments: Climate change adaptation
 - The opportunity figure is calculated with three parameters: investments (\$), market share (%), and return (%/year), which provides an estimated potential revenue (\$/year) for the opportunity.
 - Adaptation investment estimates are sourced from a [2020 World Bank](#) report and the [IPCC](#).
- New developments: Climate change mitigation
 - Calculated with the same parameters as new developments (i.e., investments, market share, and return).

- Mitigation investment estimates are sourced from the [IPCC](#), which covers projected average yearly solar and wind investments for Europe and North America over the 2023-2032 time period.
- Estimates for both market share and return parameters were derived from analyses conducted by external consultants/partners.
- Green financing: Existing clients
 - The parameters used for this assessment include properties (#), investment per property (\$), and return (%), which result in revenue potential (\$/year).
 - Data for this financial opportunity was sourced from existing green financing projects, with estimates for return supported by third-party consultant/partner expertise.
- Green financing: New business model
 - This opportunity includes the following parameters: market size (\$), market share (%), and Realty Income revenue share (%).
 - Market size is sourced from market reports examined by third-party consultants and market size and market share are reasonable estimations based on external expertise.
- Confidence level: Low – based on market findings.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Realty Income conducted an in-depth climate risk assessment and scenario analysis aligned with the TCFD guidance and recommendations. This work considered two climate scenarios for physical risks informed by the IPCC Representative Concentration Pathways (RCPs): RCP4.5 and RCP8.5. We plan on considering the RCP2.6 pathway for physical climate risks in the future. For transition risks, this work considers a high-carbon and low-carbon scenario in line with RCP8.5 and RCP2.6. RCP2.6 represents a scenario with lower than 2 degrees of temperature rise by 2100; it is what our world would look like with immediate and widespread decarbonization, with minimal effects from climate change. RCP 8.5 represents the "business as usual" high-emissions scenario without the implementation of widespread decarbonization efforts.

The choice of relevant scenarios and timeframes was driven by the availability of quality data from reputable sources. In some cases, 2030 and 2050 data are therefore used as a proxy for the 2033 and 2053 timeframes.

The two IPCC scenarios were selected because they present two plausible futures for Realty Income to compare our business operations against and assess climate-related risks and opportunities. By looking at both high- and low-carbon scenarios, Realty Income was able to determine the breadth of potential impacts resulting in alternative rates of decarbonization and emission-reduction ambition, which will result in differing financial and strategic implications. This risk assessment laid the groundwork for strategy assessment, and additional analysis will be conducted to evaluate the resilience of our strategy, since some programs have only been recently established.

Risk management: Disclose how the organization identifies, assesses, and manages climate-related risks.

a) Describe the organization's processes for identifying and assessing climate-related risks.

Realty Income collaborated with a third-party consultant to conduct the climate risk assessment and scenario analysis in alignment with the TCFD framework. First, we identified key stakeholders across multiple business units (members of Realty Income's leadership team and department heads) and a list of risks/opportunities likely to be relevant to Realty Income's business.

We then collected and analyzed data with a mix of quantitative and qualitative methods. The team used high-resolution climate data to model the likely exposure of Realty Income's properties to relevant physical risks (flood, wildfire, and hurricanes). For transition risks, our team sent out a survey to key stakeholders, who ranked market, technology, reputation, and policy/legal indicators on a scale of 1-5 for the level of impact and assessed Realty Income's adaptive capacity to the event if it were to occur. We also discussed which indicators may materialize as an opportunity and interviewed internal stakeholders for the top risks and opportunities from their respective business units, including Sustainability, Acquisitions, Corporate Finance, Accounting, Legal, Internal Audit, and Strategy & Insights.

Using historic climate data, future projections, stakeholder interviews, and surveys, the Task Force prioritized a list of climate indicators into the top risks and opportunities that are likely to present the largest financial, strategic, and environmental impact to the company – key risks and opportunities are documented in previous sections.

The company prioritizes risks based on several factors, including the likelihood of occurrence and expected impact of occurrence, and prioritizes opportunities based upon several factors, including the capability of our company to succeed with market changes, where the revenue is and how it will evolve over time, the strength of competition and how it will affect our financial position and metrics. These factors for risk and opportunity assessment inform Realty Income's internal stakeholder engagement to discuss and prioritize risks/opportunities.

The quantifiable measures we use to determine the impact on our business include, among others, changes in revenue, property damage, and additional expenses.

To enhance reporting in future years, Realty Income is currently expanding on our risk assessment to conduct a more comprehensive physical and transition risk assessment across our property portfolio.

b) Describe the organization's processes for managing climate-related risks.

We work closely with our clients to ensure that they have appropriate insurance coverage for our properties. Our risk management team conducts extensive analysis of all our assets, taking climate-related risks into account and considering potential damage from floods, storms, and other weather-related risks to assess financial impacts to buildings. This analysis of our assets informs our robust insurance program across the portfolio and helps anticipate and mitigate interruptions in cash flows and property losses that could impact all or part of our capital invested in, and anticipated revenue from, one or more of the properties, which could have a material adverse effect on our results of operations or financial condition and on our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions to our stockholders.

Our current business model helps us mitigate most of the physical climate risks by shifting remediation costs to occupants and their insurance carriers, but may also aggravate policy and legal risk if future policies and regulations target property owners and do not adequately consider the responsibility of clients in net-lease structures. For this reason, Realty Income actively advocates for holistic policies and regulations that also consider implications for net leases.

Realty Income's strategy to proactively monitor new policies and regulations and respond rapidly with partners to develop plans to comply with these regulations and policies is important in both low-carbon and high-carbon scenarios. The company's international expansion helps further diversify our portfolio and reduce the relative impact of physical and, to some extent, transition risk. Incorporating climate risks in the acquisition process is designed to enhance the management of these risks further.

Improvement opportunities exist for Realty Income in both scenarios, although the focus is different. In a high-carbon scenario, the opportunity lies in required adaptation investments, whereas a low-carbon scenario shows fewer adaptation investments, but more mitigation investments. Regardless of the scenario, Realty Income anticipates a significant growing demand for financing of new infrastructure.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Realty Income's ERM program and assessment is administered by the Internal Audit Department. The process includes interviews with leaders and key managers throughout the company to identify and prioritize material risks to our business operations. Stakeholders consulted as part of the ERM process include numerous members of Realty Income's leadership, including the CEO, as well as department heads of key functions within the company, such as Audit, Corporate Finance, Accounting, Asset Management, Real Estate Operations, Development, Legal, Sustainability, Strategy & Insights, and IT.

As part of our ERM program, management and our Board of Directors discuss material risks and opportunities related to our business. Through this process, ideas are shared with our Board for further consideration and possible action. The company's risk management approach as it relates to climate related risks is integrated into the ERM program.

Our plan to integrate new climate risks and opportunities as they are identified into our ERM program includes adding relevant climate risks into our risk register, developing related mitigation plans, and assigning a risk owner. We plan to expand our annual enterprise risk assessment process to include considerations of stakeholder/market impacts that could be influenced or instigated by the identified climate risks.

Realty Income's upcoming sustainability priorities include expanding client engagement for asset-level energy data acquisition in the U.S. and EU, evaluating the emissions performance of our portfolio, promoting energy transition and efficiency efforts, and continuing our work to quantify the costs and benefits of climate adaptation and mitigation initiatives.

Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Realty Income discloses absolute GHG emissions and energy consumption, as well as energy and emissions intensities. Scope 2 emissions data includes location-based and market-based values. Scope 3 emissions are reported for downstream leased properties owned during the reporting year, properties held at year end, including acquisitions, and properties sold during the year. To address our challenges with data acquisition and quality for our property portfolio, we hired a third-party consultant in 2023 to perform a gap analysis of our emissions data and recommend improvements, which are subject to evaluation by us in conjunction with our implementation of a comprehensive reporting platform.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

- [Scope 1 emissions](#)
- [Scope 2 emissions](#)
- [Scope 3 emissions](#)

We expect that our assets or business activities will be impacted by one or more transition risks. Physical climate risks are regional in nature and expected to impact primarily assets in certain regions as discussed in the strategy section of this report. Our physical climate risk assessment was limited to the U.S. for 2023, and additional risks in regions outside of the U.S. may be identified in future assessments.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Realty Income currently purchases renewable energy certificates, which is reflected in our market-based Scope 2 metric. We also purchase offsets to support nature-based and technological solutions to support carbon capture and permanent carbon removal from the atmosphere. However, we have not set formal decarbonization targets for several reasons:

- Our most significant emissions stem from downstream leased assets where we face challenges with client data acquisition, preventing us from establishing a target baseline. Our current focus is on resolving these data challenges arising from our inability to directly access utility data where we lack operational control.
- Due to the structure of our business, we are unable to unilaterally initiate climate risk and opportunity mitigating actions throughout our portfolio of client-operated assets. Continued and impactful collaboration with our clients to mutually impact the real estate portfolio is necessary for Realty Income to impact decarbonization of these assets.
- In 2023, we began implementing greenhouse gas emissions accounting software, a significant effort extending into 2024. Automating our greenhouse gas data collection and calculation processes is expected to lead to significant accuracy and external reporting improvements.

- Carbon target-setting involves the institution of additional data collection mechanisms to fully capture the footprint of a company's owned and leased buildings. Most of the properties in our portfolio are net lease, which means that while we own the property, our clients are generally responsible for maintaining the building, including managing utilities, retrofits and other environmental practices. It also means that most of our greenhouse gas emissions are not Scope 1 or 2, but rather Scope 3 emissions, which are generated by our clients and the data for which we do not have direct access to. As a result, we face unique challenges accessing and aggregating environmental and carbon data for our full portfolio. Accordingly, we do not yet have sufficient data from much of our portfolio to calculate our Scope 3 emissions at this time and, as a result, it is currently unfeasible for us to set any genuine baseline for Scope 3 greenhouse gas emissions from which to set reduction targets.

While we do have some direct Scope 1 and 2 greenhouse gas emissions associated with our operations, which largely consist of our operations at our headquarters, these emissions are de minimis as compared to our overall carbon footprint. These emissions accounted for approximately 0.01% of our 2022 total reported emissions. Thus, other than our existing public goal to offset 100% of our headquarters' electricity consumption, we have not set reduction targets for these minimal Scope 1 and 2 emissions as such targets would have no meaningful impact.

SASB INDEX (REAL ESTATE)

This report covers the period from January 1, 2023 - December 31, 2023.¹ The following table contains our disclosure on the topics included in SASB's Real Estate Standard (2023) and additional data can be found using the [GRI Index](#) below.

CODE	METRIC	RESPONSE
ORGANIZATIONAL CONTEXT		
IF-RE-000.Aa	Number of assets, by property sector	Asset details as of December 31, 2023, can be found within Realty Income's 2023 Financial Supplement , on page 22.
IF-RE-000.Ba	Leasable floor area, by property sector (m2, ft2)	Asset details as of December 31, 2023, can be found within Realty Income's 2023 Financial Supplement , on page 22.
IF-RE-000.Ca	Percentage of indirectly managed assets, by property sector (% by floor area)	Information on our portfolio and assets can be found on our website (under the "Who We Are" and "Asset Management" sections).
IF-RE-000.Da	Average occupancy rate, by property sector (%)	Realty Income's year end occupancy rate, by property, is 98.6%. Additional information can be found within the 2023 Financial Supplement , on page 25.
ENERGY MANAGEMENT		
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property sector	Energy consumption data coverage reported in 2023 for the global Realty Income portfolio as a percentage of total floor area is 52.7% across retail, industrial, gaming, and other property types.
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property subsector	From the portfolio with available energy data coverage from 2023, the following details pertain to energy provided by our clients: (1) Total energy consumption for properties with data coverage: 3,962,846 MWh (2) Percentage grid electricity: 63.2% (3) Percentage of electricity that is renewable: 6.1% across retail, industrial, gaming, and other property types.

⁽¹⁾ Certain information is not disclosed within the index below because that information (i) is not considered material or is privileged or confidential; (ii) could cause a competitive disadvantage to our business if publicly disseminated; or (iii) is not currently collected in a manner wholly correlative with the related SASB standard.



IF-RE-130a.3	Like-for-like percentage change in energy consumption of portfolio area with data coverage, by property sector	During 2023, Realty Income pursued technological improvements to aid the collection and accurate consolidation of more mature and complete asset-level utility/energy data provided by clients, and also adopted a new greenhouse gas accounting platform to process energy data and accurately calculate the company's carbon footprint. This will help provide a higher degree of comparability year over year moving forward.
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Realty Income is actively tracking our properties across our portfolio for exposure and compliance with relevant Building Performance Standards and energy benchmarking ordinances in the U.S. and other building performance jurisdictions across our international portfolio. These sustainable building performance and certification standards incorporate energy efficiency features, as well as water efficiency, waste reduction, and other features that promote tenant health and wellbeing, to name a few. In certain regions like Europe, where Energy Performance Certificates (EPCs) are required to be maintained by various country requirements, we manage EPCs in an effort to maintain regulatory compliance. Clients can choose to certify the buildings or spaces they lease and operate, which Realty Income owns, and Realty Income will continue to engage with our clients to understand if these buildings have been certified to determine if we can report Energy Star coverage in the future. The green building certifications we can track can be found on the Building Certifications section above.

IF-RE-130a.5

Description of how building energy management considerations are integrated into property investment analysis and operational strategy

Realty Income's business model gives clients full control over building operations, including energy management. Our role is to recommend and support tenant-led efficiency improvements, including LED lighting retrofits, installation of electric vehicle charging stations and on-site photovoltaic systems. Building energy performance generally does not factor into property acquisition decisions because, in most cases, the buildings we invest in are occupied under existing leases at the time of acquisition. We track client certifications across the portfolio, detailed in the [Building Certification](#) section above.

In instances where Realty Income is involved in property development, retro-commissioning, or renovation, we provide guidance for energy efficiency opportunities and access to our vetted vendor network.

Realty Income has not set energy reduction targets for properties we lease to clients due to lack of operational control and limited access to performance data. We have set a target to reduce reliance on grid-based energy at our [headquarters](#) through onsite solar carport installations and procurement of renewable energy certificates by 2023. Due to engineering and utility challenges, the project was completed in January 2024.

In 2023, we expanded our efforts to increase utility data coverage across our properties. We've introduced utility data sharing agreements that apply at the portfolio-level rather than at the individual asset-level only. We've also further developed our internal approach to monitoring energy risk data and plan to add portfolio energy usage and cost data in 2024 to improve risk modeling.

WATER MANAGEMENT

IF-RE-140a.1, 2, 3

(a.1) Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector.
(a.2) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector (a.3) Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector

Realty Income reports water data coverage, water withdrawal, and water stress information within GRI sections 303-3 and 305-5 for corporate operations and downstream leased assets. We received water withdrawal information from clients across the following property types:

Retail: 2,412,848 kgal - 63,006,548 sq ft | Industrial: 431,283 kgal. - 33,042,537 sq ft | Diversified*: 79,888 kgal. - 5,589,050 sq ft.

We rely on landlords of our leased offices and our clients across the portfolio to provide complete and accurate information on water usage. We continue to work to improve data coverage as this utility data is typically the most challenging to collect across the U.S. and Europe as our clients contract for services. We continue to prompt our clients to enhance tracking capabilities so that complete and accurate data is shared with us.

*Diversified represents the aggregation of property types classified as gaming and other, details can be found on [page 6](#).



IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Realty Income has assessed medium-high water stress across our corporate operations and portfolio properties where we have data coverage using the World Resources Institute's Aqueduct Water Risk Atlas in 2023. We have not performed a more in-depth water risk assessment nor developed water management strategies beyond our headquarters. Apart from our vertical farming investment, all water is withdrawn from municipal or other third-party sources. Some of our clients have implemented water conservation initiatives through their own sustainability programs, including rainwater harvesting and xeriscaping. At our San Diego headquarters, we conserve water using advanced irrigation technology (e.g., underground wireless soil moisture sensors) combined with continued expansion of xeriscaping across the property. We will continue to monitor water risk and policy in areas of high concern, such as California and Nevada, to determine whether additional actions may be appropriate.
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MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS

IF-RE-410a.1a	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	Realty Income has adopted green lease language that seeks to better collaborate with our customers in sharing data, as well as providing options to install systems such as solar that can help our customers operate more efficiently and sustainably. In the future, we may have more quantifiable metrics on the coverage of our portfolio with leases that specifically contain cost recovery clauses for resource efficiency-related capital improvements but due to our operating structure, these lease clauses are typically not acceptable to our net-lease clients. A regulatory shift to require this language in leases to achieve Building Performance Standards through client/landlord collaboration could provide the opportunity to implement more improvements.
IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Realty Income is not currently able to track separately metered or submetered client accounts due to our operating structure and lease agreements. However, we are in the process of expanding our global data collection and analysis processes and evaluating various internal and external solutions, including submetering, to bolster energy and water efficiency within our leased properties. With several tenants, we have adopted, or are in the process of negotiating, green lease language that seeks to better collaborate with our clients to share and analyze energy data and identify efficiency and cost improvement synergies. In the future, we may have more quantifiable metrics on the coverage for spaces that are using these types of metering systems. Realty Income was recognized as a 2024 Green Lease Leader by the U.S. Department of Energy and the Institute for Market Transformation (IMT).

IF-RE-410a.3	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants	Realty Income has launched several initiatives to measure the energy and water impact of tenants, including tenant-level utility data sharing agreements and flexible tenant data processing (i.e., tenants can share data in any format). While tenants may decline data sharing, for instance because they don't track utility data or have confidentiality concerns, Realty Income provides tenant education and guidance on the benefits of data-sharing. We've evaluated opportunities for digital metering but, given the size of our portfolio and tenant concerns, we've decided to prioritize other approaches. We incentivize clients to implement efficiency improvements primarily through creative solutions that reduce client capital expenditures, including financing for efficiency improvement through our Green Financing Framework and access to reduced equipment pricing through our vendor network.
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CLIMATE CHANGE ADAPTATION

IF-RE-450a.1a	Area of properties located in 100-year flood zones, by property sector	In 2023, Realty Income identified flood risk as a major physical risk that could impact our properties, particularly the properties located in California and Nevada. Potential impacts identified include damage/loss to assets, reduced revenue, negative human health impacts, operations disruptions, and increased insurance claims. The exact area of properties located in 100-year flood zones has not yet been quantified. For future reporting efforts, Realty Income is looking into bolstering our climate risk assessment across all of our properties to enable a more comprehensive assessment of the physical and transition risks. The company is also looking into improving the accuracy of data gathered on climate risk adaptation efforts undertaken by clients.
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IF-RE-450a.2a

Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks

In 2023, supported by the Nominating/Corporate Governance Committee of our Board of Directors, we partnered with third-party experts to conduct a Task Force on Climate-Related Financial Disclosures (TCFD)-aligned physical climate risk assessment of our U.S. assets. We engaged stakeholders across the organization to weigh in on potential business impacts and risk response strategies via a combination of surveys and workshops. Physical climate risks, such as wildfire risk, flood risk, and risk of high-wind weather events were analyzed, in addition to the following transition risks: policy and legal risk, market risk and opportunity, reputational risk, and litigation risk.

A short-term time horizon (present-2033) and specific Intergovernmental Panel on Climate Change (IPCC) representative concentration pathways (RCP2.6, RCP4.5, and RCP8.5) were used to evaluate plausible low- and high-carbon scenarios. Our analysis identified wildfire and flood risk and policy and legal risks related to building performance standards, increased regulation of natural resources, and mandatory carbon pricing schemes. Influencing clients, stakeholder expectations, brand perception, and trends in climate-related litigation were also identified as risks, while green leasing and developing green infrastructure emerged as market opportunities. The concentration of assets in the U.S., where building performance standards are generally lower and less regulated than in the EU, is a systematic risk which we could have the opportunity to mitigate through client engagement in the U.S. Rising insurance premiums are another area of systemic portfolio exposure, as the frequency of severe weather events is expected to increase. While direct risk from higher premiums isn't likely to materially impact Realty Income, prohibitive occupancy costs for our clients may affect occupancy rates in the future. The primary and contingent property insurance we purchase can address these associated climate-related risks and our risk management team is monitoring developments in the insurance sector. The ability to influence tenants will be critical for Realty Income to meet building owner mandates, especially at the municipal level, and institutional stakeholder demands. Operating a business model that relegates operational control to tenants, Realty Income's ability to retrofit buildings and equipment and to implement environmental, social, and governance (ESG)-focused operating policies is limited across our portfolio. To mitigate these risks, we engage with clients on utility data tracking, renewable energy options, and building efficiency opportunities through green lease language and ongoing dialogue. Please refer to our TCFD report for additional details about our climate-related risks and our assessment methodology.

To enhance reporting in future years, Realty Income is currently expanding on our risk assessment to conduct a more comprehensive physical and transition risk assessment across our property portfolio. Realty Income is also in the process of conducting a comprehensive opportunity assessment to identify innovative, cost-effective practices that can be implemented within our properties.

GRI CONTENT INDEX²

Statement of use	Realty Income has reported the information cited in this GRI content index for the period from January 1, 2023, to December 31, 2023, with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI STANDARD/OTHER SOURCE	DISCLOSURE	ADDITIONAL RESOURCES
GRI 2: General Disclosures 2021	2-1 Organizational details	Sustainability Report: Our Business Model , About Realty Income External Resource: Realty Income: Who We Are , 2023 Form 10-K
	2-2 Entities included in the organization's sustainability reporting	Sustainability Report: Our Business Model , About Realty Income External Resources: Realty Income: Who We Are , Realty Income: Sustainability , 2023 Form 10-K
	2-3 Reporting period, frequency and contact point	Sustainability Report: Environmental Performance Highlights/Metrics , Forward Looking Statements
	2-4 Restatements of information	Sustainability Report: Environmental Performance Highlights/Metrics
	2-5 External assurance	Sustainability Report: Commitment to Sustainability , Environmental Management System
	2-6 Activities, value chain and other business relationships	Sustainability Report: About Realty Income , Our Value Chain
	2-7 Employees	Sustainability Report: Social Responsibility External Resources: Realty Income: Social Responsibility , Diversity, Equality, and Inclusion Policy
	2-8 Workers who are not employees	Sustainability Report: Social Responsibility , Respect for Human and Labor Rights , Sustainability and Human Rights in the Supply Chain , Serving our Community External Resource: Human Rights Policy

⁽²⁾ Certain information is not disclosed within the index below because, among other reasons, that information (i) is privileged or confidential; (ii) could cause a competitive disadvantage to our business if publicly disseminated; or (iii) is not currently collected in a manner wholly correlative with the related GRI standard. The term "material" as used in this index refers solely to GRI's definition of materiality and should not be deemed to mean material under any other law or standard.

2-9 Governance structure and composition	
2-10 Nomination and selection of the highest governance body	
2-11 Chair of the highest governance body	Sustainability Report: Governance, ESG and Climate Governance, Stockholder Engagement, Priority ESG Topics, Risk Management
2-12 Role of the highest governance body in overseeing the management of impacts	External Resources: Realty Income Sustainability: Governance, Realty Income Sustainability: Policies, Realty Income 2024 Proxy Statement
2-13 Delegation of responsibility for managing impacts	
2-14 Role of the highest governance body in sustainability reporting	
2-15 Conflicts of interest	External Resource: Code of Business Ethics
2-16 Communication of critical concerns	External Resource: Code of Business Ethics
2-17 Collective knowledge of the highest governance body	Sustainability Report: ESG and Climate Governance External Resources: Code of Business Ethics, Realty Income 2024 Proxy Statement
2-18 Evaluation of the performance of the highest governance body	External Resource: Realty Income 2024 Proxy Statement
2-19 Remuneration policies	External Resource: Realty Income 2024 Proxy Statement, Compensation and Talent Committee Charter
2-20 Process to determine remuneration	External Resource: Realty Income 2024 Proxy Statement
2-21 Annual total compensation ratio	External Resource: Realty Income 2024 Proxy Statement
2-22 Statement on sustainable development strategy	Sustainability Report: Message from the CEO External Resource: Realty Income: Sustainability
2-23 Policy commitments	Sustainability Report: Governance, ESG and Climate Governance, Stockholder Engagement External Resources: Realty Income Sustainability: Governance, Realty Income Sustainability: Policies
2-24 Embedding policy commitments	Sustainability Report: Governance, ESG and Climate Governance, Stockholder Engagement External Resources: Realty Income Sustainability: Governance, Realty Income Sustainability: Policies

	2-25 Processes to remediate negative impacts	Sustainability Report: Risk Management
	2-26 Mechanisms for seeking advice and raising concerns	External Resource: Code of Business Ethics
	2-27 Compliance with laws and regulations	External Resource: Code of Business Ethics
	2-28 Membership associations	Sustainability Report: Environmental Responsibility , Social Responsibility
	2-29 Approach to stakeholder engagement	Sustainability Report: Stockholder Engagement , Priority ESG Topics External Resource: Stakeholder Engagement Mechanisms
	2-30 Collective bargaining agreements	Not applicable to Realty Income.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Priority ESG Topics
	3-2 List of material topics	Sustainability Report: Priority ESG Topics External Resource: ESG at Realty Income , 2020 Sustainability Report
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: About Realty Income
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Report: Financial Highlights External Resources: Realty Income 2024 Proxy Statement , SEC Filings
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Report: Financial Highlights , Risk Management External Resources: Realty Income 2024 Proxy Statement , SEC Filings
	201-3 Defined benefit plan obligations and other retirement plans	Sustainability Report: Employee Well-being
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Risk Management , Governance External Resource: Code of Business Ethics
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sustainability Report: Risk Management , Governance External Resource: Code of Business Ethics
	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Report: Risk Management , Governance External Resource: Code of Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	Sustainability Report: Risk Management , Governance External Resource: Code of Business Ethics
GRI 206: Anti-competitive Behavior 2015	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability Report: Risk Management , Governance External Resource: Code of Business Ethics

GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization 302-3 Energy intensity	Sustainability Report: Environmental Responsibility , Environmental Performance Highlights/Metrics External Resource: Realty Income Sustainability: Environmental Responsibility
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal	Sustainability Report: Environmental Responsibility , Environmental Performance Highlights/Metrics External Resource: Realty Income Sustainability: Environmental Responsibility ,
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions	Sustainability Report: Environmental Responsibility , Environmental Performance Highlights/Metrics External Resource: Realty Income Sustainability: Environmental Responsibility
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 306: Waste 2020	306-3 Waste generated 306-4 Waste diverted from disposal 306-5 Waste directed to disposal	Sustainability Report: Environmental Responsibility External Resource: Realty Income Sustainability: Environmental Responsibility
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Social Responsibility External Resource: Realty Income: Social Responsibility
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: Social Responsibility External Resource: Realty Income: Social Responsibility

	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report: Social Responsibility , Employee Wellbeing External Resource: Realty Income: Social Responsibility
	401-3 Parental leave	Sustainability Report: Social Responsibility , Employee Wellbeing External Resource: Realty Income: Social Responsibility
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	Sustainability Report: Social Responsibility , Employee Wellbeing External Resource: Realty Income: Social Responsibility
	403-6 Promotion of worker health	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-9 Work-related injuries	
	403-10 Work-related ill health	
GRI 3: Material Topics 2021	3-3 Management of material topics	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report: Social Responsibility , Development & Training , Employee Wellbeing , External Resource: Realty Income: Social Responsibility
	404-2 Programs for upgrading employee skills and transition assistance programs	
	404-3 Percentage of employees receiving regular performance and career development reviews	

GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Social Responsibility , Employee Wellbeing , Working at Realty Income: By The Numbers
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	External Resource: Realty Income: Social Responsibility
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Cybersecurity & Innovation
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report: Cybersecurity & Innovation External Resource: Realty Income Governance - Cybersecurity

GRI DISCLOSURES

GENERAL DISCLOSURES

2-1 Organizational Details

Realty Income, a Maryland corporation, is a self-administered real estate investment trust (REIT), headquartered in San Diego, California. As of December 31, 2023, Realty Income owned or held interests in 13,458 properties located in all 50 U.S. states, Puerto Rico, the United Kingdom, France, Germany, Ireland, Italy, Portugal, and Spain. Additional information can be found in our [2023 Form 10-K](#).

2-2 Entities included in the organization's sustainability reporting

Realty Income's subsidiaries listing is available in Exhibit 21.1 within our [2023 Form 10-K](#). Entities included in our financial reports are identical to those included in this Sustainability Report. There are no exclusions or deviations.

2-3 Reporting period, frequency and contact point

This report covers the 2023 calendar year, in alignment with our financial reporting year. We publish this information annually. This report was published on September 30, 2024. Please reach out to sustainability@realtyincome.com with questions or feedback on this report.

2-4 Restatements of information⁴

Realty Income has recast its 2022's GHG footprint due to enhanced asset-level utility data provided by clients³ as well as the adoption of a new greenhouse gas accounting platform to drive efficiency and accuracy. This will provide a higher degree of year-over-year comparability moving forward and uses the best data available for the two most recent calendar years at the time this report is published. The 2022 carbon footprint has been recast with the same methodology we used for our 2023 emissions inventory.

2-5 External assurance

The information provided in this report has not been assured by an external party. Realty Income plans to engage a third-party provider to assure the data reporting in the future.

2-6 Activities, value chain and other business relationships

Realty Income focuses on acquiring freestanding, single-unit properties leased to industry-leading operators under long-term, net-lease agreements. Our retail properties are primarily leased to clients with a service, non-discretionary and/or low price point component to their business. Additionally, we also target industrial and distribution properties leased to Fortune 1000, investment-grade rated companies. By curating an extensive and highly diversified portfolio, our business generates reliable revenue that supports our increasing monthly dividends and strategic growth initiatives. As of December 31, 2023, our portfolio included 13,458 commercial properties with a combined leasable floor area of over 272 million ft² that were leased to 1,326 different clients who operate in more than 86 separate industries throughout all 50 U.S. states, as well as Puerto Rico, the United Kingdom, France, Germany, Ireland, Italy, Portugal, and Spain. Key stakeholders across our

⁽³⁾ Realty Income worked with our clients over the 2022 and 2023 calendar years to establish more streamlined data collection processes, which led to a greater volume of data collection for greenhouse gas reporting. Realty Income additionally reviewed and made updates to our GHG foot-printing methodology, which included the implementation of a new carbon accounting platform.

value chain are investors/stockholders, clients who occupy and operate our assets, our employees, our supplier network, and surrounding communities. There have been no significant changes in our activities, value chain, or business relationships compared to the previous reporting period.

More information can be found on our website: [Realty Income: Our Portfolio](#), as well as in our [2023 Form 10-K](#).

2-7 Employees

2023 Year End Headcount (418 Employees*)	% of total
Employees	
Female	55.5%
Male	44.0%
Not Disclosed	0.5%
Managers	
Female	44.9%
Male	53.9%
Not Disclosed	1.2%
Total Managers	39.5%
Senior Officers	
Female	32.0%
Male	68.0%
Total Senior Officers	6.0%
Executives	
Female	42.9%
Male	57.1%
Total Executives	1.7%

* Senior Vice Presidents and Executive Vice Presidents are noted above as Senior Officers. We define Manager Level as employees that either supervise at least one team member or hold a title of Associate Director or above. Full time employees are acknowledged as any employee regularly scheduled for a minimum of 37 hours per week, while part time employees are regularly scheduled less than 37 hours per week. Gender data presented above is based on self-identification.

2-8 Workers who are not employees

This is not applicable to Realty Income, as all people currently accounted for are formally categorized as employees.



2-9 Governance structure and composition

Committees of the Board include an Audit Committee, a Compensation and Talent Committee, and a Nominating/Corporate Governance Committee,⁴ the latter tasked with oversight of the company's environmental, social, and governance (ESG) program. All three committees are comprised of non-executive, independent members. The Audit Committee includes three male members and a female chair; the Compensation and Talent Committee includes three male members and two female members, including a female chair; and the Nominating/Corporate Governance Committee is comprised of two female members and two male members, including a male chair. Gender data presented based on self-identification. The experience, commitments, and competencies of each member of the Board of Directors are detailed in our [2024 Proxy Report](#). Our Board's priority is to represent the interests of our stockholders. On February 12, 2024, Ronald L. Merriman notified the Board of Directors of his decision to retire and not stand for re-election at the company's annual meeting. All of the below figures are presented as of April 15, 2024 in the 2024 Proxy Statement for the Directors that stood for re-election and were subsequently re-elected at the 2024 Annual Meeting of Stockholders.

Board Membership (11 Total Directors)	#s
Independent Directors	10
Gender	
Female	4
Male	7
Under-represented communities	6
Tenure	
>12 years	3
5-12 years	4
<5 years	4

2-10 Nomination and selection of the highest governance body

The Nominating/Corporate Governance Committee of the Board nominates directors based on their ability to perpetuate the success of the business and represent stockholder interests. Directors are elected by stockholders at each Annual Meeting. Criteria considered in the selection process include (i) business and professional background, (ii) contributions to the Board, (iii) skill sets and expertise, (iv) understanding of applicable laws and regulations and other elements thought to be relevant to the success of the company, (v) time constraints including other board service, (vi) tenure with the Board, and (vii) diversity of background.

Additional information can be found in our [2024 Proxy Statement](#).

2-11 Chair of the highest governance body

The Chairman of our Board of Directors is not a senior executive in the organization.

⁽⁴⁾ Realty Income's ESG program is overseen by the Nominating/Corporate Governance Committee along with other standing committees of the Board to the extent issues come within the purview of their responsibilities. The Sustainability Department reports to the Executive Vice President, Chief Legal Officer, General Counsel and Secretary, with oversight from the Nominating/Corporate Governance Committee and the Board of Directors.

2-12 Role of the highest governance body in overseeing the management of impacts

Based on our commitment to maximize dividends for our stockholders, Realty Income's focus is primarily on mitigating ESG risks that could negatively impact the company's financial position. As such, our purpose, mission, strategies, and goals remain aligned with our commitment to provide dependable income and favorable returns to shareholders. The role of our Board and executive team is to strategically evaluate sustainability efforts that align with this commitment, including risk mitigation, and to adopt practices that support long-term resilience of our business model. This includes due diligence in the form of ongoing risk assessments through our enterprise risk management system and monitoring financial performance in the context of sustainability initiatives.

Additional information can be found in our [2024 Proxy Statement](#).

2-13 Delegation of responsibility for managing impacts

The Nominating/Corporate Governance Committee of the Board delegates responsibility for day-to-day management of sustainability impacts to a dedicated Sustainability Department, led by the Vice President of Sustainability. The VP reports to the EVP, Chief Legal Officer, General Counsel, and Secretary and is tasked with further delegating activities to members of the Sustainability Department; collaborating cross-functionally to embed sustainability-related policies, programs, and strategies internally; and engaging with external stakeholders on sustainability matters. The Nominating/Corporate Governance Committee allocates time for program updates provided by dedicated sustainability staff or external advisors. In addition, a Global Sustainability Committee comprised of senior executives develops and is responsible for the execution of our company-wide ESG strategy. Lastly, the ESG Reporting Task Force, comprised of executive and cross-departmental leadership, including investor relations, determines the company's ESG disclosure strategy. Outside counsel and other advisors provide periodic briefings and training to the Task Force.

Additional information can be found in our [2024 Proxy Statement](#).

2-14 Role of the highest governance body in sustainability reporting

The ESG Reporting Task Force reviews sustainability related reporting. Prior to publishing the Sustainability Report, the comprehensive disclosures are provided in advance and reviewed and discussed during Audit and Nominating/Corporate Governance Committee meetings. In addition, the entire Board reviews the report and has the opportunity to provide input and feedback for the final version prior to approval.

Additional information can be found in our [2024 Proxy Statement](#).

2-15 Conflicts of interest

Our Code of Business Ethics includes provisions related to conflicts of interests and corporate opportunity. In addition, we have adopted a written policy providing for the review and approval of related party transactions. Under this policy, the Audit Committee reviews the relevant facts and circumstances, taking into account the conflicts of interest and corporate opportunity provisions of our Code of Business Ethics. The Nominating/Corporate Governance Committee reviews whether any corporate officers or directors (including nominees) has any potential conflicts of interest or related party transactions in relation to such person's position as a corporate officer or director. To the extent required under the applicable rules and regulations of the U.S. Securities and Exchange Commission and the NYSE, the company will disclose such transactions or interests.

Additional information can be found in our [2024 Proxy Statement](#).

2-16 Communication of critical concerns

Questions, critical concerns, or allegations of violations of our [Code of Business Ethics](#) or any other foundational policy can be reported anonymously by calling (866) 384-4277 or online at www.ethicspoint.com. No violations or critical concerns were communicated to the Board of Directors for this reporting period.

2-17 Collective knowledge of the highest governance body

In 2023, Board members received training administered by an external expert on the ESG regulatory landscape in the US and Europe as well as internal cybersecurity training and other training and informational sessions. Our [2024 Proxy includes detailed information](#) on the specific experience, qualifications, attributes, and skills of our Board.

2-18 Evaluation of the performance of the highest governance body

Our Directors conduct annual self-evaluations. The self-evaluation results are considered in the annual Board member selection process of the Nominating/Corporate Governance Committee detailed in the [2024 Proxy Statement](#).

2-19 Remuneration policies

Remuneration is tied to the company's economic performance and related stockholder returns, as well as to personal performance (including efforts toward accomplishing the company's ESG initiatives), which aligns the interests of the executives with stockholders and facilitates executive retention. More details on the executive compensation program, including relevant ESG-aligned short-term Incentives for individual performance can be found in the [2024 Proxy Report](#).

2-20 Process to determine remuneration

Remuneration policies are developed by the independent Compensation and Talent Committee of the Board of Directors and approved by the Board of Directors. Policies consider shareholder feedback, and the committee may seek assistance from independent external consultants. Additional details on the remuneration process can be found in the [Compensation and Talent Committee Charter](#).

2-21 Annual total compensation ratio

Our 2023 annual total compensation ratio was 98 to 1 and is defined in our 2024 Proxy Report under [CEO Pay Ratio](#).

2-22 Statement on sustainable development strategy

Please refer to our CEO's statement at the beginning of this report. Additional information can be found on our [website](#).

2-23 Policy commitments

We've published policy commitments or statements for our environmental management system; fair business practices; diversity, equality, and inclusion (DEI); human rights; privacy; and supplier conduct. Our Human Rights Policy and our Supplier Code of Conduct reference the United Nations Universal Declaration on Human Rights, conventions of the International Labour Organization, and the OECD's Guidelines for Multinational Enterprises. Our Code of Business Ethics and Privacy Policy stipulate due diligence through investigation of reported concerns. Our Privacy Policy additionally addresses due diligence in the form of risk assessments. Our Human Rights Policy covers our employees and their rights, as well as people vulnerable to child labor, forced labor, and human trafficking. We communicate policies that apply to our employees at hire and annually thereafter. Policies are communicated to all employees through Realty Income's internal employee handbook, a dedicated

training platform, email, our Intranet, at town hall meetings, and through direct manager-employee communications. The policies below are hosted on our external website for interested third parties.

- [Code of Business Ethics](#)
- [Diversity, Equality and Inclusion Policy](#)
- [Human Rights Policy](#)
- [Privacy Policy](#)
- [Supplier Code of Conduct](#)

2-24 Embedding policy commitments

We hold our employees and board members to the highest conduct and ethical standards and seek to do business with customers and business partners who share our values. We describe our expectations for suppliers in our Supplier Code of Conduct. Each year, every active employee completes training on topics covered in – and acknowledges their understanding of – our Code of Business Ethics. In addition, each employee must acknowledge their understanding of our Employee Handbook, which includes the company Confidentiality and Non-disclosure Agreement, Insider Trading Policy, Injury & Illness Prevention Policy, Anti-Corruption and Foreign Trade Control Policy, Anti-Money Laundering and Anti-Terrorist Financing Policy, Human Rights Policy, Regulation FD Policy, Workplace Violence Prevention Policy, Incident Response Policy, and Records Retention Policy. Company-mandated and legally required training is provided annually.

2-25 Processes to remediate negative impacts

We have established a Code of Business Ethics and require employees to report violations to supervisors or the General Counsel, or via our anonymous whistleblower hotline (by phone or online). The Board of Directors or a committee of the Board is charged with establishing the legitimacy of complaints and determining appropriate remedies for impacts caused by representatives of our company.

2-26 Mechanisms for seeking advice and raising concerns

Per our Code of Business Ethics, employees are encouraged to consult their supervisors, the chair of the Audit Committee of the Board of Directors, or the company's General Counsel to determine whether a course of action is lawful and to raise concerns related to business conduct.

2-27 Compliance with laws and regulations

There have been no significant instances of non-compliance with laws and regulations during the 2023 calendar year.

2-28 Membership associations

In 2023, our CEO was on the Board of Directors of the National Association of Real Estate Investment Trusts (Nareit) and served as the Treasurer of Nareit. Mr. Roy has also served on the Board of Directors of Ventas, Inc. (NYSE: VTR) since October 2022.

2-29 Approach to stakeholder engagement

During the reporting year, we engaged with our stockholders, clients and prospective clients, other business partners, employees and prospective employees, suppliers, local communities, and membership organizations. Outside of formal annual stockholder meetings, most of our stakeholder engagement activities were ongoing and occurred organically in the course of doing business for the purpose of information-gathering, consultation, and participation. We take a collaborative approach to stakeholder engagement and strive for transparency in our disclosures so that our stakeholders have sufficient context to provide meaningful feedback.

2-30 Collective bargaining agreements

None of Realty Income's employees are covered by collective bargaining agreements. Realty Income does not currently base employment terms or conditions on collective bargaining agreements from other organizations.

GRI MATERIAL TOPICS

GRI 3: Material Topics 2021

3-1 Process to determine material topics

We conducted a voluntary assessment in 2020 to identify and prioritize topics to shape our sustainability strategy and reporting. This process considered topics listed by leading ESG standards, frameworks, and questionnaires, including the SASB sector standard for Real Estate and the GRI Standards, industry organizations such as Nareit, and input received from internal company representatives. Once topics were identified and prioritized, we utilized a third-party sustainability consulting firm to help validate our topics with our Board of Directors, executive officers, and employees.

3-2 List of material topics

Based on our voluntary assessment conducted in 2020, our priority GRI ESG topics include economic performance, indirect economic impacts, local hiring; client health and safety; community support; water; materials and waste; emissions and air quality; biodiversity; energy use; DEI; hiring and retention; training and development; employee engagement; employee health, safety, and wellbeing; governance; ethical and responsible business conduct; risk management; climate change adaptation/strategy; supply chain management; data privacy and security; investment diligence; and regulatory compliance. There have been no changes from the previous reporting period.⁵

⁽⁵⁾ Realty Income conducted a voluntary assessment during calendar year 2020 to inform the disclosures within this report.

ECONOMIC PERFORMANCE

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

We invest in diversified commercial real estate and are a real estate partner to the world's leading companies and have a mission to deliver stockholders dependable monthly dividends that grow over time. Fundamental to our business, we utilize a net lease structure to reduce our exposure to rising operating expenses tied to taxes, maintenance, insurance, and other costs, while preserving cash flow predictability for monthly dividends. This is the lens through which we evaluate and develop our management approach to our material topics. The primary positive impact of our economic model is the provision of dividends to shareholders who have come to rely on them. Furthermore, we have created more than 400 living wage jobs, including benefits, and we're providing leasing options to a diverse range of businesses, some that create access to beneficial goods and services. There are potential negative impacts that are inherent to real estate ownership, including the footprint of the built environment and reliance on continuous financial growth to meet shareholder expectations. Some positive and negative impacts are a result of business relationships, for example, how sustainably or not tenants operate. We're committed to transparency on the topic of economic performance as evidenced by our comprehensive reporting efforts. In 2023, we also consulted with third-party experts to perform climate scenario analysis to better understand the financial implications of climate change. Details are available in our [Task Force on Climate-Related Financial Disclosures \(TCFD\) Index](#). We have also expanded our risk management systems to include additional environmental indicators, implemented a sophisticated data platform for better tracking and analysis of our environmental data, and increased tenant engagement on sustainability. These efforts are outlined in more detail in the management approach sections of associated topics.

GRI 201: ECONOMIC PERFORMANCE 2016

201-1 Direct economic value generated and distributed

A full view of our economic performance can be found within our [2023 Form 10-K](#).

201-2 Financial implication and other risks and opportunities due to climate change

Please see our [TCFD index](#) for a detailed discussion of risks and opportunities posed by climate change, including risk classification. We continue to assess the appropriate methodology and systems necessary to comprehensively calculate financial impacts prior to taking action or the cost of actions taken by Realty Income or our clients, though we are tracking the cost of primary and contingent property insurance we've purchased to mitigate risk (this information is confidential).

201-3 Defined benefit plan obligations and other retirement plans

Realty Income does not offer defined benefit or pension plans, but all employees have access to our 401(k) and Roth 401(k) plan options with a company match of 50% up to the first 6% of employee contributions.

Additional information can be found [above](#) in this Sustainability Report and on our [website](#).

201-4 Financial assistance received from government

No financial assistance was received from government entities.

ANTI-CORRUPTION

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income is subject to various fair business regulations, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act, and our goal is to be fully compliant. We outline our responsibilities and prevention initiatives in our Anti-Corruption and Foreign Trade Control Policy, our Anti-Money Laundering and Anti-Terrorist Financing Policy, and, more broadly, in our [Business Code of Ethics](#). The latter is communicated to all employees and officers of the company, and we provide annual training on our fair business policies and programs. Training and awareness are the primary mechanisms by which we prevent fraud and corruption, combined with multiple channels for reporting such activities and a designated team to review and address our compliance obligations. Since there have been no incidents in the reporting year or the previous year, we deem our approach to be effective.

GRI 205: ANTI-CORRUPTION 2021

205-1 Operations assessed for risks related to corruption

We've assessed 100% of our operations for corruption risk and have identified no significant risks.

205-2 Communication and training about anti-corruption policies and procedures

On an annual basis, new and existing employees must acknowledge and accept the Employee Handbook and appendices, which include the company Anti-Corruption and Foreign Trade Control Policy.

Additional details on training can be found in [section 404-1](#).

Additional information can be found within our [Business Code of Ethics](#) as well as its application to our directors, officers, and other employees in the [2024 Proxy Statement](#).

205-3 Confirmed incidents of corruption and actions taken

There were 0 confirmed incidents of corruption in 2023.

ANTI-COMPETITIVE BEHAVIOR

GRI 206: ANTI-COMPETITIVE BEHAVIOR 2015

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

No legal actions related to anti-competitive behavior were pending or completed during the reporting year.

ENERGY

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Energy use in Realty Income's owned and operated facilities represents 0.01% of total energy use from our portfolio of thousands of properties. Much of the energy use associated with our business is electricity consumption in buildings that we own, which are operated by our clients. While we have full control over our corporate operations, our clients control energy reduction and renewable energy initiatives at facilities they operate. This is due to our net lease contracts that relegate operational control and financial responsibility for building performance improvements to our tenants. We have developed several mechanisms to incentivize energy reduction and onsite renewable energy across our tenant network. This includes ongoing dialogue with clients, discounts on equipment and parts through our large supplier network, and our [Green Financing Framework](#). As of the publication date of this report, we haven't set energy reduction targets, in part because we cannot enforce actions in properties we do not operate, and because we are still working collaboratively with our clients to improve our collection of building energy data. Although this process remains challenging, we have seen an increasing interest from our clients in partnership opportunities that will help them operate more efficiently.

GRI 302: ENERGY 2016

302-1 Energy consumption within the organization

Energy consumption within the organization*	2023		2022	
	MWh	GJ	MWh	MWh
Total Energy Consumption	1,208	4,348	1,150	945
Fuel purchased by type (non-renewable)	112	404	93	78
Gasoline	6	22		
Natural gas and other heating fuels	106	383	93	78
Electricity, heat, and cooling purchased	1,096	3,944	1,057	867
Data coverage (square feet)	2023		2022	2021
Total square footage	114,546		113,187	99,485
% Actual	100%		100%	100%

* Energy consumption within the organization is reported for our corporate offices. Conversion factors are based on the U.S. Energy Information Administration (EIA). Mobile emissions constitutes gasoline consumption related to a corporate maintenance vehicle at San Diego headquarters and 2023 is the first year for inclusion for mobile emissions.

302-2 Energy consumption outside of the organization

Realty Income is reliant on client engagement and data acquisition strategies to collect operational utility information in order to accurately report on energy consumption outside the organization across the portfolio due to our operating structure as a net lease REIT. Where data is not provided by our clients, we used industry best practices to estimate the usage based on property type and size. In 2023, we continued to enhance our reporting infrastructure to streamline the data aggregation process, efficiently move this information through our systems, and increase the amount of actual data we are collecting and reporting on to reduce reliance on estimations and improve accuracy. Our clients are asked to provide complete and accurate monthly data, which we ask them to confirm on submission. With our new greenhouse gas accounting platform, we are able to use industry estimates aligned to the U.S. EIA's Commercial Buildings Energy Consumption Survey (CBECS) 2018 and, if datasets are incomplete, we are able to estimate missing periods. Data sharing is critical for our reporting efforts and is incorporated through green leasing provisions, client portfolio contracted agreements, goodwill, and technology providers to collect as much utility information as possible on an ongoing basis with a focus on increasing actual data and reducing estimated reporting.

Energy consumption outside the organization*	2023 (MWh)	2022 (MWh)	2021 (MWh)
Total Energy Consumption (MWh)	8,444,481	7,512,853	6,687,963
Fuel consumption	2,886,703	2,657,212	2,510,840
Fuel consumption based on client-provided data	1,294,731	1,100,065	396,843
Estimated fuel consumption	1,591,971	1,557,148	2,113,997
Electricity consumption	5,557,779	4,855,640	4,177,123
Electricity based on client-provided data (non-renewable)	2,504,252	1,797,758	538,582
Electricity based on client-provided data (renewable)	163,863	110,555	
Estimated electricity consumption	2,889,664	2,947,327	3,638,541
Data coverage (square feet)	2023 (sq. ft.)	2022 (sq. ft.)	2021 (sq. ft.)
Total square footage for portfolio reporting	273,283,401	241,584,678	215,267,170
Actual (sites with client reported data)	144,015,910	95,817,084	31,706,776
Estimated (sites without client reported data)	129,267,492	145,767,594	183,560,394
% Actual (client reported data)	52.7%	39.7%	14.7%

* Energy consumption outside of the organization is reported for downstream leased properties owned during the reporting year, properties held at year end, including acquisitions, and properties sold during the year. When properties were acquired or sold during the year, energy is reported for the period under ownership. Where 2022 and 2023 actual property information is unavailable, estimations based on the U.S. EIA's Commercial Buildings Energy Consumption Survey (CBECS) 2018 are used. Prior year estimates apply CBECS 2012. Renewable electricity data is client categorized when submitted to Realty Income. Where properties were vacant or became vacant during the reporting year, the vacant building activity subcategory was applied. Conversion factors are based on the U.S. EIA. To be consistent with statements made in our financial reporting, our calculations use leasable building square footage. We exclude leased land categorized as agriculture.

302-3 Energy intensity

Realty Income reports Energy Use Intensity (EUI) for both inside and outside the organization. Inside the organization, EUI consists of corporate operations across our owned and leased offices. 2023 EUI outside the organization consists of a blended intensity figure across the portfolio of standing and sold downstream leased assets. Total energy consumption is divided by adjusted square footage.

Energy Intensity (kWh/SF)	2023	2022	2021
Within the organization	10.6	10.2	9.5
Denominator (adjusted square feet ¹)	114,389	113,187	99,485
Outside the organization	33.1	34.1	
Denominator (adjusted square feet ¹)	255,029,580	220,555,945	

* See 302-1 and 302-2 for reporting boundary.

⁽¹⁾ Square feet adjusted for the ownership period during the reporting year.

* 2021 intensity figures have been removed. These figures rely on the U.S. EIA's Commercial Buildings Energy Consumption Survey (CBECS), which was updated in the 2022 reporting year and distorts the comparability of year-over-year environmental performance.

WATER AND EFFLUENTS

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income has not yet assessed water management, primarily because our direct water use consists mostly of daily employee use in administrative buildings. The bulk of water use occurs in our value chain, namely in buildings we own and lease to clients but do not operate. In certified green buildings we occupy or lease to tenants, water-saving technologies have been installed to counteract water waste. In buildings we operate, we also incorporate responsible irrigation and waste management practices to reduce the risk of runoff. We have not engaged with municipal water providers to obtain catchment information. Our clients manage their own water use and directly contract with water utilities.

Realty Income is not currently monitoring client water use, as we're still focused on collecting baseline water data across our portfolio, which clients are still working to track accurately. Accordingly, we've not set water reduction targets or engaged with stakeholders on the topic of water management. We conduct a broad assessment of water stress annually based on property locations and using the World Resources Institute's Water Risk Atlas.

GRI 303: WATER AND EFFLUENTS 2018

303-1 Interactions with water as a shared resource

Realty Income's direct water consumption is limited to an immaterial portion of water consumed by employees in an office setting. Our withdrawal and discharge amounts are generally equivalent. We are not actively monitoring water impacts beyond the aforementioned companywide water stress assessment and are evaluating whether there is an opportunity for tenant collaboration to promote water stewardship in the future.

303-2 Management of water discharge-related impacts

In buildings we operate, we don't engage in activities that subject us to discharge regulations at the country, state, or municipal level. All water in our administrative facilities is discharged to a third-party water treatment plant. We have not assessed how water discharge is managed by our clients, but we require compliance with all laws and regulations in our lease agreements.

303-3 Water withdrawal

Water withdrawal by source	2023		2022	2021
	kgal.	ML	kgal.	kgal.
Corporate offices				
All areas	1,360	5	2,327	1,762
Data coverage (square footage)	114,546		113,187	99,485
Water stressed	1,358	5	2,327	1,762
Data coverage (square footage)	114,072		113,187	99,485
Portfolio				
Data coverage	2023 (sq. ft.)		2022 (sq. ft.)	2021 (sq. ft.)
All areas	2,924,018	11,067	1,611,559	901,833
Data coverage	101,638,135		62,027,680	23,715,777
Water stressed	1,361,000	5,151	859,750	550,927
Data coverage	54,135,275		27,795,997	10,821,361

* For our corporate offices, all water is withdrawn from third-party or municipal sources. Water is used for heating and cooling, domestic use, and irrigation. For the portfolio, water is reported for downstream leased assets owned during the reporting year, properties held at year end, including acquisitions, and properties sold during the year. When properties were acquired or sold during the year, water is reported for the period under ownership. Water stress is classified as Medium-High risk and above, as determined by using the World Resources Institute's (WRI's) Aqueduct Tool. The intention is to expand water data coverage year-over-year.

EMISSIONS

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income's primary impact related to greenhouse gas (GHG) emissions stems from energy use in buildings we own and lease to third parties. Most of the properties in our portfolio are net leased, however, which means that while we own the property, our clients are generally responsible for maintaining the building, including managing utilities, retrofits and other environmental practices. It also means that most of our greenhouse gas emissions are not Scope 1 or 2, but rather Scope 3 emissions, which are generated by our clients and the data for which we do not have direct access to. While there are opportunities for our clients to reduce energy consumption through efficiency measures, some of these gains could be offset by higher cooling demands in regions with increasingly hotter summers. Volatility in energy prices could drive up utility costs for tenants, a potential incentive for transitioning to renewable energy sources. As our clients identify and address climate-related transition risks, the marketability of certified green buildings could become a more prominent opportunity for Realty Income. We're indirectly involved with these impacts through our business relationships with our clients, though our investment and leasing decisions affect the types of tenants and their operating practices, including their impact on the environment and their commitment to operate sustainably. During the reporting year, we focused on collecting energy data from tenants to calculate the emissions footprint of our portfolio, refining green lease language, and building out our Green Financing Framework to incentivize building performance improvements. We have not set any emissions reduction targets, in part due to data quality concerns and in part due to Realty Income's lack of enforcement authority in buildings we don't operate. To help address data challenges, we implemented a leading emissions accounting platform in 2023. We also have a thoughtful approach to collaboration with our clients which has the potential to yield GHG emissions reductions in our portfolio.

GRI 305: EMISSIONS 2016

305-1 Direct (Scope 1) GHG emissions and 305-2 Indirect (Scope 2) GHG emissions

(MT CO2e)	2023 (MT CO2e)	2022 (MT CO2e)	2021 (MT CO2e)
Total Scope 1 & 2 emissions (location-based)	372	357	271
Total Scope 1 & 2 emissions (market-based with RECs)	55	48	271
Direct (scope 1) GHG emissions	55	48	14
Fuel Consumption	19	17	14
Fugitive Emissions	36	31	
Indirect (scope 2) emissions (location-based)	318	309	257
Indirect (scope 2) emissions (market-based with RECs)	0.15	0	257
Data coverage (square feet)	2023 (sq. ft.)	2022 (sq. ft.)	2021 (sq. ft.)
Total square footage	114,546	113,187	99,485
% Actual (corporate sites with reported data)	100%	100%	100%

* Please note the following:

- Emissions reporting is aligned with the WRI's Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Scope 1 and 2 emissions are reported for our corporate offices. Greenhouse gas emissions apply U.S. Environmental Protection Agency's (EPA) Emissions Factors for Greenhouse Gas Inventories for stationary combustion, EPA's eGRID 2023 for electricity use, and the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report.
- Fugitive emissions, such as emissions from the use of refrigerating equipment, are now estimated and included within Scope 1 emissions for 2022 and 2023 for our corporate offices.
- Due to the nature of our business and operational structure, Realty Income has not chosen a base year to report on for greenhouse gas emissions. We are in the process of developing viable decarbonization pathways for our business and identifying options to set an appropriate base year. We will reevaluate the need to set a base year in the future.
- Realty Income's indirect sources of emissions are from third-party generated electricity, heating, cooling or fuel supplied and consumed in Realty Income's various corporate offices.
- Emissions factors and other factors used to calculate Scope 1 and 2 emissions are derived from widely-accepted public sources, such as the EPA Emissions Factors Hub, the EPA Emissions & Generation Resource Integrated Database (eGRID) database, and UK Department for Environment, Food, and Rural Affairs (DEFRA).
- Exclusions include 1) Properties - Properties under development or redevelopment are reported as 0 square feet in our property management system and are excluded from this inventory, but related emissions data is included in Scope 3.2 (Capital Goods). In the case of one-for-one substitution of assets, the asset swapped out is excluded and only the new asset is accounted for to align with financial square footage reporting, and 2) Common Areas - In some cases, Realty Income has access to common area consumption, which may include parking lot lighting, signage, or property area for common use and which is included in this inventory. We exclude this consumption from greenhouse gas reporting.
- For purposes of setting inventory organizational boundaries, Realty Income applies the operational control approach. Most of our properties are long-term, net leased with clients solely responsible for the purchase and management of utilities, including energy, water, and waste. Realty Income's corporate offices report Scope 1 and 2 emissions, as these are directly under the ownership and control of the company. Realty Income's portfolio assets are reported in Scope 3, under the "Downstream leased assets" category.
- Spend-based, fuel-based, and average-data estimation approaches were applied in lieu of actual data when not available.
- Realty Income purchased 57 MTs in 2024 for 2023 Scope 1 emissions and 35 MTs in 2023 for 2022 Scope 1 emissions of real estate-related permanent carbon removals and 1,169 MWh in 2024 for 2023 Scope 2 emissions of CRS-registered renewable energy certificates and 1,200 MWh in 2023 for 2022 Scope 2 emissions of Green-e certified renewable energy certificates for corporate operations. All of these purchases have been registered or will be registered with the relevant registries by our external strategic consulting partner under Realty Income Corporation's name.
- Emissions data presented is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.
- Emissions for "fuel consumption" includes both stationary and mobile emissions.



In 2023, Realty Income engaged an external consultant to assist with its in Scope 3 greenhouse gas reporting. Based on the analysis conducted, select Scope 3 categories were identified to measure, notably Category 1 (Purchased Goods and Services), Category 2 (Capital Goods), Category 6 (Business Travel), in addition to Category 13 (Downstream Leased Assets), in order to determine relevance. These additional Scope 3 categories have been included for this reporting period below.

Other indirect (scope 3) GHG emissions	2023 (MT CO ₂ e)	2022 (MT CO ₂ e)	2021 (MT CO ₂ e)
Total other indirect (scope 3) GHG Emissions (MT CO₂e)	2,656,973	2,356,141	2,052,948
Category 1: Purchased Goods & Services	13,598		
Category 2: Capital Goods	26,651		
Category 6: Business Travel	436		
Category 13: Downstream Leased Assets	2,616,288	2,356,141	2,052,948
Emissions based on client-provided data	1,189,161	904,295	254,597
Estimated emissions	1,427,127	1,451,846	1,798,351
Data coverage	2023 (sq. ft.)	2022 (sq. ft.)	2021 (sq. ft.)
Total square footage for portfolio reporting	273,283,401	241,584,678	215,267,170
Actual (sites with client reported data)	144,015,910	95,817,084	31,706,776
Estimated (sites without client reported data)	129,267,492	145,767,594	183,560,394
% Actual (client reported data)	52.7%	39.7%	14.7%

* The calculation and estimation methodologies used to calculate Scope 3.13 emissions (downstream leased assets) are substantially similar to the methodologies used to calculate [Scope 1 and 2 emissions](#). For other Scope 3 categories, spend-based estimation approaches were used in lieu of actual data, and emissions factors were sourced from widely accepted databases using our recently implemented greenhouse gas accounting platform. Total square footage for portfolio reporting includes properties sold in 2023.

** These Scope 3 emissions have been calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and related guidance. We base our estimates and methodologies on historical performance, available information and various other assumptions that it believes to be reasonable. Emissions data presented are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

305-4 GHG emissions intensity

Emissions Intensity (kg CO ₂ e/SF)	2023	2022	2021
Within the organization	3.3	3.2	2.7
Denominator (adjusted square feet)*	114,389	113,187	99,485
Outside the organization	10.3	10.7	
Denominator (adjusted square feet)*	255,029,580	220,555,945	

* Intensity metrics are location-based calculations, related to corporate offices, standing portfolio and sold sites. Square feet is adjusted for the ownership period during the reporting year. 2021 outside the organization intensity figures have been removed. These figures rely on the U.S. EIA's Commercial Buildings Energy Consumption Survey, which was updated in the 2022 reporting year and distorts the comparability of year-over-year intensity metrics.

305-5 Reduction of GHG emissions

Due to our clients being responsible for energy efficiency or reductions and greenhouse gas emissions measurements under our operating structure, we will continue to collect and report on these energy reduction and renewable energy projects as data is provided by our clients, as these directly correlate to GHG reductions at the properties we own. We will continue to collaborate with our clients and bring our solutions to those interested parties.

WASTE

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income operates in regions that are subject to comprehensive waste management regulations. In our owned and operated administrative facilities, waste is diverted and landfilled based on municipal infrastructure and program guidelines. Most of the waste we generate in operations is non-hazardous mixed commercial waste, but we also generate electronic waste and, occasionally, construction and demolition waste. Most of the impacts associated with waste generation, including land degradation from landfilling, recycling limitations contributing to plastic pollution, environmental and public health issues arising from the improper disposal of hazardous waste, and air quality issues associated with waste incineration arise from the business activities of our clients. Our lease agreements require compliance with federal, state, and local laws. We recognize that our leasing decisions influence the waste profile of our downstream activities. We are asking tenants for the overall weight of waste they generate for reporting purposes but have not taken any additional actions during the reporting year to reduce waste.

GRI 306: WASTE 2020

306-3 Waste generated

	2023
Corporate Offices*	
Waste and recycling (Metric Tons - MT)	43
# of Realty Income offices reporting waste data	1
# of Realty Income offices	4
Portfolio**	
Waste generated (Metric Tons - MT)	10,101
Recycling generated (Metric Tons - MT)	87,483
# of client locations reporting data to Realty Income	73

* Corporate office waste is reported for the San Diego headquarters, which is owned, and is estimated based on waste service collection schedule and the size of the collection receptacles. Corporate office leased spaces do not have waste information provided by landlord at this time.

** Portfolio waste data is provided by our clients. We expect this information to increase over time based on client and supplier efforts to increase measurement and share with Realty Income.

306-4 Waste diverted from disposal

See GRI 306-3.

306-5 Waste directed to disposal

See GRI 306-3.

EMPLOYMENT

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income is a legally recognized employer and complies with institutional and legal frameworks in countries where we operate, all of which have adopted comprehensive employment laws for full- and part-time employment. These frameworks include compensation, including overtime pay, rest periods and time off; the right to collective bargaining; non-discrimination; privacy, safety, and security; and equal opportunity. Our programs and policies fully align with these legal requirements. In addition, Realty Income seeks to create a positive workplace culture and has added many voluntary initiatives to enhance employee wellbeing, attract and retain talent, and provide opportunities for employees to learn and advance professionally. We evaluate our programs through ongoing engagement with our workforce and analyze trends related to employee satisfaction, participation in benefits offerings, safety, professional development, wage gaps, retention, diversity, and grievance reporting.

We also have indirect impacts on employment, including on workers in our supply chain and in our clients' organizations. Our contract language requires legal compliance and respect for human rights from our suppliers and clients.

Additional information is available on our website: [Social Responsibility](#).

GRI 401: Employment 2016

401-1 New employee hires and employee turnover

Year	Turnover	New Hires
2020	8.4%	
2021	12.4%	93
2022	18.4%	99
2023	13.5%	77

* Data includes employees across our organizational footprint.

Additional information is available on our website: [Social Responsibility](#).



401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Standard benefits, excluding in-kind benefits, offered to full-time but not part-time employees working fewer than 20 hours per week include medical insurance, employer contributions to 401(k) plans, paid time off, life insurance, accidental death and dismemberment insurance, disability insurance, and parental leave. Part-time employees working 20 hours or more per week are eligible for the same benefits as full-time employees, pro-rated based on the number of scheduled hours per week. This applies to all U.S. locations where we operate.

401-3 Parental leave

All eligible employees are entitled to parental leave as detailed in our [Benefits](#) section and Employee Handbook, which can vary by location.

	2023	
	Female	Male
Took Parental Leave	14	8
Returned to work*	13	8
Return to work rate*	92.9%	100.0%
Retention rate**	71.4%	88.9%

* One employee began parental leave in 2023 with an expected return date in 2024.

** The retention rate was calculated based on the total number of men and women retained 12 months after returning to work following a period of parental leave taken in calendar year 2022. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, were 5 women and 8 men.

OCCUPATIONAL HEALTH AND SAFETY

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Employee safety and wellbeing is an important topic for Realty Income because it impacts how employees view our organization, and working in a safe environment promotes physical and social benefits for employees and the entire organization. This leads to higher satisfaction and work output from team members. Most of our workforce is engaged in administrative tasks, wherefore our risk of workplace injuries is historically low, including 1 reportable incident in 2023. In addition, we operate in locations with comprehensive safety regulations that apply to companies and to the built environment. We maintain programs at our offices that comply with national and local safety regulations and offer a set of benefits focused on overall employee wellbeing. Due to the low occurrence of safety incidents, we rarely have to take corrective actions but do have a process in place to investigate and improve. We track basic safety metrics, and our goal is to maintain an injury-free workplace. In 2023, we surveyed employees to gauge their interest in wellness benefits. We also track participation in the programs we offer to assess effectiveness.

Additional information is available on our website: [Social Responsibility](#).

403-1 Occupational health and safety management system

Realty Income has implemented a safety program to comply with regulatory requirements in jurisdictions where we operate. Requirements include a written injury and illness prevention plan (IIPP), a corrective action process, designating a responsible party, mechanisms for reporting and tracking work-related injuries and illnesses, displaying informational posters for workers, periodic training and communication, site inspections, and record keeping. The program includes employees and non-employees under our supervision at Realty Income-operated administrative offices.

Additional information is available on our website: [Social Responsibility](#).

403-2 Hazard identification, risk assessment, and incident investigation

Work-related hazards are identified during quarterly inspections by the facility manager. In addition, employees are trained to report hazards to supervisors or the facility manager immediately. Since our work spaces are office environments, our primary engineering control consists of ergonomic office equipment, such as keyboards and mice. Ergonomic furniture is made available when requested by a physician. Administrative controls used to mitigate ergonomic injury risk include workstation reviews and employee training. Personal protective equipment is only required for emergency management and is provided to staff trained in first aid. While we don't have designated safety professionals on-site, we select third-party trainers to ensure the quality of our processes. During the reporting year, we've had 1 reported injury or illness and this incident has provided us with an opportunity to improve our employee health and safety program.

When workers identify work-related hazards or situations, we rely on them to follow their training and report these instances to the facility manager or a supervisor. Our written policy assures employees that they will never be disciplined for reporting hazardous conditions. We conduct periodic emergency drills, so employees are aware of actions to take when their safety is at risk.

Additional information is available on our website: [Social Responsibility](#).

403-4 Worker participation, consultation, and communication on occupational health and safety

We communicate our policies to employees through various channels, including email and periodic training. There is no formal process for worker participation and consultation given the low occurrence of reportable injuries, but employees are welcome to provide feedback on all business functions at any time.

Additional information is available on our website: [Social Responsibility](#).

403-5 Worker training on occupational health and safety

All employees are required to read our injury and illness prevention plan during new hire onboarding and annually thereafter. Employees also participate in evacuation drills periodically. Facility managers are trained on the use of portable fire extinguishers annually, and we offer first aid and defibrillator certification to employee volunteers, including periodic training required to maintain the certification. Our facility manager also received a training on workstation ergonomics.

Additional information is available on our website: [Social Responsibility](#).

403-6 Promotion of worker health

Realty Income offers a comprehensive wellbeing program to employees in partnership with our benefits providers. We maintain a designated wellness budget and provide access to a wellness professional. We also offer fitness center memberships at discounted rates, a tobacco cessation program, and access to numerous wellness-related information sessions on topics like mental health, financial wellness, stress management, exercise, and healthy eating. We regularly organize health fairs and other informational sessions for all employees where providers discuss health-related topics. Some of our facilities provide occasional employer-paid mini massages, access to a relaxation/nursing room, boot camps, and walking groups. The participation rate for our virtual information sessions, as well as in-office massages, varied throughout 2023.

Additional information is available on our website: [Social Responsibility](#).

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We have no significant occupational health and safety risks that are directly linked to our operations or services by our business relationships.

403-9 Work-related injuries

Realty Income uses 208,000 hours in the calculation of incident rates (i.e., rates are per 100 employees working 40 hours per week for 52 weeks per year).

2023		
Employees	#	% rate
Fatalities	0	0
High-consequence work-related injuries	0	0
Recordable work-related injuries	1	0.2%
Hours worked	2080	0.24%

Additional information is available on our website: [Social Responsibility](#).

403-10 Work-related health

There were 0 cases of work-related ill-health and 0 fatalities for employees reported during 2023. There were 0 cases of ill-health and 0 fatalities for workers who are not employees but whose work and/or workplace is controlled by Realty Income.

Additional information is available on our website: [Social Responsibility](#).

GRI 404: TRAINING AND EDUCATION 2016

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income's training efforts are primarily focused on our employees and serve multiple purposes, including regulatory compliance, fair business practices, protecting people and property, skills development, and promoting awareness of ESG issues. Training topics applicable to all employees include harassment avoidance, anti-bribery and anti-corruption, DEI, and cybersecurity. While there is a formal training plan managed through our People Success department, department heads are also responsible for providing department specific training using internal resources or bringing in external partners to administer. Each department manages budget allocations for these efforts while People Success manages enterprise-wide efforts. In addition, LinkedIn Learning education and training is available to all employees, and People Success business partners help create learning plans upon request. Tuition reimbursement is evaluated on a case-by-case basis by managers and People Success business partners. Mandatory training is managed across the organization, and managers are required to track completions, which factor into employee performance reviews. Employees feedback on trainings and education can be submitted through various channels and may be tracked by managers, department heads, or the People Success team.

Additional information is available on our website: [Social Responsibility](#) and in our [Human Rights Policy](#).

404-1 Average hours of training per year per employee

Employee training is provided throughout the calendar year. Compliance training topics in 2023 included anti-bribery and corruption, harassment avoidance, and diversity, equality, and inclusion, in addition to others. See additional details on [employee development and training](#).

Type of yearly training provided	# of employees	Avg. hours per employee
Compliance training	406	2.3
Cybersecurity training	423	0.7



404-3 Percentage of employees receiving regular performance and career development reviews*

	%
Gender of participants	
Female	55%
Male	44%
Not disclosed	1%
Category of participants	
Employees*	92%
Managers*	93%

* New hires on or after 09/01 of the calendar year do not receive performance and career development reviews for that annual cycle due to employment length, which accounts for the remaining balance of employees and managers presented above. Employees (SVP and below) are required to participate in the annual performance management process. The manager meets with the employee to review performance and discuss learning development opportunities. Employees complete a Learning Conversation Acknowledgment Form following in-person meetings. Acknowledgment forms are signed electronically by the employees and managers. Any job description changes or learning development opportunities are communicated to People Success. Annual performance ratings are one of the components that People Success and Senior Management consider when evaluating promotions and compensation decisions.

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income adopted a DEI policy statement, conducted employee and leadership training, and has recruiters obtain the Certified Diversity Sourcing Professional designation. We believe that these efforts contribute to a positive work environment, improve talent attraction and retention, build trust among our teams, and reduce risk of discrimination and harassment in the workplace. We continued our DEI learning challenges in 2023. The challenges provide an opportunity for our employees to learn about topics like confronting bias, ally-ship, psychological safety in diverse teams, and building skills for inclusive conversations. We track diversity metrics across several categories and annually analyze the makeup of our workforce.

Additional information is available within our [Diversity, Equality, and Inclusion Policy](#).



405-1 Diversity of governance bodies and employees

2023 Year-End Headcount (418 Employees)

% of employees

Gender	
Female	55.5%
Male	44.0%
Not disclosed	0.5%
Ethnicity	
Asian	13.2%
Black/African American	6.2%
Hispanic/Latino	9.3%
White	60.5%
Indigenous/Native American	0.2%
Native Hawaiian/Pacific Islander	1.0%
Not specified	5.5%
Two or more races	4.1%
Age	
< 30	18%
30-50	58%
> 50	24%

* Board of Directors diversity information can be found in [section 2-9](#). The above data is based on self-identification.

405-2 Ratio of basic salary and remuneration of women to men

We perform a pay equity analysis across our operations each year so that employees who perform similar work under similar circumstances may be paid similar wages.

Additional information is available within our [Diversity, Equality, and Inclusion Policy](#).

GRI 418: CUSTOMER PRIVACY 2015

GRI 3: MATERIAL TOPICS 2021

3-3 Management of material topics

Realty Income is diligent when it comes to safeguarding our own and client data. Cyber threats have the potential to disrupt operations, reveal sensitive information, damage our reputation, result in regulatory penalties, and ultimately lead to financial losses. We employ designated staff to manage our information systems in close collaboration with our Legal Department and the Audit Committee of the Board of Directors. In 2023, we allocated resources towards compliance with upcoming SEC breach reporting requirements, including incident response and documentation. We also focused on expanding our systems along with our organization's expansion into international markets. In addition, we have adopted components of global certification standards, including designated responsible parties, training and communication, internal audits, risk assessments, policies and procedures, hardware management, and leadership engagement. Beyond training for members of the Board, we engaged in direct dialogue with members, including providing quarterly updates on our cybersecurity program to the Audit Committee of the Board of Directors.

We also continued our training efforts for employees and external parties using our systems (e.g., vendors). Our goal is create a "think before you click" mindset to prevent attacks.

Our cybersecurity vulnerability and patch management program audit received a satisfactory rating, the highest possible, further demonstrating the effectiveness of our approach.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

There were 0 complaints from outside parties, 0 complaints from regulatory bodies, and 0 identified leaks, thefts, or losses of customer data in 2023.

FORWARD LOOKING STATEMENTS⁶

This Sustainability Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. When used in this report, the words "estimated," "anticipated," "expect," "believe," "intend," "continue," "should," "may," "likely," "plans," and similar expressions are intended to identify forward-looking statements. Forward-looking statements include discussions of our business and portfolio growth strategies and intentions to acquire or dispose of properties (including geographies, timing, partners, clients and terms); re-leases, re-development and speculative development of properties and expenditures related thereto; future operations and results; the announcement of operating results, strategy, plans, and the intentions of management; settlement of shares of common stock sold pursuant to forward sale confirmations under our At-the-Market ("ATM") Program; dividends, including the amount, timing and payment of dividends related thereto; and trends in our business, including trends in the market for long-term leases of freestanding, single-client properties. Forward-looking statements are subject to risks, uncertainties, and assumptions about us, which may cause our actual future results to differ materially from expected results. Some of the factors that could cause actual results to differ materially are, among others, our continued qualification as a REIT; general domestic and foreign business, economic or financial conditions; competition; fluctuating interest and currency rates; inflation and its impact on our clients and us; access to debt and equity capital markets and other sources of funding (including the terms and partners of such funding); continued volatility and uncertainty in the credit markets and broader financial markets; other risks inherent in the real estate business including our clients' solvency, client defaults under leases, increased client bankruptcies, potential liability relating to environmental matters, illiquidity of real estate investments, and potential damages from natural disasters; impairments in the value of our real estate assets; changes in domestic and foreign income tax laws and rates; our clients' solvency; property ownership through joint ventures, partnerships, and other arrangements, which may limit control of the underlying investments; epidemics or pandemics, including the measures taken to limit their spread, and the impacts on us, our business, our clients and the economy generally; the loss of key personnel; the outcome of any legal proceedings to which we are a party or which may occur in the future; acts of terrorism and war; the anticipated benefits from mergers and acquisitions including the merger with Spirit Realty Capital, Inc.; and those additional risks and factors discussed in our reports filed with the U.S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on forward-looking statements. Those forward-looking statements are not guarantees of future plans and performance and speak only as of the date of this report. Actual plans and results may differ materially from what is expressed or forecasted herein and forecasts made in the forward-looking statements discussed in this report may not materialize. We do not undertake any obligation to update forward-looking statements or publicly release the results of any forward-looking statements that may be made to reflect events or circumstances after the date these statements were made. Feedback related to our sustainability efforts and/or what is reported on herein can be directed to: Chris Laz, Vice President, Sustainability, sustainability@realtyincome.com.

⁽⁶⁾ This report uses qualitative descriptions and quantitative metrics to describe our ESG policies, programs, practices, goals, targets and performance. Many of the standards and metrics used in preparing this document continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but they should not be considered guarantees and are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. In addition, historical, current, and forward-looking ESG-related statements may be based on standards and frameworks for measuring progress that are still developing, internal controls and processes that continue to evolve, methodologies for measuring data that are still evolving and subject to change and assumptions that are subject to change in the future, such as unexpected delays, difficulties, and expenses in executing against, or changes in laws, enforcement, investor sentiment or demands, other stakeholder preferences, or litigation, relating to or otherwise affecting our execution of, the targets, goals and commitments outlined in this document. These factors may also impact our ability to achieve any ESG-related targets or goals we have set, to the timelines and/or anticipated costs. Moreover, given the uncertainties, estimates, and assumptions involved, our ability to meet our targets, goals, or other evolving expectations, is inherently difficult to assess far in advance. Our commitments, targets, aims and goals may change over time for many reasons, such as the evolving and changing nature of, or availability of, standards, changes to business as well as changes in business priorities and stakeholder significance, new industry practices, technology or science, or changes to law or regulatory guidance.

While information presented in this report has been subject to internal review processes and control, much of this information is subject to assumptions, estimates, third-party information or methodologies that are still evolving and subject to change. While we are not aware of any significant or material flaws with the data and other information we have relied upon for this report, such data and information has not been subject to third-party assurance and we have not independently verified the accuracy of this data or information or the assumptions underlying such data or information.

Additionally, while certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with, or reporting pursuant to, the U.S. federal securities laws and regulations, EU Corporate Sustainability Reporting Directive (CSRD), or any other laws or regulations.

