



RIOCAN
REAL VISION, SOLID GROUND.

QUALITY & GROWTH

ESG REPORT 2023



ABOUT THIS REPORT

This 2023 ESG Report (“Report”) covers RioCan’s environmental, social and governance (“ESG”) performance for the 2022 calendar year. It encompasses retail and mixed-use assets owned during 2022, including those owned for part of the year.

The Report includes our 2022 actions, progress and 2023 commitments.

The 2023 ESG [Supplement](#) (“Supplement”) to the ESG Report provides more information on our management approach and performance for each material topic.

The content for the Report and Supplement has been informed by the Sustainability Accounting Standards Board (“SASB”) Real Estate Standard and the recommendations from the Task Force for Climate-related Financial Disclosures (“TCFD”). The Supplement also includes content indexes for SASB and TCFD.

Environmental data for assets, including energy usage, water consumption, waste output and greenhouse gas emissions (“GHG”) was verified externally by Quinn+Partners to a limited level of assurance.

This Report reflects our ESG strategy, which was updated in 2022 to address emerging ESG risks and opportunities as well as stakeholder expectations. It is structured around our vision of responsible growth by operating a **resilient business**, creating a **purposeful impact** for the environment and our communities, and forming **strategic partnerships**.

This Report and the accompanying [Supplement](#) (the “Documents”) contain forward-looking statements, including statements concerning our objectives, our strategies to achieve those objectives, as well as statements with respect to management’s beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, performance or expectations that are not historical facts. Such statements reflect RioCan’s current beliefs and are based on information currently available to us. Although the forward-looking information contained in the Documents is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with the forward-looking information. For more information on the risks, uncertainties and assumptions that could cause the Trust’s actual results to differ from current expectations, refer to the “Risks and Uncertainties” section in RioCan’s most recent Annual Information Form.

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The following icons appear throughout the Report, indicating the relevant focus area(s) for each section:



ENVIRONMENTAL



SOCIAL



GOVERNANCE

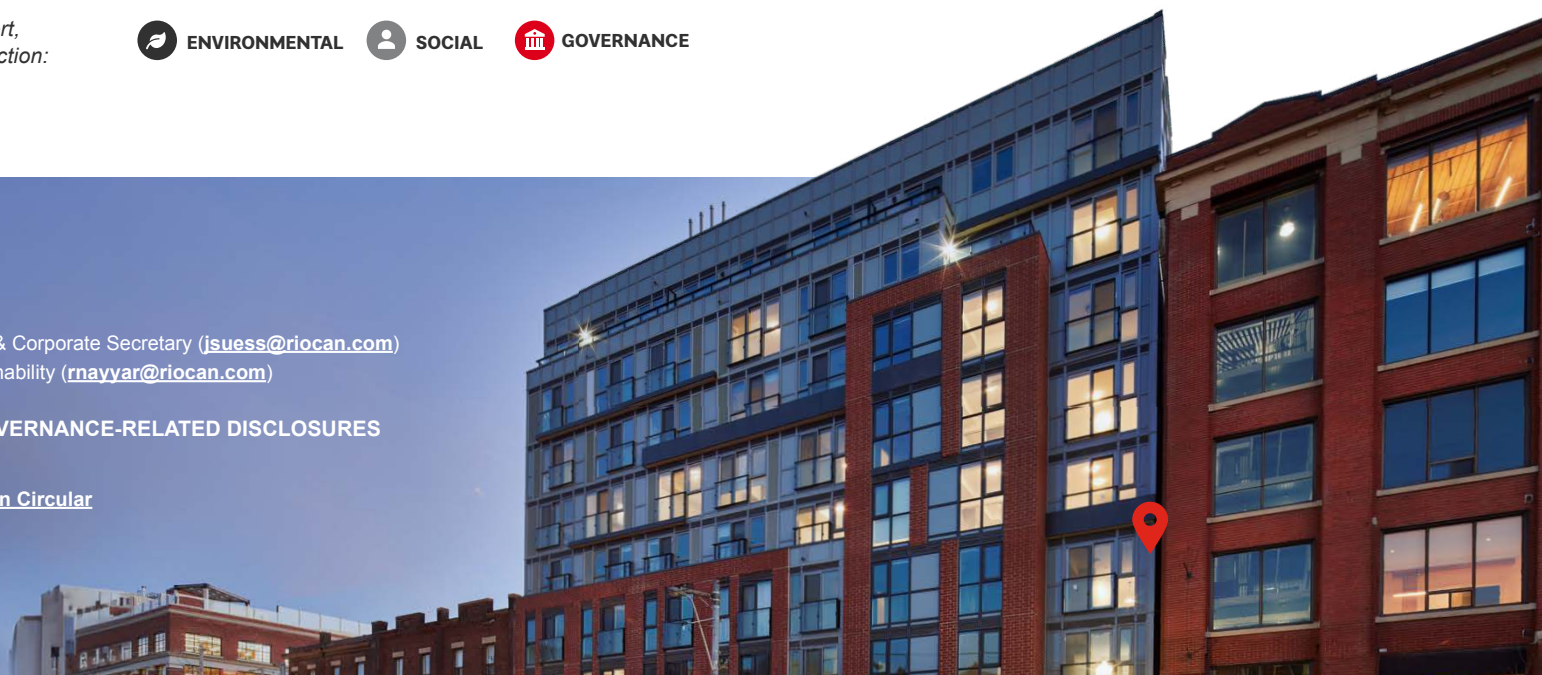
QUESTIONS ABOUT THIS REPORT?

Email Jennifer Suess, SVP, General Counsel, ESG & Corporate Secretary (jsuess@riocan.com) or Ridhima Nayyar, Assistant Vice President, Sustainability (rnayyar@riocan.com)

LEARN MORE ABOUT RIOCAN AND OUR GOVERNANCE-RELATED DISCLOSURES

Visit RioCan’s website: riocan.com

Read our [Annual Report](#), [Management Information Circular](#) and [2023 Annual Information Form](#).



2022 ESG HIGHLIGHTS

Embedding ESG Best Practices in Everything We Do



RESILIENT BUSINESS

Future-proofing RioCan through best-in-class governance and climate-resilient assets

ESG performance

- Ranked first among Canadian peers in the 2022 GRESB Real Estate Assessment – Standing Investments
- Maintained first-place ranking among Canadian peers in the GRESB Public Disclosure Assessment
- Gold Level 2022 Green Lease Leader¹ in recognition of our strong commitment to best practice leasing and high performance for buildings

CCGG

- Included in the Canadian Coalition for Good Governance's ("CCGG") 2022 edition of its Best Practices for Proxy Circular Disclosure publication

Climate

- Committed to Science Based Targets initiative ("SBTi") and conducted Scope 3 emissions scan to inform SBTi target

¹ Presented by the Institute for Market Transformation and the U.S. Department of Energy's Better Building Alliance.



PURPOSEFUL IMPACT

Pursue sustainable economic growth by purposefully creating value and impact for our environment, people and communities

Building certifications

- More than 65% of the gross leasable area of RioCan's portfolio across Canada is now BOMA BEST certified
- WELL Health-Safety Rating for over 3 million square feet of RioCan's portfolio

Employee engagement

- Achieved a 95th percentile ranking in our employee engagement survey, relative to a benchmark of similar-sized businesses

Best employer

- Recognized as one of Canada's Greenest Employers by Mediacorp Canada Inc.
- Recognized as one of the top 100 employers by Greater Toronto's Top Employers



STRATEGIC PARTNERSHIPS

Collaborate with RioCan's partners to address the pertinent challenges facing our society

ILEO community market

- Hosted a community marketplace for local entrepreneurs as part of the Inclusive Local Economic Opportunity ("ILEO") initiative²

Strategic partnership

- Collaborated with Enwave, a Canadian energy company, to explore various renewable and low-carbon technologies

Tenant experience

- Created the Tenant Experience team, dedicated to enhancing value for our tenants

² Co-convened by BMO Financial Group and United Way Greater Toronto



LETTER FROM THE PRESIDENT AND CEO

RioCan launched its ESG program over five years ago. Since then, much has changed in the ESG landscape.

As ESG practices evolve, we remain committed to staying at the forefront of emerging trends. In 2022, we updated our materiality assessment in response to advancing industry practices. Using valuable insights and feedback from RioCan's ESG Council, key investors, tenants and community groups, we revised our ESG strategy to address the emerging and significant ESG risks and opportunities for RioCan. Our revised ESG strategy enhances our focus on delivering sustainable growth. To do this, we will continue to embed ESG across our organization to create a resilient business, purposeful impact and strategic partnerships. Under these three commitments are nine focus areas: **climate, governance, finance, environment, people, community, tenants, suppliers and industry.**

In 2022, RioCan steadfastly delivered value to our stakeholders while maintaining strong governance and risk management practices. A key to this continued success was the expansion of Jennifer Suess's role. In addition to being General Counsel and Corporate Secretary and supporting the Board of Trustees, Jennifer now leads our overall ESG program. Jennifer's deep knowledge of our business, coupled with her legal and corporate governance expertise, position her well to lead sustainability initiatives in this complex and dynamic environment.

Last year, we continued to advance our climate strategy and journey to net-zero greenhouse gas emissions by 2050. We conducted a Scope 3 scan to understand the magnitude of our tenants' operations and supply chain activities. This work

informed both our near- and long-term targets. In Q1 2023, we submitted our proposed targets to the SBTi for validation.

We pride ourselves on our ability to attract, retain and develop exceptional talent. Our 2022 employee engagement survey had an impressive 98% response rate and a 90% engagement score. This was an increase of three points over our 2021 survey – a testament to our commitment to creating a culture of excellence. Additionally, we developed a robust suite of learning and development initiatives under our talent development program.

Lastly, we introduced diversity, equity and inclusion ("DEI") Champions within each department in 2022 to foster open and frequent communication, enabling us to reach a wider set of employees.

I would like to thank our employees, as well as our unitholders, tenants and partners, for helping us build a strong foundation for our ESG program. Thanks to your support, we continue to make significant progress. One marker of our success is our continued favourable GRESB results. We are proud to have ranked first among Canadian peers in the 2022 GRESB Real Estate and Disclosure Assessments.

As we move through 2023, we are committed to building on our success and continuing to drive positive change within RioCan and the wider community.

Jonathan Gitlin

President and Chief Executive Officer
RioCan Real Estate Investment Trust



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Our revised ESG strategy enhances our focus on delivering sustainable growth. To do this, we will continue to embed ESG across our organization to create a resilient business, purposeful impact and strategic partnerships."

Jonathan Gitlin
President and Chief Executive Officer

ABOUT RIOCAN

RioCan owns, manages and develops retail-focused properties across Canada. Increasingly mixed-use, RioCan assets are located in prime, high-density, fast-growing, transit-oriented areas where Canadians want to shop, live and work.

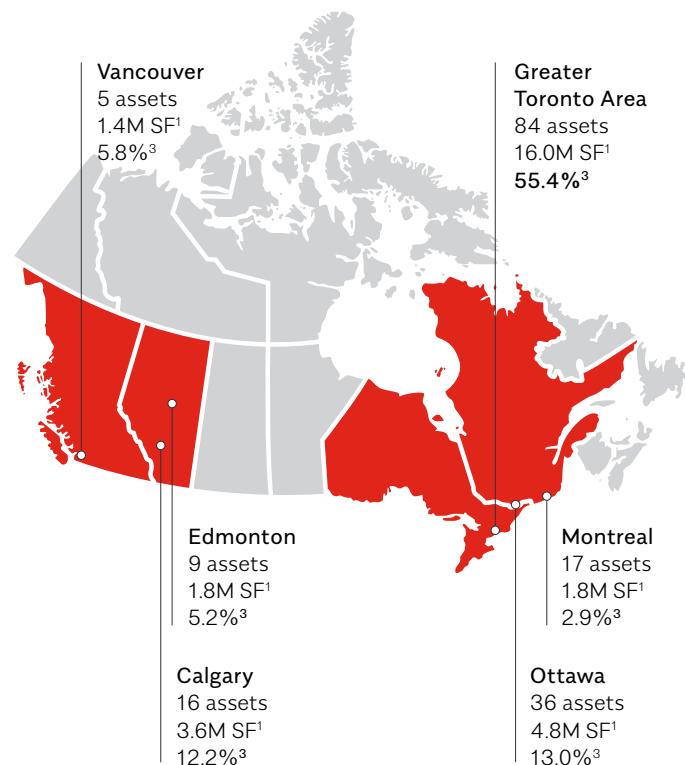
As of December 31, 2022, our portfolio was comprised of 193 properties with an aggregate net leasable area of approximately 33.6 million square feet (at RioCan's interest). This includes office, residential rental and development properties.

Growth driven by insight

Our well-positioned portfolio and resilient tenant base have allowed us to deliver stable and high-quality income. RioCan also has a large development pipeline that includes 15 million square feet of zoned excess density, all of which is in Canada's six major markets. This robust development pipeline offers near-, mid- and long-term growth opportunities.

Residential rental portfolio

RioCan's growing residential rental portfolio is a key component of our Intelligent Diversification pillar. It is managed by our RioCan Living™ team and developed by our exceptional in-house development team. With the delivery of four new projects in 2022, RioCan now operates ten buildings totalling over 2,200 rental units that are generating income with high-growth potential. For more information on our residential portfolio, please visit the [RioCan Living](https://www.riocanliving.com) website.



TENANT MIX BY REVENUE²

19.2%	7.2%
Grocery/Pharmacy/ Liquor (-1.9% vs. 2017)	Quick Service Restaurants (+1.6% vs. 2017)
14.9%	5.9%
Specialty Retailers (+1.1% vs. 2017)	Sit-Down Restaurants (-0.1% vs. 2017)
14.0%	5.7%
Essential Personal Services (+1.4% vs. 2017)	Apparel (-3.1% vs. 2017)
10.9%	4.3%
Value Retailers (+0.8% vs. 2017)	Movie Theatres (-0.3% vs. 2017)
9.5%	0.1%
Furniture & Home (-0.1% vs. 2017)	Department Stores (-0.2% vs. 2017)
8.3%	
Other Personal Services (+0.8% vs. 2017)	

PROPERTY DETAILS

193
properties

33.6M SF
of NLA

97.4%
committed occupancy

Located in Canada's most
in-demand markets

¹ Income-producing properties at RioCan's interest.

² Percentage of annualized net rental revenue.

³ Percentage of total fair value of income-producing properties at RioCan's interest.

OUR ESG STRATEGY AND MATERIALITY ASSESSMENT

RioCan's first ESG strategy launched in 2016. That strategy drove strong progress and accomplishments, including excellent GRESB scores, best-in-class reporting, and innovations such as funding qualifying projects with green bonds.

We updated our materiality assessment and ESG strategy in 2022. This was necessary to address a host of items, including evolving ESG trends, emerging regulations, technological advancements, changing stakeholder expectations and an increased focus on social impact and sustainable finance. Our updated ESG strategy is aligned with RioCan's five-year strategy and grounded in responsible growth for both our business and the communities where we operate.

The result is a revised ESG strategy centred around three commitments: **resilient business**, **purposeful impact** and **strategic partnerships**. Under these three commitments are nine focus areas: **climate**, **governance**, **finance**, **environment**, **people**, **community**, **tenants**, **suppliers** and **industry**. These are the ESG topics at this time that are most material to RioCan and our stakeholders.

RESILIENT BUSINESS



CLIMATE

- Strengthen resilience and protect assets
- Reduce emissions and advance our net-zero commitment
- Enhance climate governance



GOVERNANCE

- Strengthen ESG competency and accountability
- Evolve ESG reporting
- Maintain best-in-class risk management



FINANCE

- Connect ESG to financial performance
- Access new capital opportunities
- Quantify social outcomes

PURPOSEFUL IMPACT



ENVIRONMENT

- Reduce our footprint
- Support natural environment
- Contribute to circularity



PEOPLE

- Develop our talent
- Create an inclusive and diverse workplace
- Ensure employee health, safety and well-being



COMMUNITY

- Build complete communities
- Create economic opportunities
- Support community organizations

STRATEGIC PARTNERSHIPS



TENANTS

- Collaborate with our tenants
- Optimize tenant well-being and experience
- Ensure tenant health, safety and accessibility



SUPPLIERS

- Formalize supplier health and safety
- Drive positive outcomes in our supply chain
- Strengthen supply chain resilience



INDUSTRY

- Create strategic partnerships
- Participate in initiatives and groups
- Advocate for change

RESILIENT BUSINESS

We are committed to future proofing our business through best-in-class governance and climate-resilient assets that contribute towards transitioning to the low-carbon economy.

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOALS

WHAT WE FOCUS ON

Climate: Ensure our operations, portfolio and developments are resilient to the effects of climate change. Decarbonize our operations, portfolio and developments to support the transition to the low-carbon economy.

Governance: Operate with leading ESG governance and risk management practices and continuously provide high-quality and transparent reporting.

Finance: Use sustainable strategies to generate long-term value for our investors and gain access to new sources of capital.



GOVERNANCE



Through our governance structure, we aim to strengthen our ESG competency and accountability, evolve our ESG reporting and effectively manage ESG risks.

AT A GLANCE

2022 initiatives

- New ESG strategy formally shared with all RioCan employees
- Materiality assessment refreshed through stakeholder engagement
- ESG and TCFD-aligned disclosures enhanced

2023 priorities

- Continue to strengthen ESG competency and accountability through annual employee training
- Reassess and improve ESG reporting practices with a focus on emerging standards and regulations

ESG considerations are changing the way we conduct every aspect of our business. We treat ESG as an important aspect of risk management, organizational change, collaboration and innovation. Thus, we are increasingly focused on developing our employees' understanding of a wide variety of ESG topics, including DEI, cybersecurity, climate change and our code of ethics and business conduct.

To embed a sustainability-oriented mindset throughout our organization, we educate our employees on our ESG strategy and ESG issues via formal training, lunch-and-learns, and one-on-one conversations. The training includes sharing best practices to collect and report complete and accurate ESG data.

A DEEPER DIVE

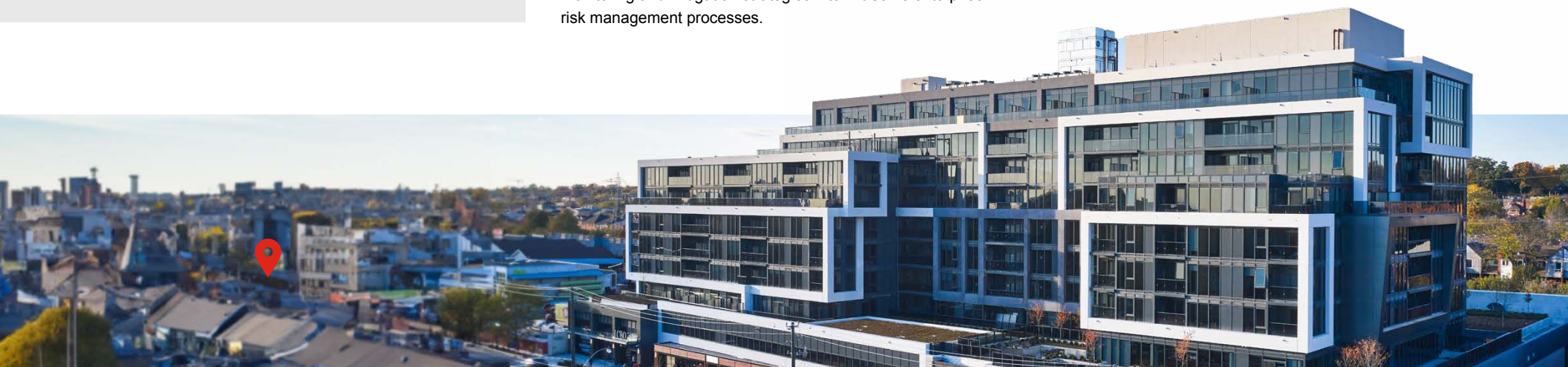
Board oversight

RioCan's Board of Trustees currently has an independent majority. Seventy percent of the Board are independent. This enables it to effectively fulfill its critical function of overseeing management on behalf of unitholders.

The **Audit Committee** oversees reporting, climate risk management and internal controls. The Committee integrates climate and sustainability-related risks and associated monitoring and mitigation strategies into RioCan's enterprise risk management processes.

The dedicated **Nominating, Environmental, Social and Governance Committee** oversees RioCan's strategy, policies, practices and execution of ESG-and climate-related matters. The Committee ensures ESG is reflected in the Board skills matrix, Board diversity and ESG strategy, and engagement with investors and stakeholders.

The **People, Culture and Compensation Committee** is primarily concerned with remuneration and incentives, with a specific focus on RioCan's financial and ESG performance. In particular, the Committee emphasizes the importance of incorporating ESG factors and metrics into executive compensation. Additionally, it considers human capital retention and development, succession planning, talent development, pay equity, benefits and compensation.



Governance (continued)

MANAGEMENT OVERSIGHT

EXECUTIVE OVERSIGHT



RioCan relies on a collaborative team to execute and manage its ESG program. Cross-functional and each having an executive sponsor, the committees* oversee ESG strategy and implementation and drive performance improvements. In 2022, Jennifer Suess, SVP, General Counsel, ESG and Corporate Secretary, was tasked with overseeing ESG. Jennifer's role includes all aspects of RioCan's corporate legal strategy and related execution, governance, ESG, Board and related committee matters.

ESG COUNCIL



The ESG Council is a cross-functional, executive and organizational leadership team that oversees ESG strategy and implementation and drives performance improvements. Council members sponsor and provide guidance on ESG initiatives within the organization and enable performance measurement.

RioCan Impact Scorecard and executive compensation

The *RioCan Impact Scorecard* was introduced in 2020 as a tool to better assess the performance of individual employees against their yearly objectives as well as the overall performance of the organization against Board-established financial objectives.

The scorecard for all full-time permanent employees includes a mandatory ESG metric that is directly linked to compensation. Currently, 10%–65% of the weighting of senior executive scorecards is dedicated to ESG metrics. The objectives and weighting vary by function. Examples include supporting RioCan's efforts to achieve GRESB and MSCI 2022 targets, establishing a working group with Enwave to advance potential district energy/geothermal development opportunities, employee retention and engagement, entrenching leadership criteria at all levels, and completion of RioCan's DEI action plan and related initiatives.



CLIMATE

RioCan aims to be part of the climate solution.



AT A GLANCE

2022 initiatives

- Scope 3 emissions scan and SBTi commitment
- Physical and transition climate risk assessments
- TCFD-aligned disclosures enhanced

2023 priorities

- Validate proposed near-term and long-term targets with the SBTi
- Continue to strengthen our practices to address the impacts of climate
- Develop a data management plan

It is currently estimated that buildings account for approximately 40% of global GHG emissions. Changing the way our industry develops and operates buildings is part of the climate change solution. Moreover, to ensure future generations can enjoy a clean and sustainable environment, we must proactively manage the risks and opportunities arising from climate change.

Established in 2021, our climate strategy and roadmap guide our approach to integrating climate management across our organization.

We have three main climate-related objectives:

- Strengthen resilience – we will protect our operations, portfolio and developments against the physical effects of climate change.
- Reduce emissions – to support the transition to a low-carbon economy, we are working to decarbonize our operations, portfolio and developments.
- Enhance governance and disclosures – our practices ensure proper oversight and accountability, and we communicate openly with our stakeholders.

A DEEPER DIVE

Emissions scan and target-setting

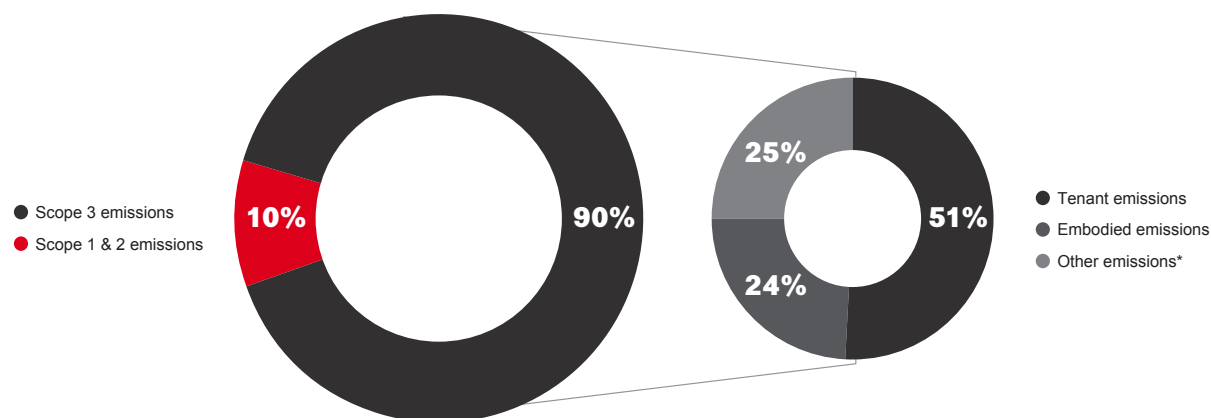
To help set a net-zero commitment, we conducted a Scope 3 emissions scan to identify material emission sources up and downstream of our operations. To do this, we engaged several parties from across the organization in collecting relevant data.

The scan revealed that Scope 3 emissions make up 90% of our footprint – the most significant sources are from our tenants' energy consumption and from the materials and construction of our assets and capital purchases. These are the emissions we need to focus on managing.

As a result of this work, we have set near-term and net-zero targets. In early 2023, we submitted our targets to SBTi for validation, and we look forward to sharing more details in future reports.



SCOPE 3 EMISSIONS PROFILE



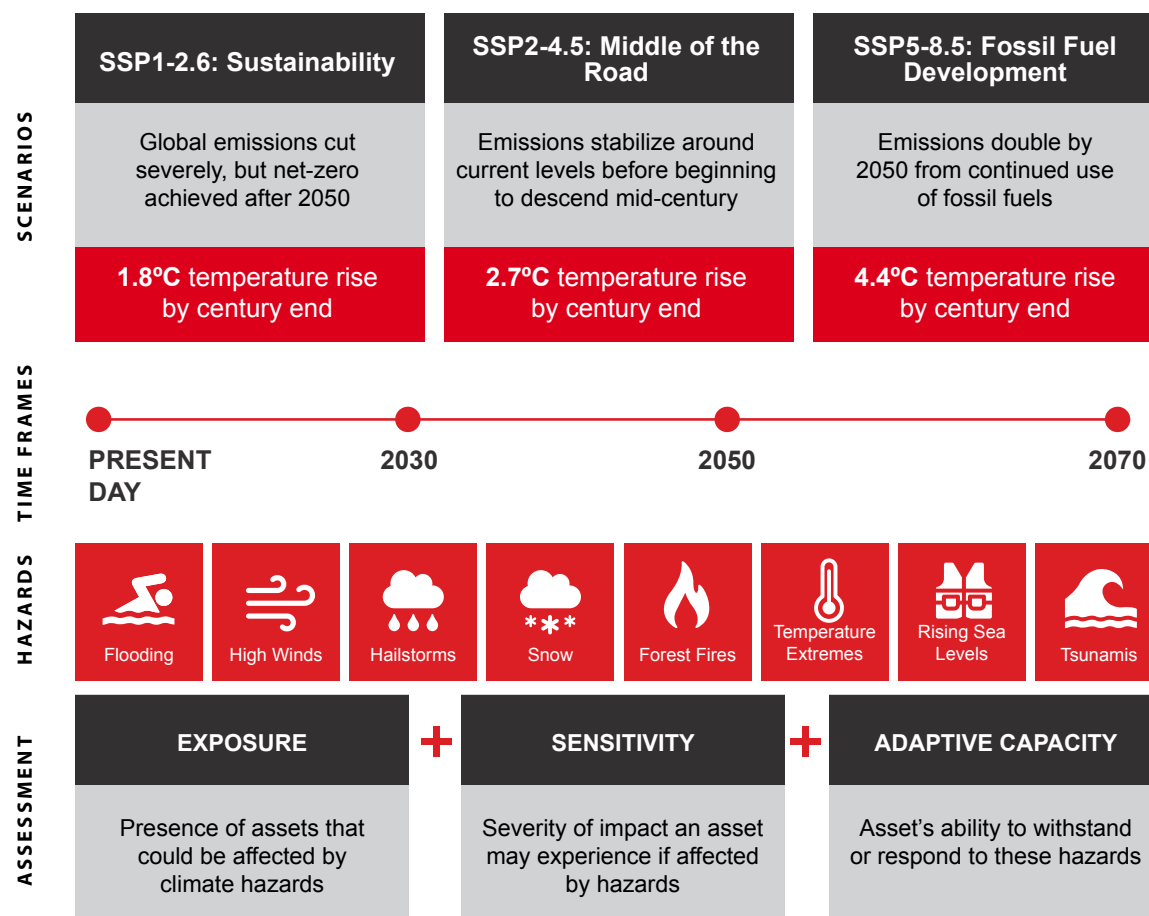
*Other emissions include sold condos, supplier emissions, waste emissions, etc.

Climate (continued)

PHYSICAL RISK ASSESSMENT

In 2022, RioCan completed a risk assessment of potential physical climate change impacts on its properties across Canada.

The assessment examined the portfolio in present day conditions and in likely hypothetical cases for 2030, 2050 and 2070, using three different Shared Socioeconomic Pathways (“SSPs”): SSP1-2.6 representing a sustainability scenario, SSP2-4.5 representing a middle of the road scenario, and SSP5-8.5 representing a fossil fuel development or worst-case scenario.



RioCan also conducted a more detailed assessment for highly critical assets, as determined by three criteria:

- Material Damage and Business Interruption insured value
- Occupancy type, giving priority to mixed-use properties
- Natural disaster loss history, prioritizing properties with natural disaster losses of above \$50,000

The assessment yielded three key conclusions:

- RioCan's physical climate risks are largely the same today as they are under a changing climate.
- In the most extreme scenario, some sites will experience greater risk of flood around 2070 where targeted climate goals are not met.
- Monitoring climate changes in the future and the impact on flood hazard risk will assist with informing when action may be required.

Climate (continued)

Transition risk assessment

In 2022, RioCan conducted a more detailed assessment of our climate-related transition risks and opportunities. Through a series of workshops, we assessed short-, medium- and long-term risks and opportunities under three Network for Greening the Financial System scenarios:

- Net-zero 2050: Develop more stringent policies now as well as more aggressive actions to meet the Paris Agreement ambition.
- Delayed transition: Delay climate policies and actions until 2030, and draft stronger policies after that.
- Current policies: Business as usual under current policies.

The following table outlines the overall results for high and severe assessed residual risks and opportunities.

Risk/Opportunity	Scenarios								
	Net-zero 2050			Delayed transition			Current policies		
	S	M	L	S	M	L	S	M	L
Evolving building standards	●			●			●		
Regulatory changes	●			●			●		
New taxes	●	●	●		●	●	●		
Supply chain disruptions		●	●		●				
Carbon credit costs		●	●		●				
Electricity prices		●	●		●	●			
Skill shortages			●			●			
Litigation			●			●			
Natural gas prices						●			
On-site energy generation (opportunity)		●	●		●	●			

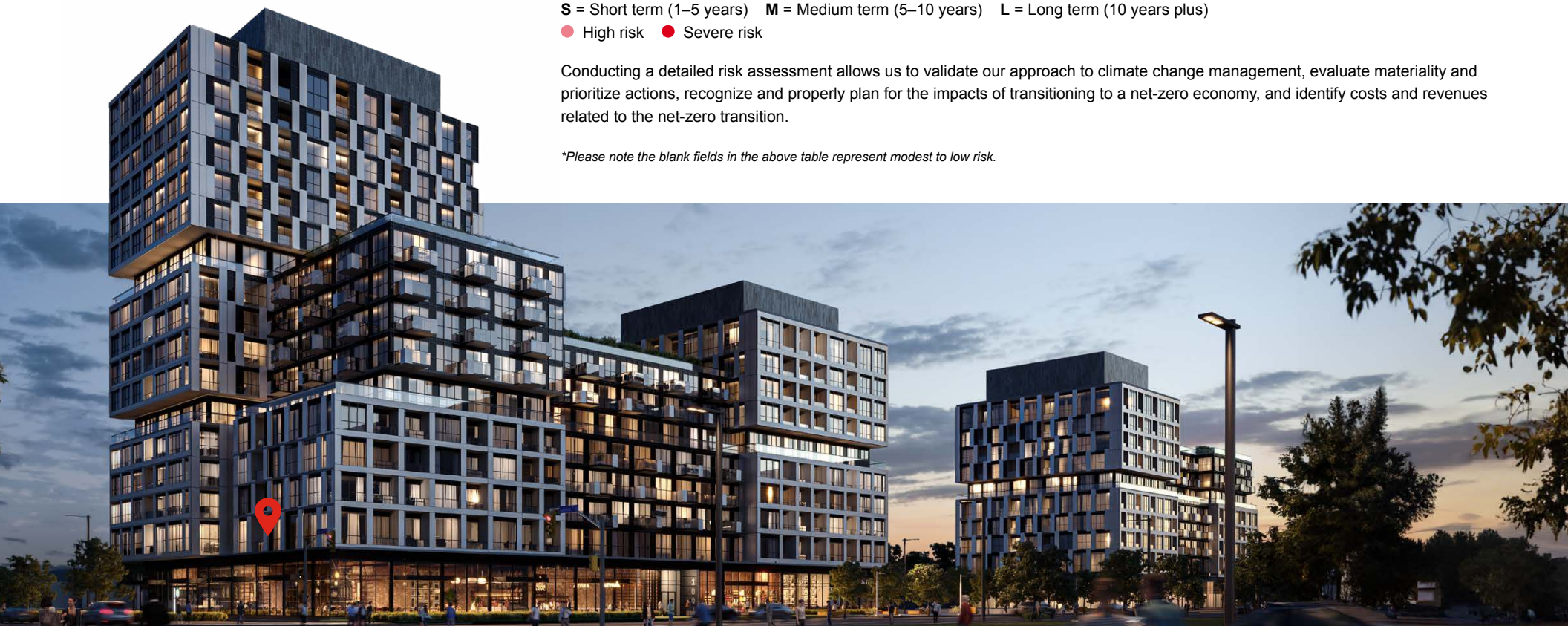
Key:

S = Short term (1–5 years) M = Medium term (5–10 years) L = Long term (10 years plus)

● High risk ● Severe risk

Conducting a detailed risk assessment allows us to validate our approach to climate change management, evaluate materiality and prioritize actions, recognize and properly plan for the impacts of transitioning to a net-zero economy, and identify costs and revenues related to the net-zero transition.

**Please note the blank fields in the above table represent modest to low risk.*



FINANCE



RioCan's disciplined financial approach allows the Trust to maintain the strong liquidity and financial strength needed to drive sustainable growth and thrive in an ever-changing marketplace.

Through our program, we connect ESG to financial performance. We will define and identify ESG-related investments, and quantify ESG-related investments and savings.

To access new capital opportunities, we will monitor various funding opportunities to support our ESG objectives. The transition to the low-carbon economy presents opportunities to access capital sources such as green bonds. We plan to evaluate opportunities for sustainability- and impact-linked loans and bonds.

Together, these initiatives are aimed at gaining access to new sources of capital through strong ESG performance, demonstrating the financial benefit of our ESG program, maintaining our preferred borrower status, and reinforcing stakeholder buy-in.

A DEEPER DIVE

Getting ready for IFRS Sustainability Disclosure Standards

Sustainability creates both risks and opportunities for companies. The International Sustainability Standards Board's ("ISSB") goal is to create standardized reporting for disclosing information on sustainability risks and opportunities.

To prepare for IFRS S1 and S2 Standards – and to continue attracting investors – RioCan has mobilized the legal, finance and investor relations teams to form the ISSB working group in preparation of the forthcoming IFRS S1 and S2 Standards. The Audit Committee will provide Board-level oversight of the transition plan; this will include developing processes for Board-level review as well as monitoring and reporting on progress against our objectives and priorities.

AT A GLANCE

2022 initiatives

- Third [Green Bond Report](#) published
- ISSB preparation and planning

2023 priorities

- Prepare for ISSB by reviewing the final ISSB Standards and developing a roadmap to align our future reporting with the new standards
- Find ways to better connect sustainability risks & opportunities and financial performance



PURPOSEFUL IMPACT

We pursue sustainable economic growth by purposefully creating value and positive impact for our environment, people and communities.

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOALS

WHAT WE FOCUS ON

Environment: Design and operate high-quality assets that minimize our environmental footprint, support and enhance the natural environment, and contribute to the circular economy.

People: Attract, retain and develop a diverse and talented workforce; create a workplace where all employees feel valued, included and empowered to do their best work; and ensure the health, safety and well-being of our employees.

Community: Enhance the communities in which we operate through purposeful design and economic and social growth initiatives.



ENVIRONMENT



We aim to design and maintain high-quality, sustainable buildings.

Buildings have a significant and long-lasting impact on communities and the environment. Integrating sustainability into design, construction and procurement accomplishes three important objectives: it helps reduce our environmental footprint, opens up opportunities to support the natural environment and contributes to the circular economy by encouraging our suppliers to improve their own resource efficiency.

Focusing on these three objectives not only reduces our operating costs, but it also ensures we stay ahead of related regulations, continually improve our environmental performance, and use better data to support our decisions and net-zero planning. For our tenants, it helps deliver the healthy, resource-efficient, transit-oriented buildings they demand.

In the coming years, we expect to further change the way we construct our properties through continuing technological advancements and further development of municipal green development standards.

A DEEPER DIVE

2022 Energy Consumption Across Asset Classes & Data Coverage

■ 2022 Consumption (MWh) ● 2022 Data Coverage (%)



AT A GLANCE

2022 initiatives

- Energy consumption data coverage increased
- Organics program introduced at selected sites

2023 priority

- Enhance portfolio metrics with respect to building certification, energy and water efficiency programs, and renewable and on-site energy generation

Efficient use of resources

In 2022, we completed a bulb replacement project at RioCan Centre Sudbury, removing the old 1,000w high-intensity discharge lamps (HID bulbs) and replacing them with 320w LED products; in doing so, we were able to reduce usage per fixture by over 60%. Re-lamping prolongs the use of existing fixtures, thereby reducing the embedded carbon emissions of replacement fixtures. By reusing fixtures, we avoided an estimated 500 kilograms of fixtures being sent to landfill.

Supporting the City of Edmonton's recycling program

As part of our overall waste strategy, we implemented Source Separated Organics ("SSO") and single stream recycling programs at RioCan sites in the City of Edmonton. This was done to support the city's waste services initiatives and to

progress our own objectives to use best practices in diverting waste from landfills. The SSO and recycling programs were launched at participating sites through various tenant information sessions led by the property managers and RioCan's waste management partner.

Charging ahead with EV stations

RioCan has engaged LeadingAhead Energy to deploy more than 300 Level 2 EV chargers nationwide by the end of 2025. We have also partnered with a global EV charging provider to install more than 800 Level 3 EV chargers at RioCan properties by 2026.

PEOPLE



We know that competition for talent is fierce in today's market, and to attract and retain exceptional employees, we need a strong vision, a culture of excellence and best-in-class practices.

AT A GLANCE

2022 initiatives

- Leadership Attributes Model launched to outline behavioural expectations by leadership level
- People Leadership Development Program launched for people leaders
- DEI training developed and delivered company-wide
- Well-Being Committee formed to advance employee well-being program

2023 priorities

- Launch best-in-class performance management technology to enhance Impact Scorecards for all employees
- Launch RioCan Career Paths with clear skills, job requirements and pathways for both vertical and lateral movement
- Offer more learning and development opportunities, including on-demand training and small-group coaching and role-plays

At RioCan, we are proud of our people. Their integrity, experience and foresight deliver on our strategy, advance our culture and drive productivity. As we continue to emerge from the pandemic, we focus on supporting and caring for our employees and listening and responding to their feedback in a way that promotes a positive workplace.

We have identified initiatives to foster a culture of excellence, including attracting top talent, creating a diverse and inclusive workplace, strengthening employee satisfaction and retention, contributing to our employees' physical and mental well-being and fostering interdepartmental collaboration. This has produced a strong workforce that thrives on change and is driven to produce top results and improved ESG performance.

A DEEPER DIVE

RioCan employees are engaged employees

RioCan's latest employee engagement survey was conducted in November 2022. We are pleased to report an exceptional

response rate – 98% of RioCan employees participated in the survey. And, for each focus area, there was improvement over the 2021 engagement survey results.

The 2022 survey identified opportunities to enhance our employees' experience in a number of areas, including work-life balance, innovation, compensation and benefits, and DEI. We have developed a Corporate Action Plan to target the above areas.

Implemented action items based on the 2021 survey:

- Enhanced Impact Scorecards for all employees
- Learning opportunities now include on-demand training for all employees, small group training sessions and role-plays with a performance coach for people leaders
- Establishment of career paths with clarified skills, requirements and opportunities for vertical and lateral movement



People (continued)

TALENT DEVELOPMENT FOR ALL

As part of our ongoing commitment to a culture of excellence, we have developed – and are continuing to expand – a robust suite of learning and development initiatives. These include:



LEADERSHIP

We have developed a Leadership Attributes Model, which outlines the leadership behaviours expected (by level), as well as a People Leadership Development Program. The Leadership Development Program offers group discussions, role-plays and one-on-one coaching with professional coaches. In 2022, we hosted two modules: developing people and delegating effectively.



MENTORING

One-time and three-month mentoring opportunities are offered to all RioCan employees who wish to develop technical and leadership skills, expand their network or simply learn more about a specific business function. Forty percent of our workforce is involved in the program; the industry benchmark for similar open enrollment programs is 10%.



COURSES

Through RioCan's Learning Management System, we provide our employees with a variety of courses. Some, like health and safety, are mandatory, while others, which support new leadership attributes and high-demand technical skills, are optional. These courses are available on demand and accessible 24/7. To improve our employees' learning experience, we are partnering with an online learning provider to deliver best-in-class video content.

Introducing RioCan DEI Champions

We believe one of the keys to meaningfully entrenching DEI is listening and learning. To foster open and frequent communication throughout our company, in 2022, we introduced our DEI Champions. DEI Champions are volunteers from each department across the organization who work directly with RioCan's DEI Committee to expand communication and embed DEI initiatives within individual departments.

We believe this type of communication will boost engagement among our colleagues, enable us to gather feedback from a wider employee set, plan events that interest diverse groups within our company, and influence the ESG Council's future objectives and initiatives.

AGE GROUP BY GENDER (2022)

■ MALE ■ FEMALE



COMMUNITY



We build complete communities and support community organizations to create economic opportunities. Doing so strengthens our relationships with community stakeholders. It also improves the social well-being of our employees, tenants and the public.

AT A GLANCE

2022 initiatives

- Connected with top tenant charities and local charitable partners to maximize impact
- \$2.2 million collected by charitable partners via donated space across RioCan's portfolio

2023 priorities

- Continue to connect with top tenant charities and maximize impact through those relationships
- Provide in kind donations (space, time and expertise) to community partners to allow them to raise awareness and donations
- Create opportunities for RioCan employees to participate in initiatives that enhance the communities in which we operate

Our developments are strategically designed to contribute to the growth of complete communities – places where homes, jobs, schools, community services, parks and recreation facilities are all easily accessible. Complete communities transform urban spaces into more convenient, livable and resilient neighbourhoods.

To increase our community impact, we strive to leverage partnerships. By working together, we create opportunities for tenants and community members to connect and prosper. This allows us to expand our reach while also supporting our largest tenants and providing our employees with opportunities to get involved.

A DEEPER DIVE

Supporting tenant-based charities

RioCan Cares exists to enhance the health and well-being of our tenants, employees and communities in which we operate. Our objective is to connect with top tenant charities as well as national and local charitable partners to maximize impact through those relationships by aligning and organizing programming to meet tenant and RioCan objectives. Our strategy is to provide resources (space, time and expertise) to charitable partners and reinforce landlord of choice in lieu of financial donations.

RioCan has, for example, provided retail space to the non-profit **Caring and Sharing Exchange** at the RioCan Westgate property for the past five years. The charity's Sharing in Student Success Program uses the space to help families referred by local food banks, refugee support services and community housing groups. This year, the program provided over 3,200 backpacks to elementary school children across Ottawa. Next year, the organizers plan to expand the program to include grade 9 children.



Yonge Eglinton Centre partnered with **Fred Victor** during the 2022 holiday season to support the charity's goal of raising \$500,000 for Toronto's homeless population. Fred Victor is dedicated to helping Toronto's 10,000 homeless people by finding pet-friendly shelters and affordable and transitional housing as well as providing food, clothing, mental health support, job training and counselling.

With RioCan's donation of space, time and expertise, Fred Victor created an installation that not only raised awareness about the organization's mission, but also gave shoppers and other centre visitors a way to directly help. Armed with an oversized gift box covered with colourful images of socks, mitts and sweaters, people could use a QR code to link to a virtual catalogue to buy or donate items for those in need.

STRATEGIC PARTNERSHIPS

We collaborate with our partners to address the pertinent challenges facing our society.

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOALS

WHAT WE FOCUS ON

Tenants: Continuously enhance tenant experience, well-being and safety. Identify opportunities to engage tenants to identify and achieve mutual ESG objectives.

Suppliers: Apply procurement and partner selection criteria that support supply chain resilience and positive social and environmental change.

Industry: Collaborate with industry groups and initiatives to collectively address material ESG challenges facing our industry.



TENANTS



One of RioCan's strategic pillars is Customer Centrim, with the commitment to anticipate and meet the needs of our tenants and partners. Since RioCan's success depends on strong relationships with current and prospective tenants, all of our business teams, including leasing, marketing and operations, place a premium on understanding our tenants' needs.

We will optimize tenant experience and well-being by developing ESG tenant service offerings, establishing respective standards for assets, and embedding this criteria into both existing and future developments. This will strengthen tenant retention, provide market insights and help maintain RioCan's status as a preferred landlord.

Finally, we will ensure tenant health, safety and accessibility by constantly monitoring and improving asset safety and strengthening our standing portfolio's accessibility. This will help us manage liability risk and ensure that our assets meet the needs of Canada's aging population.

AT A GLANCE

2022 initiatives

- Tenant Sustainability Guide refreshed
- Created a Tenant Experience team

2023 priorities

- Establish well-being standards for assets
- Continue to investigate opportunities to collaborate with tenants and industry on ESG

A DEEPER DIVE

ENHANCING THE TENANT EXPERIENCE

Focusing on our tenants – putting them at the centre of our operation – is a key component of our business strategy. To enhance value for our tenants, in 2022, we introduced the Tenant Experience team. Led by our VP of Tenant Experience, the newly formed team strives to deliver an exceptional tenant experience – from lease execution, through construction, tenant coordination and property renovation. The Tenant Experience team also works to seamlessly transition tenants from the Leasing and Construction teams to the Property Management team. Through cost savings, efficiency and premium customer service, the Tenant Experience department ensures RioCan is optimizing value for tenants.

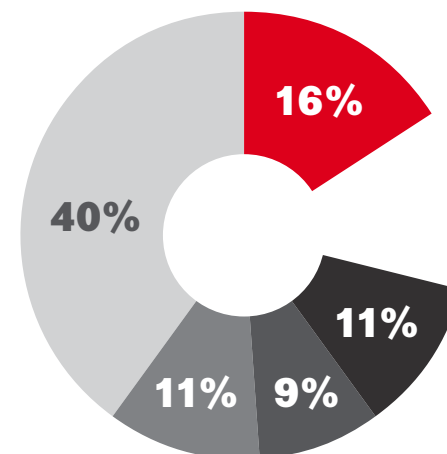
PROVIDING OUR TENANTS WITH SUSTAINABILITY TOOLS

In 2022, we refreshed our [Tenant Sustainability Guide](#). The guide is an important tool, helping us to collaborate with tenants to address mutual opportunities for minimizing our environmental footprint. A document that is updated in real time, the guide contains suggestions to improve performance in areas such as resource efficiency, water consumption and waste management.

PRISM PROPERTY MANAGEMENT WORK ORDERS

Launched in 2022 by the Property Management team, PRISM is our new work order ticketing platform. It helps tenants to submit requests to property management and efficiently produce operational work orders, then address and track their resolution across the company and country. Since June 2022, the Property Management team has responded to 50,600 work orders. Sixty percent of work orders are either building access, cleaning and waste, HVAC, doors/locks/loading or roof leaks. This step is in direct response to RioCan's five-year plan to drive growth and enhance Customer Centrim.

2022 MANAGEMENT WORK ORDERS



- Access
- Waste
- HVAC
- Leaks
- Doors
- Other

SUPPLIERS



We aim to integrate ESG considerations into supply chain management.

RioCan's extensive portfolio and significant development activity require a vast and multi-tiered supply chain. Our supply chain includes suppliers we contract with directly, as well as suppliers subcontracted by our general contractors, construction managers and others. It is important for us to extend our ESG objectives and health and safety practices across our entire supply chain.

This means formalizing supplier health and safety, driving positive outcomes in our supply chain, and strengthening supply chain resilience. The objectives are to solidify RioCan's identity as a preferred partner and work with high-ESG standard suppliers and materials to improve our overall ESG ratings and strengthen our supply chain resilience.

The goal is to integrate sustainability into all new developments, providing consistent guidance to all project teams. At the same time, we strive to enhance our awareness of overall health and safety performance while reducing incidents across our portfolio.

AT A GLANCE

2022 initiative

- Health and safety guidelines enhanced to include suppliers, general contractors and construction managers

2023 priority

- Develop a supplier's code of conduct

A DEEPER DIVE

Company-wide health and safety policy

RioCan is proud of our efforts to promote on-site safety during construction phases and to track and report safety indicators properly. These efforts include a company-wide Health and Safety Policy overseen by a dedicated task force.

We have also developed a list of requirements for general contractors and construction managers. General contractors and construction managers must:

- Designate health and safety coordinators to monitor, enforce and track visitor and worker compliance with site health and safety requirements.
- Develop a health and safety training curriculum. All workers must complete this training before entering a site, and visitors must also review the training orientation before entering a site.
- Enforce the use of personal protective and life-saving equipment. All visitors and workers must have proper personal protective equipment as mandated by applicable laws and site-specific health and safety policies.
- Communicate health and safety policies and performance and site safety information regularly by providing health and safety updates and monthly summaries. Monthly reporting must include training records, health and safety initiatives, and on-site incidents. These metrics must be compiled as annual reports.



Number of fatalities:

0



Injury rate¹:

0.37%



Number of near misses²:

43



Lost day rate³:

0.43



Severity rate⁴:

0.75

¹ Injury rate: total number of instances of being injured arising from operations expressed as a percentage of total number of employees on site.

² Near miss: An incident in which no property was damaged and no personal injury was sustained, but where, given a slight shift in time or position, damage or injury easily could have occurred.

³ Lost day rate: Number of lost time days x 200,000/Productive hours worked.

⁴ Severity rate: Total number of lost work days/Total number of incidents.

INDUSTRY



Like many companies across Canada and worldwide, RioCan recognizes that the significant issues facing society today are complex, challenging and intertwined. Now, more than ever, we need partnerships and collective efforts.

AT A GLANCE

2022 initiatives

- Participated in ESG-related conferences and engaged with peers
- Hosted the community marketplace for local entrepreneurs as part of the ILEO initiative

2023 priorities

- Develop criteria for evaluating potential partnerships within our industry, with emerging technology partners and with academic institutions
- Participate in industry initiatives and groups that align with our objectives

RioCan's industry efforts include creating strategic partnerships, participating in industry groups and initiatives, and advocating for change. We work with our industry colleagues to provide leadership and accelerate the uptake of emerging low-carbon technologies.

While technology and innovation are part of the solution in addressing climate risk, we know there may be blind spots. We must be prudent and thoughtful in our approach. If solving one problem comes at the cost of creating another, we must be prepared to step back, rethink and find alternative approaches.

A DEEPER DIVE

Strategic partnership with Enwave for district energy and geothermal

We understand that achieving climate goals means reducing GHG emissions faster and at a greater scale. This requires innovative thinking and strategic partnerships.

We are collaborating with Enwave, a Canadian energy company, to find innovative low-carbon solutions for our new developments. Together with Enwave, we are exploring various renewable and low-carbon technologies, such as heat pumps, solar photovoltaics, geothermal energy, sewer waste heat as well as thermal and other renewable on-site electricity generation.

Enwave is the leading district energy provider in North America, best known for operating the world-renowned deep lake water cooling system in Toronto and several other district energy and geothermal systems. Enwave and RioCan have already partnered to develop the innovative district energy and energy storage system at The Well™.



Industry (continued)

Inclusive Local Economic Opportunity Community Market

ILEO is an exciting cross-sector initiative formed to find innovative ways to reduce gaps in economic prosperity at the neighbourhood level. BMO and United Way Greater Toronto convene ILEO in partnership with 32 senior leaders representing a cross-section of the private, public and community sectors.

As an ILEO partner, RioCan President and CEO Jonathan Gitlin is closely involved with ILEO's Storefront Starter Golden Mile. This initiative helps new and emerging business owners build their businesses while contributing to a vibrant local retail environment in the Greater Golden Mile in Toronto's east end.

In 2022, RioCan hosted ILEO's first community market at its RioCan Warden shopping centre (800 Warden Avenue), located within the Golden Mile. It showcased local Golden Mile businesses and ran each Saturday in July and August.

Initiatives like the ILEO Community Market are part of our ongoing commitment to support the communities we serve by creating spaces where we can all prosper.

ILEO COMMUNITY MARKET BY THE NUMBERS



10
Entrepreneurs



9
Weeks of market



461
Visits



80%
Entrepreneurs
identify as women



100%
Entrepreneurs would
participate again





RIO  CAN
REAL VISION, SOLID GROUND.