

RioCan REIT Sustainable Development Policy

Introduction

Sustainable development is a key driver of our vision to be among leaders in embedding sustainability practices in our business model. As a developer, owner and operator of a significant real estate portfolio, we have a responsibility to consider the sustainability impacts of our activities along with opportunities to improve. We integrate sustainability considerations throughout our development process to position our assets favourably for the future and build properties that retain their value over the long-term. In our process, we consider how we can create value for our stakeholders and foster innovation by collaborating across our value chain.

Commitments

We want to systematically assess our activities at each stage of the development process and work with our partners to identify opportunities to implement sustainable practices. We commit to:

Across all development stages

- Review our sustainability policy and priorities with our Joint Venture and development partners, and encourage our employees to embed sustainable practices across our development process
- Consider how social, resource, climate and technological trends will define sustainable properties in the future
- Improve the efficiency, adaptability, flexibility and resilience of our buildings to enhance the value of our developments

Stage 1 and 2: Viability and feasibility

- Identify project-specific opportunities to improve environmental and social outcomes
- Assess climate change risk and vulnerability during site design
- Integrate transit opportunities during site selection
- Model design options using lifecycle cost assessment in budget estimates
- Conduct an affordability review to evaluate if select units can be offered below market rent rates (e.g. affordable housing)

Stage 3: Approvals and design

- Set sustainability objectives and targets that align with RioCan's sustainability strategy for each project and communicate to all project stakeholders
- Hold community and stakeholder design workshops to ensure projects reflect emerging trends and customer demands
- Screen service providers, suppliers and contractors for sustainability competencies prior to engagement by including criteria in bid processes, evaluation and contracts
- Engage with development partners to encourage responsible employment practices along the supply chain
- Liaise with authorities to anticipate future building codes, standards and regulatory changes
- Evaluate and incorporate the following into building system design:

- Alternative transportation including walking, cycling, public transit, and electric and autonomous vehicle use
- Occupant health and wellness, and accessibility features
- Climate resilience features, such as flood sensors, enhanced drainage and equipment protection measures
- Smart technology and digital infrastructure
- Sub-metering to support energy and water efficiency
- Water harvesting systems to meet irrigation and flushing demands
- Measures to protect and enhance local biodiversity and natural habitat
- Develop an energy model to optimize efficiency and evaluate opportunities to drive innovation:
 - Net zero carbon opportunities
 - Current and future renewable energy generation opportunities
 - Integration with current and future district energy networks
 - Installation of energy storage and demand response control systems
- Pursue third-party building certifications (e.g. LEED), if appropriate

Stage 4: Construction

- Allocate responsibilities for measuring, reporting and auditing performance against sustainability objectives and targets
- Work with partners to encourage employment of local labour, including apprentice workers, to make a positive economic development impact and build skills in the community
- Procure materials that are locally-produced, non-toxic, recycled or have third party-sustainability certifications (e.g. Environmental Product Declarations, FSC, Energy Star, Ecologo) where feasible
- Specify building operations equipment, fixtures and appliances with highest efficiency specifications, based on cost benefit analysis
- Require that construction sites minimize nuisance in the community and meet or exceed all health and safety regulations
- Engage in responsible demolition and waste management practices to maximize diversion from landfill
- Limit potable water consumption during construction process where feasible
- Improve soil quality and avoid degradation during the construction process

Stage 5: Income producing

- Evaluate and report against sustainability objectives and targets to identify best practices and continuously improve our sustainable development process
- Include sustainability information in the tenant and operator handover package and fit out guidelines
- Engage with operations to standardize the commissioning process and provide training on building equipment and software
- Monitor and verify asset sustainability performance post-occupancy

Applicability

The Sustainable Development Policy is applied in conjunction with the RioCan REIT Sustainability Policy. It applies to all new development projects where we have a majority ownership stake and manage the property post development. For sustainable development areas where we do not articulate specific commitments, national and local law, regulations and standards apply.

Responsibilities

The Senior Vice President, Development is responsible for informing and educating development stakeholders about this policy and oversees its implementation and adherence. The Vice President, Innovation and Sustainability monitors progress to the strategic sustainable development plan. This policy also applies to our employees, development partners, general contractors, project advisors and sub-contractors contributing to our development projects.