GEORGE WESTON LIMITED

2024 Environmental, Social and Governance Report



WESTON GEORGE WESTON LIMITED

ESTABLISHED 1882

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Introduction

"For over 140 years, George Weston has been focused on providing everyday essentials to Canadians and we recognize that our success is tied to the strength of the communities where we operate, and our actions reflect that important connection."

Galen G. Weston
Chairman and CEO, George Weston Limited



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A Message from our CEO

At George Weston Limited, we are a holding company focused on investing in market-leading companies that serve the everyday needs of Canadians.

I am pleased to share George Weston's 2024 environmental, social and governance report with you, which reflects our efforts throughout the year to drive our businesses forward and create positive outcomes in the communities in which we live and work. For over 140 years, George Weston has been focused on providing everyday essentials to Canadians and we recognize that our success is tied to the strength of the communities where we operate, and our actions reflect that important connection.

We are one of Canada's largest private sector employers, with over 220,000 colleagues across the country, offering career opportunities that range from entry-level jobs that provide pathways for growth, to specialized positions that drive technical expertise and innovation. Through our significant capital expenditures, we invest in infrastructure, technology and sustainable business practices, helping to build a strong, resilient and competitive economy. We understand that our business operations rely on and consume natural resources, and we are committed to reducing our environmental impact through ambitious sustainability initiatives. Whether it's transitioning to renewable energy, improving efficiency in our supply chain, or designing buildings and stores with lower carbon impact, we are actively working towards a net-zero future.

Our products, services and real estate, touch the lives of millions of Canadians each day, offering convenience, affordability and reliability. We provide a multitude of products that reflect the diversity of our population, coupled with a compelling value proposition so that Canadians, no matter their background or preferences, can find products that make them feel at home, at a price they can afford. Our physical presence - stores, clinics, offices, warehouses, and developments - all contribute to local economies, supporting small businesses, suppliers, service providers and a broad ecosystem of stakeholders, across every province and territory. Diversity, equity and inclusion are core to our identity. Our workforce reflects the multicultural make-up of Canada, and we are dedicated to fostering a workplace where all individuals have an opportunity to succeed based on their merits and the value they add to our businesses and the communities they serve.

As we look to the future, we remain focused on driving growth in our businesses, stimulating economic progress across the country, advancing sustainability, and promoting diversity and inclusion, and through those actions, strengthening the communities that make Canada, and our businesses, thrive.

Galen G. Weston
Chairman and Chief Executive Officer

May 6, 2025

Overview and History of GWL

George Weston Limited (GWL or the Company) is a Canadian public company that controls two market leading businesses, Loblaw Companies Limited (Loblaw) and Choice Properties Real Estate Investment Trust (Choice Properties).

The Company is the product of four generations of the Weston Family.

1882

Founded in 1882 by George Weston, a young Toronto bread salesman and former baker's apprentice

1900s

By the 1900's Weston's Bread was known throughout Toronto and George Weston Limited had become Canada's biggest baker

1924

George's eldest son, Garfield Weston, followed in his father's footsteps and became president of George Weston Limited, transforming his father's Toronto bakery into a commercial food empire with holdings on several continents

1928

Listed on the Toronto Stock Exchange in January 1928

1953

Expanded its grocery business, acquiring majority control of Loblaws Inc.

1956

Loblaw Companies Limited was incorporated, and over the next two decades, Loblaw continued to expand its operations throughout Canada

1970s

In the early 1970s, W. Galen Weston took charge and successfully consolidated the large conglomerate, reinventing Loblaw in the process and transforming it into Canada's largest grocery chain and GWL's largest asset

2006

Galen G. Weston assumed responsibility for Loblaw and guided it through a period of transformation and growth

2013

Loblaw created and completed the initial public offering of Choice Properties

Loblaw acquired Shoppers Drug Mart, a leading pharmacy business

2017

Galen G. Weston, as part of a long-term succession plan, replaced his father, W. Galen Weston, as CEO of GWL

2018

The Company completed a reorganization where Loblaw spun out its majority interest in Choice Properties to GWL, providing it three businesses across retail, real estate and consumer goods bakery

2021

GWL sold the Weston Foods consumer goods bakery business in order to focus on its market-leading retail and real estate businesses

Mission and Strategy at GWL

The Company is committed to creating value for its shareholders, employees and other stakeholders, and supporting the communities in which it operates.

GWL seeks to invest in businesses that generate positive cash flows through stable, high-quality operations. The Company brings a unique perspective to its operating businesses, having a viewpoint that spans across the retail and real estate sectors, enabling the identification of opportunities and the sharing of best practices. The Company considers strategic initiatives where it can leverage its existing capabilities and expertise to create long-term value for shareholders and other stakeholders.

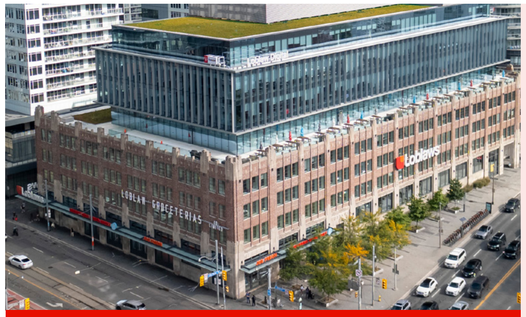


WESTON
GEORGE WESTON LIMITED



52.6%[1] ownership interest in Loblaw

Loblaw is driven by its purpose - helping Canadians Live Life Well® - and the goal of creating long-term value for its business and communities. In Loblaw's approach to addressing environmental, social and governance (ESG) issues, it focuses on two priorities where it can make the biggest impact, Fighting Climate Change and Advancing Social Equity.



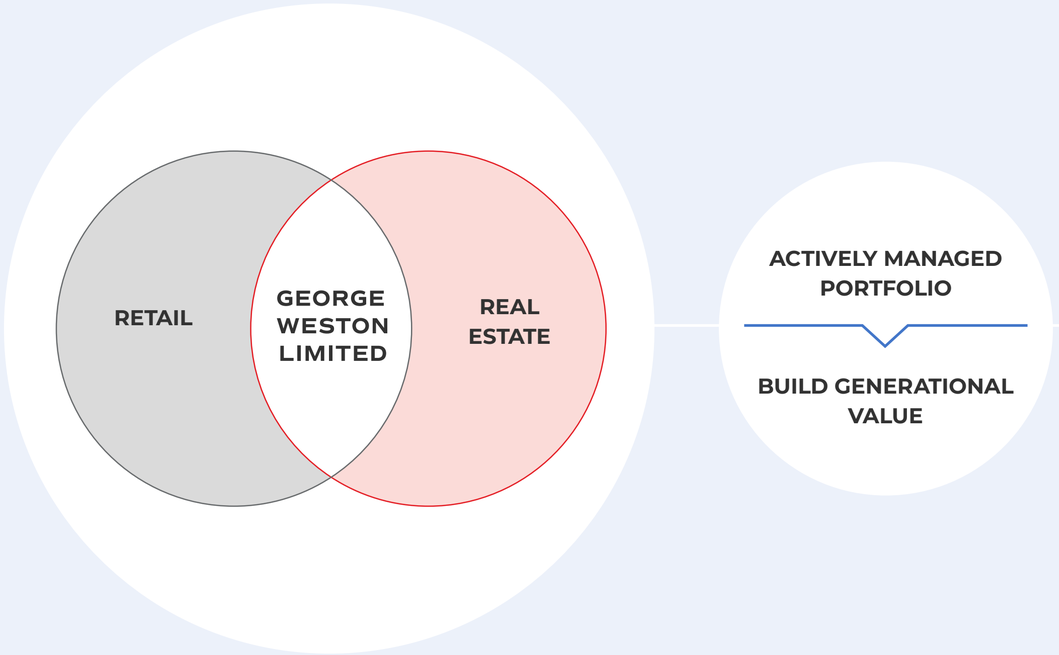
61.7%[1] ownership interest in Choice Properties

Choice Properties is a leading Real Estate Investment Trust that creates enduring value through places where people thrive. Choice Properties believes in creating spaces that enhance how its tenants and communities come together to live, work, and connect. Creating these spaces includes integrating environmental, social and economic sustainability practices into all aspects of its business, with a focus on Fighting Climate Change and Strengthening Communities to Prosper.

[1] As of December 31, 2024.

Our Operating and Value Creation Strategy

GWL's mission is to build generational value with actively managed market-leading businesses in retail and real estate through expertise in strategy, mergers and acquisitions, capital allocation and talent development.



Built on what we have in common

Together, these four concepts unite our operating companies and are core to our identity:

CORE VALUES

Our actions are shaped by a set of CORE Values, which express a shared commitment to Care, Ownership, Respect and Excellence across the group of companies.

ETHICS & COMPLIANCE

Throughout our interactions, our decisions are grounded in a strong sense of Ethics & Compliance.

BLUE CULTURE

Represents how our values come to life every day in our interactions with our businesses, each other and our customers.

SOCIAL RESPONSIBILITY

As a generational investor, long-term social, demographic and environmental trends matter and underpin the importance we place on Social Responsibility.

Impacting

Through active management and by leveraging our culture and values, we seek to positively impact:

STAKEHOLDERS

We create value for our stakeholders by enhancing the value of our market-leading businesses, supporting operational excellence, investing in strategic initiatives, and fostering strong relationships. Our commitment to sustainability, innovation, and community engagement ensures that we positively impact everyone connected to our company.

COLLEAGUES

Our talent is central to achieving our long-term goals. Our focus on attracting and developing exceptional leaders is a strategic imperative and we are proud to offer challenging and rewarding careers.

COMMUNITIES

Consistent with our heritage and values, we are focused on improving the quality of life in the communities where we live and work.

Weston Group ESG

By integrating environmental, social and governance practices into day-to-day business activities and our governance framework, the Weston Group strives to advance its business objectives while having an enduring and positive impact on future generations.

As the holding company for the group, GWL's ESG program is centred on group-wide governance and strategic oversight, while Loblaw and Choice Properties are focused on their own environmental and social initiatives, which are supported by robust corporate governance frameworks. Loblaw's and Choice Properties' 2024 environmental, social and governance reports are included in, and form part of, this report.

GWL has also established an ESG program specific to its corporate centre, consisting of Corporate Governance; Diversity, Equity and Inclusion; Human Rights; Colleagues, Culture and Community; and Cybersecurity.



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2024 Highlights

GWL believes that its shareholders, employees and other stakeholders care deeply about the Weston Group's commitment to being a force for positive change.

We are proud of the positive impact that our businesses have had on the communities they intersect with and our ESG accomplishments in 2024. We're committed to continue to build on our efforts and drive even greater impact across the Weston Group in the years to come.



ENVIRONMENT

Tackling Plastic Waste

Loblaw achieved **90% compliance** with its target to make sure all control brand and in-store plastic packaging is recyclable or reusable in accordance with the in-scope Golden Design Rules by 2025.[1]

Carbon Net-Zero

Loblaw achieved a **16% reduction** in its Scope 1 and Scope 2 emissions relative to its 2020 baseline.

Green Leases

Choice Properties received Gold level certification from Green Lease Leaders, a program that provides guidance in leasing practices to advance sustainability.



SOCIAL EQUITY

Empowering Colleagues

GWL achieved *The Globe & Mail's* Women Lead Here 2025 benchmark for having significant representation of women in leadership positions. Choice Properties and Loblaw were named one of the Greater Toronto Area's Top 100 Employers in 2025. In addition, Loblaw was named one of Canada's Top 100 Employers in 2025.

Social Impact Framework

Choice Properties advanced its Social Impact Framework in 2024 by collaborating with local non-profit organizations, businesses and community groups to support economic development and social cohesion at the neighbourhood level.

Investing in Communities

Loblaw raised and donated (including donations in-kind) $212 million to support research, charities and non-profits across Canada.



GOVERNANCE

Commitment to Diversity, Equity and Inclusion

GWL, Loblaw and Choice Properties each established new diversity representation targets for its Board of Directors, executive and Management team to be achieved by the end of 2028.

Compensation and ESG Goals

Continue to link ESG metrics with pay for the Company, Loblaw and Choice Properties, including embedding ESG performance metrics in the annual short-term incentive program.

ESG Reporting

ESG reporting practice across the Weston Group assessed to identify alignment with emerging **ESG reporting standards and regulations.**

[1] Due to the complexity and variability of the capabilities of the municipal recycling systems across Canada, Loblaw defines "recyclable or reusable" as being compliant with the Consumer Goods Forum's Golden Design Rules ("GDRs") with a focus on material conversions and the removal of problematic elements where Loblaw can drive change. As such, Loblaw's compliance to the rules excludes: (a) for a subset of products, GDR 3 "headspace reduction"; (b) GDR 8 to "reduce virgin plastic in business-to-business packaging", which is not the scope of this control brand and in-store packaging project; and (c) GDR 9 "on pack recycling", which we do not endorse as it is the outcome of downstream stakeholders upgrading the capability of current municipal recycling systems.

Weston Group ESG Principles

GWL's ESG Principles, adopted by the Company's Board of Directors, are focused on establishing a group-wide approach to ESG while ensuring that responsibility for developing and implementing "fit for purpose" ESG programs resides with the Boards and Management of Loblaw and Choice Properties.

Loblaw and Choice Properties have adopted the ESG Principles as part of their ESG frameworks and incorporated them into the development and advancement of their robust and industry leading initiatives. Each business seeks to establish ambitious ESG targets and develop impactful programs to achieve its goals. These targets and programs, and the results achieved by Loblaw and Choice Properties, are described in their ESG reports published annually, the 2024 versions of which are included in, and form part of, this ESG Report.



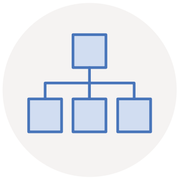
ENVIRONMENT

- Our businesses have a responsibility to positively impact the communities in which they operate and to link sustainability with growth and prosperity
- Our businesses must commit to science-based, measurable targets to achieve net-zero carbon emissions, with near, medium and long-term objectives that hold Management and Boards accountable



SOCIAL

- As a holding company focused on businesses that provide everyday essentials, we recognize that our success is tied to the strength of the communities where we operate and strive to have a positive impact on them
- Our workforce reflects the multicultural make-up of Canada, and we are dedicated to fostering a workplace where all individuals have an opportunity to succeed



GOVERNANCE

- We hold our businesses accountable to the highest standards of corporate governance, focusing on appropriate and transparent decision-making processes that take into consideration all relevant stakeholders
- Our businesses must develop, manage and supervise their own ESG programs while also respecting these principles

Environment

Ensuring that businesses in the Weston Group are good stewards of the environment aligns with GWL's mission of creating generational value.

Failure to take meaningful action to protect the environment, including implementing initiatives to combat climate change, could result in significant impacts. Taking meaningful steps to protect the environment is not only the right thing to do for the country but is also critical to the long-term sustainable development of the Weston Group's businesses.

With just over 100 employees and limited physical footprint through its corporate office, GWL's corporate centre ESG program does not include stand-alone environmental targets, but Loblaw and Choice Properties have established meaningful environmental targets and net-zero commitments that are informed by the GWL ESG Principles.

Loblaw

Tackle plastic waste

by making sure all control brand and in-store plastic packaging is recyclable or reusable in accordance with the in-scope Golden Design Rules by 2025

Achieve net-zero

for enterprise operating footprint[1] (Scope 1 and Scope 2) by 2040 and Scope 3 emissions by 2050

Send zero food to landfill by 2030



Choice Properties

Achieve net-zero greenhouse gas emissions

reduction targets to the entire portfolio of income producing and development properties, including a 50% reduction in absolute Scope 1 and Scope 2 emissions and a 30% reduction in Scope 3 emissions from tenant energy use and development activities by 2030, in each case relative to a 2019 base year, and a 90% reduction in absolute scope 1, 2 and 3 emissions by 2050 relative to a 2019 base year

Achieved target of

certifying 65% of total portfolio under LEED or BOMA BEST

Continued implementing

asset-specific net-zero transition plans



[1] Includes corporate, franchise, associate-owned, and T&T® operations as well as corporate offices and distribution centres.

Social Equity

Loblaw

Loblaw seeks to build a diverse and inclusive workforce that adds rich perspectives and skill sets to how loblaw delivers the customer experience, and to supporting the health and well-being of children and women as the building blocks of healthy communities. Loblaw's activities include the following: (i) achieving representation goals for Management and executive roles and the Board of Directors by the end of 2024, (ii) providing fundamental diversity, equity, and inclusion training for 200,000 colleagues and employees by the end of 2024, (iii) supporting President's Choice Children's Charity (PCCC), Canada's top non-government provider of direct-to-school kids' food programs, as PCCC seeks to raise $150 million by 2027 and aims to feed 1 million children a year by 2025, (iv) supporting the Feed More Families™ program by donating 1 billion pounds of food to community-based food charities, and (v) supporting the efforts of the Shoppers Foundation for Women's Health,™ which aims to invest $50 million by 2026 to support initiatives that improve women's access to care.

Choice Properties

Choice Properties aims to enhance the economic well-being and social experiences in the communities where it operates and builds. 2024 was the first full fiscal year that the Social Impact Framework was put into action. The framework outlines how Choice Properties can leverage its assets and non-profit partnerships across the country to promote local economic development and social cohesion at the neighborhood level. In 2024, Choice Properties piloted four local community activations to learn how it can leverage its resources and operations as a real estate entity to bring about greater positive social change. In addition, through the Choice Cares program, Choice Properties donated over $860,000 and volunteered over 1,100 hours in support of charities across the country, focused on supporting and empowering children and youth in low-income communities. Since the launch of Choice Cares in 2019, Choice Properties has raised over $3 million in support of various Canadian charities.



Spotlight

Community-Focused Tenancy

In 2024, Choice Properties supported a local French theatre not-for-profit that needed an indoor space to practise for performances. Choice Properties was happy to support this local community group with a temporary pop-up space at a reduced rental fee. In this way, Choice Properties was able to encourage arts in the community.

Choice Properties also supported the Toronto Star Children's Charities at its Golden Mile property by providing two vacant units for use to store Christmas gifts for underprivileged children. The space provided allowed the Children's Charities to deliver 4,500 of their total 50,000 boxes more seamlessly.

George Weston Limited Human Rights Commitment

GWL is committed to respecting and enforcing human rights, in line with the United Nations' Guiding Principles on Business and Human Rights.

GWL is committed to (i) avoiding causing or contributing to adverse human rights impacts directly through its own activities or through its operating companies, and addressing such impacts when they occur, and (ii) seeking to prevent or mitigating adverse human rights impacts that are directly linked to its operations, or products or services through its business relationships, and addressing any such impacts if and when they occur.

GWL requires that each of its operating companies adopt a human rights statement that reflects its role within the group and the industries in which it operates.

The Canadian government enacted the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (referred to as Canada's "Modern Slavery Act") to help combat the use of forced labour and child labour in global supply chains. The Modern Slavery Act introduced annual reporting obligations for specific entities. GWL and certain of its impacted subsidiaries, including Loblaw, have publicly filed their joint Modern Slavery Act Report for the 2024 fiscal year. The Modern Slavery Act Report was reviewed and approved by the Board of Directors and is available on GWL's website at www.weston.ca.



Loblaw and Choice Properties' Human Rights Commitment and Supplier Accountability

Loblaw

Human Rights at Loblaw

Through its formal policies, codes of conduct for its colleagues and suppliers, comprehensive compliance standards and a robust governance framework, Loblaw strives to uphold the rights of its customers and employees, as well as the many workers, including migrant and temporary workers, employed within its wider supply chain. Loblaw has aligned its practices with the United Nations' Guiding Principles on Business and Human Rights and Universal Declaration of Human Rights, international labour organization conventions, the Consumer Goods Forum's Forced Labour Priority Industry Principles, and local human rights laws. In 2022, Loblaw engaged ELEVATE, a third-party expert to conduct a Human Rights Due Diligence assessment of its procedures and policies across its enterprise operations and international supply chain. In 2024, in collaboration with Ergon Associates, Loblaw concluded a Human Rights Impact Assessment, specifically focusing on the production of broccoli and cauliflower in Loblaw's supply chains. The final report provides details of the methodology, desktop research results, salient impact findings, root causes, and recommendations.

Supplier Accountability at Loblaw

Loblaw holds its suppliers accountable and uses environmental and social certifications to confirm its expectations and third-party validation that its sourcing standards are practiced consistently. Loblaw has a Supplier Code of Conduct which applies to all its domestic and foreign suppliers, vendors, producers and manufacturers. The Supplier Code of Conduct sets minimum expectations and guidelines with respect to responsible sourcing including Loblaw's commitments to human rights, the environment, health and safety, regulatory compliance, business ethics and the development of a diverse and sustainable supply chain. Loblaw conducts audits on facilities it sources through to confirm that suppliers uphold the Supplier Code of Conduct. As a result of approximately 1,350 facility audits conducted in 2024, Loblaw permanently delisted 7 facilities.

Choice Properties

Human Rights at Choice Properties

Choice Properties is committed to respecting human rights. Its commitment to respecting human rights applies to colleagues, business partners and those who supply goods and services to Choice Properties. Choice Properties expects its business partners and suppliers to uphold the same commitment within their operations and adhere to applicable human rights and employment standards laws. Choice Properties' policies and practices are informed by the United Nations' Universal Declaration of Human Rights, and human rights and employment laws and regulations applicable in the regions in which it operates.

Supplier Accountability at Choice Properties

Choice Properties takes an active approach to engaging with suppliers and has a range of policies and processes in place to support its supply chain. Choice Properties has a Supplier Code of Conduct that sets out the minimum standards expected from suppliers. Choice Properties uses an e-tendering platform to award contracts to suppliers. This platform enables Choice Properties and its suppliers to exchange information transparently. Choice Properties also works with a third-party assessor who ensures that contractors who work on Choice Properties' sites hold current applicable certifications. These enhanced procurement policies and tools enable Choice Properties to deliver high quality service to its tenants while strengthening transparency in its supply chain.

Governance

GWL is responsible for ensuring that appropriate governance of ESG programs is in place across the Weston Group. Through the ESG Principles, GWL influences the development of the ESG programs at Loblaw and Choice Properties. Each of Loblaw and Choice Properties has developed robust oversight of their respective industry-specific ESG programs.

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At GWL, the Board of Directors is responsible for overseeing and monitoring both the Company's approach to group wide ESG governance, and GWL's corporate centre ESG policies and practices. The Board receives periodic reports from Management on the Company's ESG program and the Audit Committee reviews the adequacy and effectiveness of applicable controls related to the Company's ESG disclosures. The Chief Legal Officer of GWL is the executive sponsor for ESG governance for the Weston Group.

Loblaw Companies Limited

Loblaw's Board of Directors is responsible for overseeing Loblaw's strategy, policies and practices related to ESG. The Risk and Compliance Committee of the Board is responsible for ESG strategy implementation and tracking progress against ESG related goals, and the Audit Committee reviews the adequacy and effectiveness of controls relating to Loblaw's ESG disclosures. The Loblaw ESG Steering Committee, comprised of senior leaders, is responsible for setting priorities, tracking metrics and championing program initiatives across the company.

ChoiceProperties

At Choice Properties, the Board of Trustees oversees Choice Properties' ESG program and reviews the ESG report on an annual basis. The Board of Trustees receives periodic reports from Management on its ESG program and performance against ESG targets. The Audit Committee oversees the adequacy and effectiveness of controls related to ESG disclosures. A dedicated ESG team maintains and oversees its ESG reporting system and an ESG disclosure committee, comprised of members of its senior leadership oversees ESG disclosures.



Executive Compensation and ESG Goals

Short-term incentive programs ("STIP") across our group of companies are designed to incent executives and employees to meet annual business and financial objectives. Recognizing that value creation includes embedding and delivering on ESG goals in our businesses, each of GWL, Loblaw and Choice Properties incorporated ESG metrics as a component within its STIP for 2024. The ESG metrics make up 10% of the overall STIP and were designed to focus employees on continuing to drive further sustainability and social impact progress across the enterprise.

ESG Reporting

The Company, Loblaw and Choice Properties, collectively report against various leading ESG frameworks and continue to enhance ESG reporting in line with best practices. The ESG reporting frameworks shown here are used by one or more of the companies in the Weston Group.

GWL reports against the Sustainability Accounting Standards Board framework. SASB is an independent private sector standards-setting organization dedicated to enhancing the efficiency of capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. GWL has identified SASB topics and activity metrics that apply to it as a publicly traded holding company, which are included in the SASB Table. These metrics were established through internal stakeholder engagement initiatives at the Company.

WESTON
GEORGE WESTON LIMITED

MSCI Rating: AA[1]

As at December 31, 2024

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

SASB STANDARDS
Now part of IFRS Foundation

GRI

CDP
DISCLOSURE INSIGHT ACTION

SUSTAINABLE DEVELOPMENT GOALS

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

IFRS ISSB

[1] The Company's ESG reporting has been rated 'AA' by MSCI Inc., which recognizes GWL as a leader in its industry in managing the most significant sustainability risks and opportunities.

GWL Corporate Centre ESG

"I believe that our business has both the opportunity and responsibility to have a positive effect in the community. Growth and prosperity do not need to come at the expense of sustainability."

Galen G. Weston
Chairman and CEO, George Weston Limited



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Corporate Governance

The Company's Board and Management are dedicated to strong and effective corporate governance practices designed to maintain high standards of oversight, accountability, integrity and ethics, while also promoting long-term growth and compliance with the Canadian Securities Administrators' Corporate Governance Guidelines.

Strong corporate governance practices contribute to the effective management of the Company and achievement of its strategy and operational objectives. The Governance Committee regularly reviews the Company's corporate governance practices to ensure they reflect evolving best practices.

The Company's governance practices are highlighted in the Statement of Corporate Governance Practices Appendix.

Compliance and Ethics

The Code of Conduct reflects the Company's commitment to its culture objectives, and high standards of ethical conduct and business practices.

The Code is reviewed annually to ensure it is current and reflects best practices in ethical business conduct and integrity and includes a strong "tone from the top" message. The Code addresses, among other things, conflicts of interest, compliance issues including compliance with laws, rules and regulations, confidentiality and fair dealing with the Company's shareholders, customers and suppliers and reporting of illegal or unethical behavior.

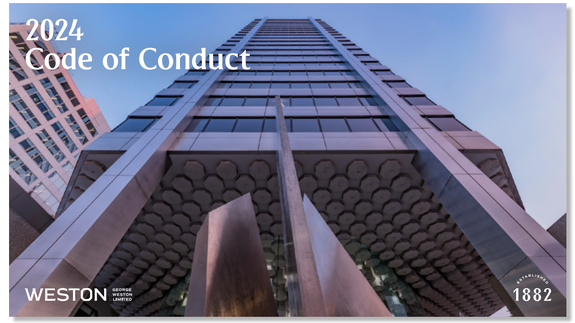
All Directors, officers and employees of the Company are required to comply with the Code and must acknowledge their commitment to abide by it on an annual basis.

The Company has established an Integrity Action Line, a toll-free number and a web portal, that any Director, officer, supplier, employee or external party may use to report conduct which they feel violates the Code or otherwise constitutes fraudulent or unethical conduct. A fraud reporting protocol has also been implemented to ensure that fraud is reported to Senior Management in a timely manner.

Stakeholder Engagement

The Company engages with its shareholders and other stakeholders on an ongoing basis, in a variety of ways, tailored to its particular context as a holding company. By engaging with a broad range of stakeholders through open dialogue, both formally and informally, Senior Management gains a better understanding of key topics and can make better decisions on important issues. Examples of the Company's stakeholder engagement are set out below:

- Each year, the Company proactively meets with a number of its largest institutional investors, advocacy groups and others in the investment community to provide an opportunity to discuss the Company's approach to various issues, including financial performance, business strategy, corporate governance, executive compensation and emerging ESG practices and related activities.
- The Chairman and Chief Executive Officer and President and Chief Financial Officer meet regularly with investors and other stakeholders, including in the context of one-on-one discussions to discuss specific matters.
- Shareholders can participate in the annual shareholder meeting in-person or through a live webcast where they have the ability to ask questions and interact with Management.



- The Company communicates with shareholders through the Annual Report; Management Proxy Circular; Annual Information Form; ESG Report; Quarterly Report to Shareholders; news releases; investor presentations; participation in industry conferences, and other meetings.
- Shareholders can have a "say on pay" by voting on an advisory resolution regarding the Company's approach to executive compensation described in the Circular. The vote is advisory, not binding and does not diminish the Board's roles and responsibilities.
- The Company's investor relations team is responsible for communications with shareholders on a day-to-day basis.
- The corporate secretary interacts with shareholders regarding governance matters on an ongoing basis.

The Company recognizes the evolving nature of stakeholder engagement and continually assesses and implements new practices as appropriate for the Company.

Board of Directors



Corporate Governance Snapshot

- Directors are elected annually
- Majority Voting Policy for the election of Directors
- Annual advisory vote on approach to executive compensation
- Director Conflict of Interest Guidelines
- Director Share Ownership Guidelines
- New Director Orientation
- Continuing Director Development
- Code of Conduct

Director Independence

A majority of the Directors are independent, meaning they have no direct or indirect relationship with the Company that would interfere with their independent judgment.

Board Leadership

Galen G. Weston is the Chairman and directs the operations of the Board. He chairs each meeting of the Board, is responsible for the Management and effective functioning of the Board and provides leadership to the Board in all matters.

The Board has also appointed Gordon M. Nixon, an independent Director, to serve as lead Director. The lead Director provides leadership to the Board and particularly to the independent Directors. The lead Director ensures that the Board operates independently of Management.

Board Responsibilities and Duties

The Board, directly and through its committees, provides stewardship, and supervises and oversees the management of the business and affairs of the Company. The Board's Mandate includes setting the Company's strategy, assigning responsibility to Management for the achievement of the strategy and oversight of Management's performance and effectiveness. The Board regularly receives reports on the operating results of the Company as well as reports on certain non-operational matters.

Board Committees

Audit Committee

The Audit Committee reviews Management's administration of the Company's internal controls over financial reporting, disclosure controls and procedures and internal audit function and related party transactions. The Audit Committee also oversees the Enterprise Risk Management program, including cybersecurity matters (as further described on the next page), and reviews the adequacy and effectiveness of applicable controls related to the Company's ESG disclosures. The Audit Committee reviews the Company's ESG disclosures prior to publication, including in respect of disclosure aligned with applicable ESG reporting frameworks.

Governance, Human Resource, Nominating and Compensation Committee

The Governance Committee is responsible for the oversight of the Company's governance practices. The Governance Committee also oversees talent management and succession planning, compensation for the Board and Senior Management.

The Chair of the Governance Committee, who is an independent Director, has been appointed by the Board to serve as lead Director.

Please refer to GWL's Management Proxy Circular for a more detailed description of the Board of Director's oversight and mandate at www.weston.ca.

AS OF DECEMBER 31, 2024

7
Directors

71%
Independent Directors

43%
of Directors identify as women

29%
of Directors identify as visible minorities

Cybersecurity

The Company and its operating businesses are committed to protecting customer, corporate, tenant, and stakeholder information from current and future threats, such as generative AI, by aligning with widely recognized frameworks for cybersecurity management, including: the National Institute of Standards and Technology (NIST) and the Information Security Forum (ISF).

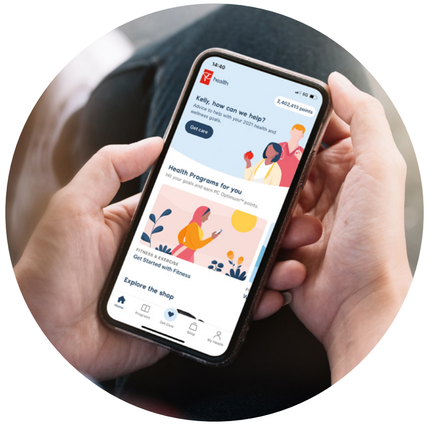
To maintain and evolve its security posture, the Company regularly reviews its policies, standards, and procedures to ensure they are relevant to address the current risk environment and regulatory requirements.

The Company leverages an independent third-party to conduct an information security maturity assessment, based on the ISF Standard of Good Practice, to understand the current state of its cybersecurity program. Identified opportunities from the maturity assessment are used to influence cybersecurity strategy, investments, and road map.

The Company is committed to building and reinforcing a sound security foundation by providing appropriate management support and instilling a culture of security awareness across the organization.

The Company invests in people, process, and technology to mitigate cybersecurity risks. By continuously enhancing these areas, the Company is committed to safeguarding its digital assets and maintaining the trust of its stakeholders.

The Company's cybersecurity program undergoes regular audits from independent parties, both internal and external. The outcomes of these audits and resulting action plans are an integral part of the security program life cycle.



Loblaw

Loblaw operates a vendor management program to monitor key suppliers that handle information or critical systems to assess their security programs and controls. Loblaw's cybersecurity program is reviewed and upgraded to reflect new technology, risks, and business needs. It is subject to internal, external and regulatory audits, using industry best practices for the following: awareness and training, cybersecurity assessments, penetration testing, benchmarking, tracking cybersecurity control maturity, and Payment Card Industry Data Security Standard (PCI DSS) requirements. The Loblaw Data Trust Office undertakes formal programs to assess whether data handling practices are responsibly managed in compliance with privacy laws, and Loblaw's corporate policies, standards, and procedures. Loblaw has implemented a review process for data-related initiatives, and work to evolve privacy and data management strategies and processes to account for technological advancements that may carry privacy implications. To learn more about Loblaw's cybersecurity privacy programs please see Loblaw's 2024 ESG report.

Choice Properties

Choice Properties keeps up-to-date with the latest physical and cyber threats and has devised solutions that help keep its network, as well as its data, and colleague and tenants data, secure. Choice Properties has developed an awareness strategy program to raise the security awareness level of the organization. All Choice Properties colleagues are required to complete mandatory cybersecurity awareness training on an annual basis. Choice Properties also works closely with its vendors and service providers to manage risk. All third-party technology providers must complete an information security and privacy assessment that is reviewed and approved by the security team and the business. To learn more about Choice Properties' cybersecurity and privacy programs, please see Choice Properties' 2024 ESG report.

Oversight of Cybersecurity

The Company has a dedicated technology and cybersecurity team comprised of skilled professionals who manage information security and operational controls.

The Audit Committee provides oversight and governance of the cybersecurity program and reviews quarterly reports from Management.

At GWL, “Cybersecurity is everyone’s responsibility”, and this duty is shared with colleagues through our multifaceted security awareness program.

A comprehensive cybersecurity knowledge assessment and tailored awareness training are delivered to all new colleagues as part of their onboarding process with the Company. All colleagues are required to complete security training, which focuses on identified risks or trending threats, and are subject to monthly phishing simulations.



Completed various audits and assessments without any critical or high findings. No incidents of significance were reported throughout 2024.



Improved controls across several domains, including the management of: physical environment and asset, information/ data, and people.



Enhanced cyber asset management with external attack surface monitoring capabilities, improving visibility of non-core assets.



Improved Information Security Forum (ISF) maturity score through enhanced security governance, technical security management, and system management domains.



Continued Cybersecurity Education and Awareness program through tailored training, mandatory assessments, and regular phishing simulations.



Evolved cybersecurity governance framework by introducing new standards and guidelines which address emerging risks, such as generative AI.

2024 Cybersecurity Awareness by the Numbers

114

minutes on average, per employee, spent on cybersecurity related training materials.

560

training modules completed as part of the Company's mandatory cybersecurity education program.

1,461

phishing emails sent to colleagues via the authorized phishing simulation program.

Diversity, Equity and Inclusion

At GWL, we work every day to create an inclusive, safe, and supportive environment for all our colleagues.

At GWL, we remain committed to building a more equitable and inclusive world by increasing diverse representation at every level and fostering an inclusive culture that brings everybody in. Since 2020, GWL has had measurable representation goals for gender diversity and visible minorities across all levels of Management.

GWL has been recognized in the 2025 *Report on Business, Women Lead Here* list for the third consecutive year.





LINA TAGLIERI
Senior Vice President and Group Controller, Chair of Culture Committees

"At GWL, we celebrate the richness of diverse cultures and experiences. By creating a space where everyone feels included and treated fairly, we give each person the chance to share their unique perspective. This commitment not only strengthens our culture but also helps us succeed together."

Board

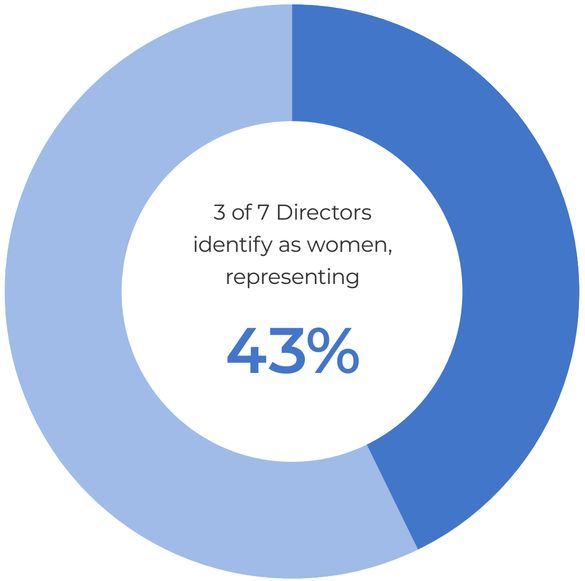
Nomination of Directors

Diversity is an important factor that is considered in identifying and selecting Board members to ensure Directors provide a wide range of thought, experiences and perspectives. The Governance Committee meets on an annual basis, or as required, to assess the size and diversity of the Board and whether any vacancies are expected. As part of its assessment, the Governance Committee reviews an evergreen list of potential candidates, as well as the skills matrix of current Board members to determine criteria and qualifications to be considered when recruiting new Director nominees.

Board Diversity Policy

The Company is committed to having a talented and dedicated Board that possesses the skills, expertise and experience required at any given time. With that in mind, the Company adopted a Board Diversity Policy. This Policy sets out guidelines for the Governance Committee to find the best qualified candidates for Board positions given the needs and circumstances of the Board and the Company, taking into account the current representation of diverse groups on the Board.

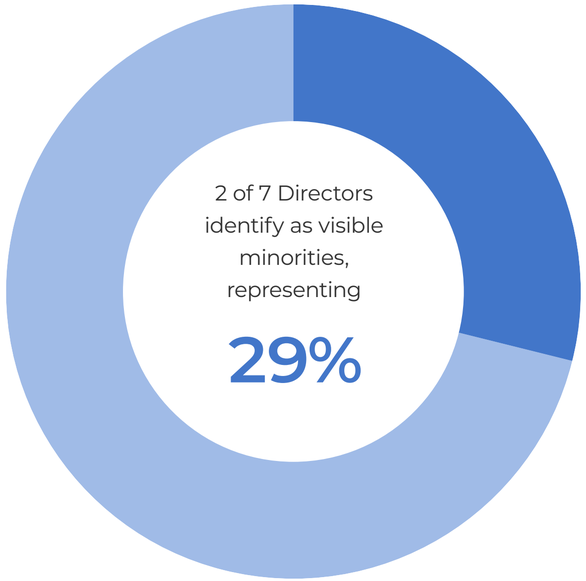
Directors Who Identify as Women[1]



TARGET:

Women comprise at least 40% of the Board by 2028

Directors Who Identify as Visible Minorities[1]



TARGET:

Visible minorities comprise at least 25% of the Board by 2028

[1] As of March 2025.

Management

The Company has established targets for Management who identify as women and visible minorities. The Company has also implemented initiatives to support diversity, equity and inclusion.

Recruiting and mentoring programs and other initiatives have been established to ensure that the Company's rich and diverse talent is supported and provided opportunities to grow their careers to the highest levels within the organization. The Company will continue to monitor its level of diversity in Management and consider whether it would be appropriate in the future to adopt formal targets for the representation of certain other diversity categories.



2028 Representation Goals

Executive Management
(Vice President and above)

45% of positions will be held by people who identify as women

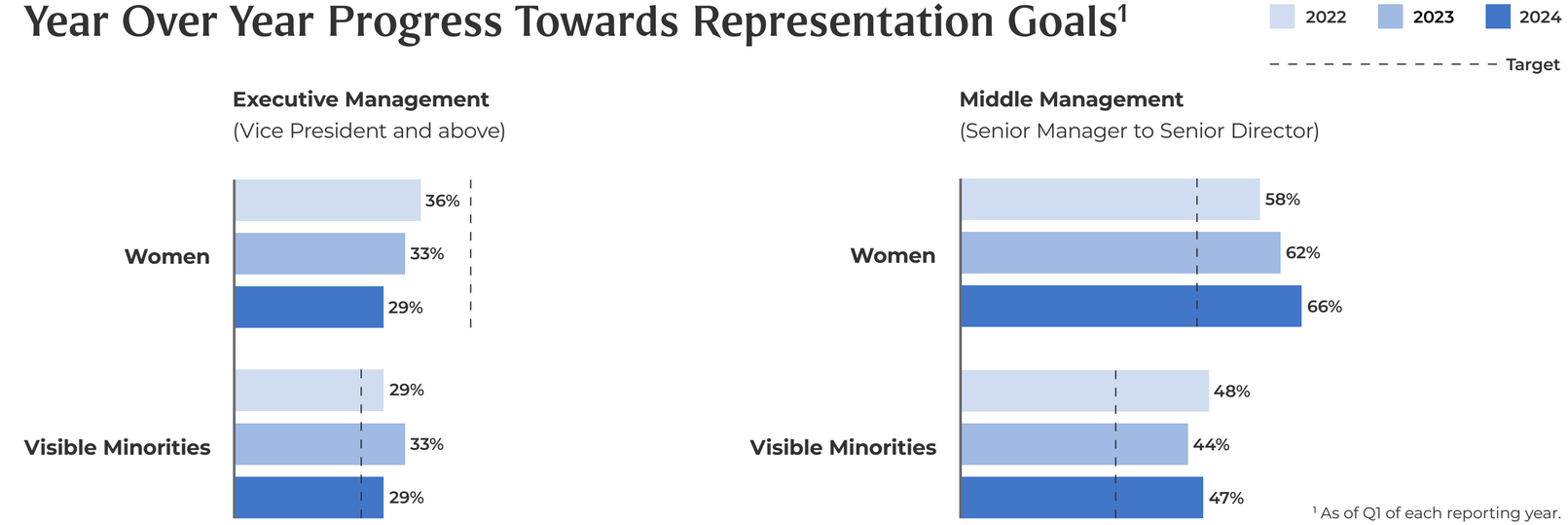
25% of positions will be held by people who identify as visible minorities

Middle Management
(Senior Manager to Senior Director)

45% of positions will be held by people who identify as women

30% of positions will be held by people who identify as visible minorities

Year Over Year Progress Towards Representation Goals[1]



[1] As of Q1 of each reporting year.

Colleagues, Culture and Community



ERIN JOHNSTON
Chief Financial Officer,
Choice Properties

"First and foremost, my time at GWL allowed me to work in a centre of excellence where I had the opportunity to work on transformative projects for the group of companies. I was able to build meaningful relationships with a broad group of stakeholders that continue to support and mentor me today. My experiences also allowed me to progress through a number of roles within the group, including at Loblaw, Loblaw Digital and now at Choice Properties, helping me bring new perspectives to each role."

"Working in the Corporate Development group at George Weston gave me the opportunity to learn not only from seasoned executives, but to deeply engage with a variety of operating businesses. This mix of experience enabled me to broaden my horizons and further my career with Loblaw and now with Shoppers Drug Mart. With such a dynamic group of companies, there is never a shortage of interesting opportunities to pursue."



AMY CHAN
Senior Director,
Strategy & Planning,
Shoppers Drug Mart



CRAIG MACINTYRE
Vice President,
Corporate Development,
Choice Properties

"Working at George Weston Limited was an incredible journey. Despite being part of a large, well-established group of companies, the team at GWL has that small company feel, fostering a collaborative and supportive environment. The impact GWL has is immense, as they tackle challenging transactions and look to allocate capital across diverse industries. This dynamic setting keeps the work exciting and fulfilling, allowing employees to grow and have fun while they're at it."

Blue Culture

The Company has adopted a set of "Blue Culture" principles to support its journey to develop "best in class" capabilities. The four principles of Blue Culture are:



Colleagues attending GWL's annual Culture Day event

1



Be Authentic

To be authentic is to honour who you are at your core, so your colleagues can understand you and you can give your very best to others. We believe a critical enabler of our success is the creativity, dialogue and psychological safety engendered by an environment where authenticity is valued and welcomed.

Make Connections

The trusting relationships built with our colleagues accelerates our ability to communicate, debate, make decisions, achieve goals, and create an enjoyable work environment for all. **We encourage and invest the time and effort to build those relationships through a variety of formal and informal activities over and above our day-to-day work.**

2



3



Discussion with Loblaw Board Director, Rima Qureshi

Develop Self and Others

At the heart of our ability to deliver outstanding results is a commitment to world class talent. Beyond hiring the best at all levels, we believe personal growth is an essential part of this journey. Whether through real time feedback, formal mentoring, or structured training, our colleagues at all levels ensure they and those around them actively remain on this journey.

Add Value

We work to offer best in-class thought leadership, technical capability, execution, and service to the businesses we enable. We anticipate, react, advise, and drive change to keep the businesses ahead of the changing landscape. We recommend appropriate risk taking, challenge the status quo and look for ways to reinvent ourselves and the business.

4



Culture Champions

Culture Champions at the Company have established three committees to foster a vibrant and inclusive culture:

The Wellness Movement

The Wellness Movement is dedicated to strengthening colleague connections, enhancing engagement, and improving overall well-being. The committee hosts various company-wide wellness and social events, and also provides resources and tools to help colleagues lead happier, healthier, and more balanced lives.

Inspire Women

The Inspire Women initiative focuses on championing gender balance within our organization to promote diversity of thought and attract top talent. The five core areas are Networking, Inspiration, Personal development, Transition support, and Awareness.

Diversity, Equity and Inclusion Committee

The diversity, equity and inclusion committee is dedicated to creating a sense of belonging for all employees by championing initiatives that embrace diversity, ensure equity, and foster an inclusive environment through awareness, education, and celebration. We are committed to creating an environment where diversity is not just recognized, but also embraced and celebrated.



Colleagues attending Weston Olympics event



Colleagues at the 2024 Run for Women Event supporting the Shoppers Foundation for Women's Health™



Members of the Inspire Women Committee and Loblaw Board Director Rima Qureshi



Co-leads of diversity, equity and inclusion Committee with guest speaker Chief Stacey Laforme

Talent Attraction & Development

At George Weston Limited, we believe in fostering high-performance teams driven by a focus on excellence, openness and continuous development. The role of the corporate office is to provide best in class shared services to our internal clients and operating businesses.

Responsibility for Talent

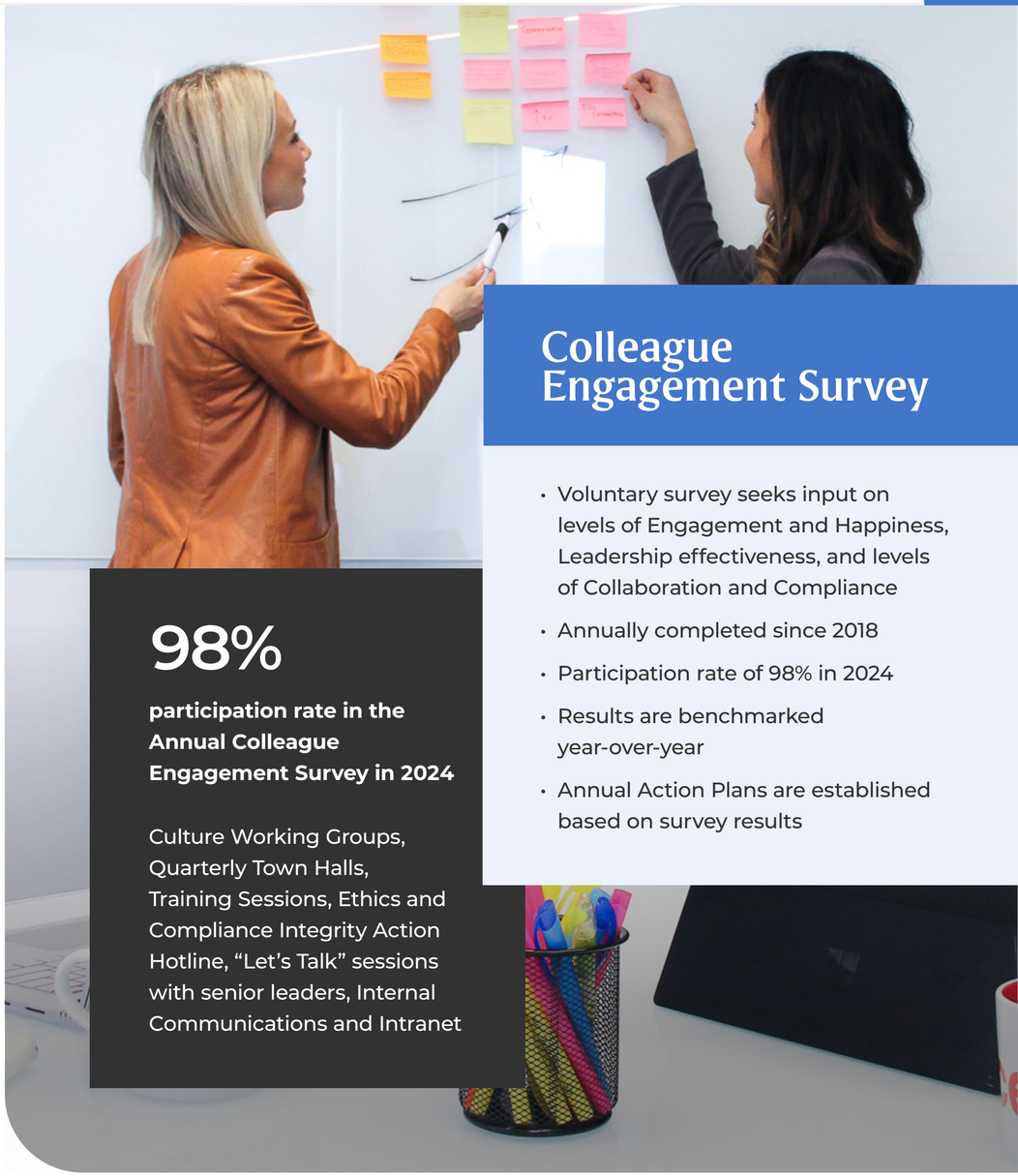
Lead by the Chief Talent Officer, responsibility for attracting, retaining and developing talent is shared across all levels of management of the Company. Recruitment at GWL is a conduit for careers across the Weston Group of companies. We see our investment in recruiting and growing exceptional leaders as a strategic imperative and are proud to offer challenging and rewarding careers.

Deployment of Human Capital

A strategic focus of GWL is the identification, recruitment and development of high calibre talent. Recruiting diverse colleagues with a range of skills and exposing them to our operating businesses enables them to develop into high-performing talent that can be transferred to our operating businesses, complementing the robust talent initiatives already in place at Loblaw and Choice Properties.

Employee Development Programs

Program Name	Overview
Leadership, Engagement, and Development	• Program in place for high-potential colleagues which promotes knowledge-sharing, embeds the behaviours that support our culture, and allows for the practice of new leadership behaviours within participants' current roles
Mentorship	• Mentoring program in place to help colleagues develop both professionally and personally through shared experience • Provides mentors with the tools necessary to develop potential as an emerging and effective leader
Tuition Reimbursement	• Reimbursement for approved courses related to current role or career development goals
Internal Training Program	• Launched in 2020, a web-based learning platform for all colleagues to access courses related to their role or career development goals
Graduate Rotation	• Launched in 2019, this program is an actively managed development program for new graduates
Secondment	• Deploying colleagues into, and receiving colleagues from, the operating businesses
Annual Performance Reviews	• Offers colleagues the opportunity to have meaningful conversations with their managers about their performance, growth and development



Colleague Engagement Survey

- Voluntary survey seeks input on levels of Engagement and Happiness, Leadership effectiveness, and levels of Collaboration and Compliance
- Annually completed since 2018
- Participation rate of 98% in 2024
- Results are benchmarked year-over-year
- Annual Action Plans are established based on survey results

98%

participation rate in the Annual Colleague Engagement Survey in 2024

Culture Working Groups, Quarterly Town Halls, Training Sessions, Ethics and Compliance Integrity Action Hotline, "Let's Talk" sessions with senior leaders, Internal Communications and Intranet

Social Responsibility

At George Weston Limited, we believe our responsibility as a business extends beyond our shareholders to the community at large.

In 2010, George Weston successfully launched the Weston Seeding Stronger Communities employee engagement program to raise funds for charitable organizations. The Company and its employees have supported a number of significant causes, including charities encouraging the nutritional and physical well-being of children across North America.

WESTON SEEDING stronger communities





NORTH YORK HARVEST FOOD BANK

$321,508

in funds raised for North York Harvest Food Bank in 2024. The mission of the North York Harvest Food Bank is to engage the community in meeting the food needs of northern Toronto by providing dignified food assistance, education, focused advocacy, and long-term food solutions.



Pathways to Education

$120,891

in funds raised in 2024 for Pathway to Education Canada, an organization that provides youth in low-income communities with academic, financial and social support to remove barriers to high school graduation and promote positive youth development.

Supplemental Information



In this section:

30 Ensuring Reliability of our ESG Disclosures

31 SASB Table

34 GWL Statement of Corporate Governance and Practices

36 Forward-Looking Information

Ensuring Reliability of our ESG Disclosures

At GWL, we recognize the importance of ensuring the accuracy and reliability of our ESG disclosures. That is why we have built a robust control environment and testing program that validates the accuracy of the ESG information and further supports GWL's commitment to transparency and accountability. We will continue to evolve and strengthen our control environments as necessary to ensure that the integrity and reliability of our disclosures meet the expectations of our stakeholders in an evolving landscape.

Control Environment

Across the Weston Group, Management is responsible for establishing and maintaining adequate internal controls over ESG disclosures and have implemented a control environment which mirrors the Internal Controls over Financial Reporting (ICFR) framework. To ensure consistency, accuracy, completeness, timeliness, relevance, and alignment with the overall strategy, Management has established a rigorous process which is applied to all ESG disclosures. The foundation of this control environment is the Three Lines of Defense model.

The control environment and internal control testing responsibilities are reflective of the ESG programs and teams at each company within the Weston Group. For GWL and Choice Properties, the Internal Controls Compliance function is responsible for executing against the testing program and to ensure ESG disclosures are accurate. At Loblaw, the ESG Integration and Reporting and Finance functions play a similar role.

Similar to the ICFR framework, in designing such a control environment, it should be recognized that due to inherent limitations, any control, no matter how well designed and operating, may not prevent or detect misstatements.

Assurance

As we continue to mature our ESG program, our goal is to obtain the appropriate level of assurance over our ESG disclosures.

At Loblaw, the Internal Audit team was engaged to perform a review over a risk-based subset of quantitative information disclosed in the Loblaw ESG Report. Additionally, Loblaw's external auditor, PricewaterhouseCoopers LLP was engaged to perform limited assurance over its select performance metrics for the current reporting year. Loblaw will continue to assess and determine the appropriate level of assurance required for its key ESG disclosures.

A copy of the Limited Assurance report can be, found in Loblaw's 2024 Early Release of Priority 2024 ESG Disclosures, available on Loblaw's website at www.loblaw.ca.

At Choice Properties, the Internal Controls Compliance team evaluates the design and tests the operating effectiveness of ESG controls regarding the preparation of the ESG report. Choice Properties' external auditor, PricewaterhouseCoopers LLP, provided assurance of select Choice Properties 2024 ESG performance metrics to a limited level of assurance in accordance with the requirements of Canadian Standard on Assurance Engagements ("CSAE") 3000, Attestation Engagements Other than Audits or Reviews of Historical Financial Information and CSAE 3410, Assurance Engagements on Greenhouse Gas Statements, as well as International Standards on Assurance Engagements ("ISAE") 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas Statements. A copy of the Statement of Assurance can be found in Choice Properties' 2024 ESG Report.

Given the specific ESG program at the corporate centre, we continue to assess and determine the appropriate level of assurance required for our key ESG disclosures.

Oversight

The Audit Committee of the Board of Directors oversees the adequacy and effectiveness of applicable ESG controls. In addition, the Audit Committee reviews the results of assurance engagements.

SASB Table

George Weston Limited, as a publicly traded holding company, has identified the following topics and activity metrics as key issues against which it is able to disclose as a publicly traded company.

Sustainability Accounting Standards Board (SASB) Table

Topic	Code	Accounting Metric	Data / Disclosure	Additional Information
Employee Diversity & Inclusion	FN-AC-330a.1	Percentage of gender and racial/ ethnic group representation for (1) Executive Management, (2) Non-Executive Management, (3) professionals, and (4) all other employees	**Gender representation[1]:** (1) Executive Management[2] – 29% (2) Middle Management[3] – 66% (3) Not Reported (4) Not Reported **Minority representation:** (1) Executive Management[2] – 29% (2) Middle Management[3] – 47% (3) Not Reported (4) Not Reported	As per the George Weston Limited, Code of Conduct -Being a great place to work starts with RESPECT. The Blue Culture at George Weston Limited cultivates an inclusive and respectful work environment. This includes treating our employees with dignity and fairness, and maintaining a workplace that is free of harassment, discrimination and violence. It also means welcoming employees with different backgrounds, perspectives and capabilities. This diversity brings us a wealth of experience that makes us a better and more effective team.
Business Ethics	FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti- competitive behavior, market manipulation, malpractice, or other related financial industry laws or Regulations	George Weston Limited did not sustain any monetary losses in 2024 as a result of legal proceedings associated with the described conduct. George Weston Limited discloses all material legal and regulatory proceedings in its Annual Report and Quarterly Reports to Shareholders.	

Footnotes

1. Current disclosure is limited to Executive Management and Middle Management based on available data. George Weston Limited intends to report against additional metrics in future.
2. Executive Management is defined as positions with title Vice President or above and Heads of business divisions.
3. Middle Management is defined as positions with the titles Senior Manager to Senior Director.

Sustainability Accounting Standards Board (SASB) Table

Topic	Code	Accounting Metric	Data / Disclosure	Additional Information
Business Ethics (continued)	FN-AC-510a.2	Description of whistleblower policies and procedures	It is absolutely essential that George Weston Limited's employees act with integrity and take personal accountability in all interactions when representing the Company. INTEGRITY is the foundation upon which our Company was built. It continues to be the basis for our strong reputation and our loyal relationships. To protect that legacy–and because we believe it to be right–all of the Company's employees must conduct themselves in an ethical, lawful, and professional manner. George Weston's Code of Conduct establishes the framework by which an employee or any third party must report a concern. George Weston makes available a Business Integrity Hotline and reporting website, which is administered on behalf of George Weston by an independent external third party. George Weston Limited's Code of Conduct provides an overview of the framework for reporting illegal or unethical conduct. Every year, our employees complete mandatory compliance training that includes the Code of Conduct. The Company prohibits employees from retaliating against anyone who speaks up in good faith with a concern about another employee. Any employee who retaliates against another employee who has made a report is subject to discipline up to and including termination of employment.	Code of Conduct
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), and (3) number of account holders affected	Substantiated complaints regarding breaches of privacy and data (1) 0 in 2024 (2) 0 in 2024 (3) Not Applicable	
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	George Weston Limited recognizes cyber and technology threats will continue to increase in frequency and sophistication. The Company is committed to protecting its corporate and stakeholder information from current and future threats by implementing a security management framework which aligns with industry best practices, including: National Institute of Standards and Technology (NIST) and the Information Security Forum (ISF). **What data security means:** Data security prevents the unauthorized access and leakage of sensitive, protected, or confidential information. This includes protecting George Weston's information assets against the exploitation of system vulnerabilities, social engineering, phishing, viruses, malware, and other cyber threats. **Oversight for Data Security:** The Company has a dedicated technology and cybersecurity team comprised of skilled professionals who manage information security and operational controls. The Audit Committee provides oversight and governance of the cybersecurity program and reviews quarterly reports from Management. **Responsibility for Cybersecurity:** At GWL, "Cybersecurity is everyone's responsibility", and this duty is shared with colleagues through our multifaceted security awareness program. A comprehensive cybersecurity knowledge assessment and tailored awareness training are delivered to all new colleagues as part of their on-boarding process with the Company. All colleagues are required to complete security training, which focuses on identified risks or emerging threats, and are subject to monthly phishing simulations. George Weston is committed to building and reinforcing a sound security foundation by providing appropriate management support and instilling a culture of security awareness across the organization, including: • Effective risk management and compliance monitoring; • Appropriate segregation of duties, organizational structure, reporting lines, authorities, and security responsibilities; • A security risk monitoring function that applies key risk indicators providing insight into our operations and risk profile. Additional Information can be found on pages 19 - 20 (Cybersecurity) of this report.	

Sustainability Accounting Standards Board (SASB) Table				
Topic	**Code**	**Accounting Metric**	**Data / Disclosure**	**Additional Information**
Data Security (continued)			**Information and Cybersecurity at George Weston Limited:** The Company leverages information security maturity assessments based on the ISF Security Healthcheck and NIST CSF Implementation Tiers to understand the current state of its cybersecurity program. Maturity scores are further used as inputs to influence cybersecurity strategy, investments, and roadmap. To maintain its security posture, George Weston Limited regularly reviews its standards, procedures, and guidelines to ensure they are relevant and address current risks and regulatory requirements. George Weston augments internal capabilities with a third-party managed detection and response (MXDR) service that provides 24/7 threat monitoring. Integrations from security tooling are fed into the service to continuously monitor security infrastructure. George Weston employs an in-depth approach to security which aligns with the NIST Cybersecurity Framework (Identify, Prevent, Detect, Respond, Recover). George Weston is committed to building and reinforcing a sound security foundation by providing appropriate management support and instilling a culture of security awareness across the organization, including: • Effective risk management and compliance monitoring; • Appropriate segregation of duties, organizational structure, reporting lines, authorities, and security responsibilities; • A security risk monitoring function that applies key risk indicators providing insight into our operations and risk profile. George Weston invests in its people, process, and technology to mitigate cybersecurity risk. These practices include using industry benchmarks, assessing the effectiveness of controls, and adjusting the course of the Company's program in response to threat conditions. George Weston Limited's cybersecurity program undergoes regular audits from independent parties, both internal and external. The outcomes of these audits and resulting action plans are an integral part of the security program lifecycle. **Highlights of the 2024 Information Security program:** • Completed various audits and assessments without any critical or high findings. No incidents of significance were reported throughout 2024. • Improved the ISF maturity score through enhanced security governance, technical security management, system management domains. • Improved controls across several domains, including: physical and environment, physical asset, information and people management. • Continued Cybersecurity Education and Awareness program through tailored training, mandatory assessments, and regular phishing simulations. • Enhanced cyber asset management with external attack surface monitoring capabilities, improving visibility of non-core assets. • Evolved cybersecurity governance framework by introducing new standards and guidelines which address emerging risks, such as generative AI.	

GWL Statement of Corporate Governance Practices

Governance			
Approach	**Reference**	**Application**	**Highlights**
Majority Voting Policy	See Policy on www.weston.ca	Annual election of Directors by shareholders. Director in an uncontested election who does not receive a majority of votes cast in favour of their election must tender their resignation. Governance Committee reviews resignation and makes recommendation to the Board.	At least 97% of total votes cast at the 2024 Annual Meeting of Shareholders were cast in favour of each of the Directors.
Independence Statement	See page 16 of this ESG Report for additional detail	Majority of the Board to be comprised of independent Directors.	71% of Director nominees are independent. 100% of Audit Committee members are independent. 100% of Governance Committee members are independent.
Board Effectiveness	See Management Proxy Circular for additional detail on www.weston.ca	Ensures that the Board and its Committees are functioning effectively and independently.	Annual assessment of the performance and effectiveness of the Board and its Committees, and Committee Chairs. Independent Lead Director in place to drive strong independent Board oversight.
Share Ownership Policy	See Management Proxy Circular for additional detail on www.weston.ca	Aligns the interests of Directors and executives with those of shareholders. Applies to Directors and Senior Executives.	All Directors and Executives either satisfy the required level of share ownership or are in the process of accumulating the securities as required under the policy.
Continuing Education	See Management Proxy Circular for additional detail on www.weston.ca	Ensures relevant continuing education sessions are provided to Directors.	16 continuing education sessions were provided to a Committee or the Board in 2024.
Director Tenure Guidelines	See Management Proxy Circular for additional detail on www.weston.ca	Fosters ongoing renewal of the Board's membership. Chairman and Governance Committee Chair assess each Director's continued participation on the Board upon the Director reaching the age of 75 and annually thereafter, or upon a change in the Director's principal occupation.	29% of Director nominees have tenure of 0 to 5 years. 29% of Director nominees have tenure of 5 to 10 years. 42% of Director nominees have tenure of 10+ years. Average tenure of 8.0 years.
Director Interlock and Commitments Policy	See Management Proxy Circular for additional detail on www.weston.ca	Ensures that interlocking Director relationships will not adversely affect independent judgement. Prohibited interlock occurs when more than two Directors, other than the Chairman, sit on the Board of another public entity. Governance Committee reviews interlocking Directors. Prohibits Directors from serving on the Board of Directors or Trustees, of more than four publicly traded entities, including the Company, unless otherwise approved by the Governance Committee.	Zero prohibited interlocks among independent Directors and among Director nominees. No independent Directors or Director nominees, currently sit on the Boards of more than four publicly traded entities.
Related Party Transactions	See Management Proxy Circular for additional detail on www.weston.ca	Oversight of related party transactions rests with the Audit Committee. The Board approves significant related party transactions within the Weston Group (as defined below).	Quarterly reports on related party transactions delivered to the Audit Committee. The Board oversaw all significant related party transactions in 2024.
Corporate Opportunities Principles	See Management Proxy Circular for additional detail on www.weston.ca	Framework established to facilitate decision-making process to deal with corporate opportunities which could be of interest to more than one entity in the Weston Group.	Annual review of strategic focus areas for each of the main businesses in the Weston Group. Annual review of corporate opportunity principles against entity strategies.
Advisory Vote on Executive Compensation (Say-On-Pay)	See Management Proxy Circular for additional detail on www.weston.ca	Provides shareholders with an opportunity to vote on the Company's approach to executive compensation.	96.94% of votes cast at the 2024 Annual Meeting of Shareholders were cast in favor of the Company's approach to executive compensation.
Executive Clawback Agreement	See Management Proxy Circular for additional detail on www.weston.ca	Deterrent to executives taking excessive risk.	Part of overall executive compensation program designed to align interests of the executives with the shareholders of the Company.

Compliance and Ethics

Approach	Reference	Application	Highlights
Code of Conduct and Culture	See Code of Conduct on www.weston.ca	Reflects the Company's commitment to high standards of ethical conduct and business practices. Addresses conflicts of interest, compliance with laws, rules and regulations, confidentiality and fair dealing. Promotes a respectful environment and encourages employees to help shape culture by speaking up and challenging behaviours when they do not align with the Company's values. Oversees the management of culture across the Company.	Annual review and approval of the Code of Conduct and collaboration with Management to set the tone from above and promote a strong governance culture. Annual acknowledgment by the Company's employees and Directors of their commitment to abide by the Code of Conduct. Regular meetings with the Chief Talent Officer, Chief Legal Officer and Chief Risk Officer to review key matters and progress on programs that strengthen enterprise culture and conduct.
Ethical Business Conduct	See page 17 of this ESG Report and the Management Proxy Circular for additional detail on www.weston.ca	Integrity Action Line – Toll-free number that any employee or Director can use to report conduct thought to violate the Code. Anti-Fraud Policy – Fraud reporting protocols established to ensure fraud reporting to Senior Management. Accounting, Auditing and Internal Controls Procedures - outlines the procedures for receipt and treatment of complaints received in connection with accounting, internal controls, disclosure controls or auditing matters.	Annual review of the Anti-Fraud Policy and the Accounting, Auditing and Internal Controls Procedures by the Audit Committee. Regular compliance reporting to the Audit Committee.
Securities Trading Policy	See Management Proxy Circular for additional detail on www.weston.ca	Addresses trading restrictions for the Company's employees and others subject to the policy. Addresses procedures for the reporting of trades by the Company's reporting insiders.	Annual review and approval of the policy Prohibits trading, directly or indirectly, in the securities of Weston, Loblaw or Choice Properties while in possession of material undisclosed information.
Disclosure Policy	See Management Proxy Circular for additional detail on www.weston.ca	The Disclosure Committee is responsible for the administration and implementation of the Disclosure Policy. Describes the processes and procedures of the Company in connection with the timely disclosure of material information. Provides direction and guidance on communications with external audiences. Establishes consistent guidance for determining what information is material and avoiding selective disclosure.	Quarterly review of disclosure documents, including the interim Management's discussion and analysis, interim financial statements and news releases. Quarterly review and reporting on the application of non-GAAP measures. Annual review of the management proxy circular and annual information form. File all continuous disclosure documents within the required timelines, including earnings releases, annual and interim reports, annual information form and management proxy circular.

Environmental, Social and Governance

Approach	Reference	Application	Highlights
Mandate of the Board	See Mandate on www.weston.ca	Oversight of group-wide approach to ESG. Oversight of the Company's approach to ESG.	Oversees and monitors the Company's approach, policies and practices related to ESG matters. Receives periodic reports on ESG initiatives and reviews and approves the Company's ESG report annually Receives periodic updates on key ESG initiatives at Loblaw and Choice Properties. Oversees inclusion, employee engagement, employee health, safety and well-being.
Mandate of the Audit Committee	See Mandate on www.weston.ca	Review of the controls related to the Company's ESG disclosure.	Reviews the adequacy and effectiveness of applicable controls related to the Company's ESG disclosures. Receives updates on ESG-related trends and regulatory changes impacting disclosures.
ESG Reporting	www.loblaw.ca/en/responsibility www.choicereit.ca/sustainability	Cross-functional management working team with representation from all the operating businesses of the Weston Group to advance ESG initiatives.	Alignment on ESG reporting strategy across all the operating businesses of the Weston Group.
Board Diversity Policy	See Management Proxy Circular for additional detail on www.weston.ca	40% target for representation of people who identify as women and 25% target for representation of people who identify as visible minorities on the Board by the end of 2028. Annual self-identification on designated group membership.	43% of Director nominees identify as women. 29% of Director nominees identify as visible minorities. Annual assessment of Board composition.
Management Diversity and Inclusion Programs	See page 21 of this ESG Report and Management Proxy Circular for additional detail on www.weston.ca	Diversity and Inclusion training sessions held to generate awareness and implement activities that embed diversity principles into the culture of the organization. Diversity, Equity & Inclusion Committee, comprised of a cross section of employees from across the organization and sponsored by the executive leadership team. Consider diversity at the talent development and succession planning process at various senior levels. Annual self-identification on designated group membership. Target that by the end of 2028, at least 45% of Vice President or higher positions, and at least 45% of Senior Manager to Senior Director positions be held by people who identify as women and 25% of Vice President or higher positions and 30% of Senior Manager to Senior Director positions be held by people who identify as visible minorities.	29% of Vice President or higher positions and 66% of Senior Manager to Senior Director positions were held by people who identify as women and 29% of Vice President or higher positions and 47% of Senior Manager to Senior Director positions were held by people who identify as visible minorities. Training sessions held on Diversity, Equity and Inclusion, including training on Respect in Our Workplace completed by all employees.

Forward-Looking Information

This ESG Report may contain forward-looking information within the meaning of applicable securities legislation which reflects the Company's current expectations regarding future events.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, assessing forward-looking ESG metrics and risks, and climate metrics and risks in particular, is more complex and longer-term in nature than traditional business metrics and risks. Many forward-looking methodologies are new and evolving, and there is limited guidance from methodology providers on the calculation or comparability of these measures. In particular, uncertainty around future climate-related policy can contribute to greater variation intransition pathway models. Future updates to factors such as changes in global emissions, available technologies or economic conditions may result in changes to the Company's net-zero path, resulting in changes to the Company's targets. This ESG Report is informed by the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) standards, the United Nations Sustainable Development Goals (SDGs) and the Task Force on Climate-Related Financial Disclosures (TCFD). The Company regularly monitors the development of provincial and international ESG reporting regulations, standards and frameworks including those published by the International Sustainability Standards Board (ISSB), for their relevance and usability, as well as stakeholder expectations regarding these standards. The Company will periodically assess the comparability and appropriateness of its metrics and targets, and, where appropriate, incorporate new insights, data, models and tools into the Company's ongoing assessment of ESG matters, including climate change. The Company expects its ESG disclosures to continue to evolve as reporting regulations, standards and frameworks mature.

The information in this ESG Report reflects what the Company and its operating businesses believe is the best available data and, in the case of climate change disclosures, best available scenario projections. Where appropriate, including in setting greenhouse gas reduction targets and making climate disclosures, the Company and its operating businesses have made reasonable and good faith approximations and assumptions. However, there are many factors that the Company may not foresee or that it may be unable to predict accurately. The Company's ability to achieve its ESG goals is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information and may require the Company to adjust its ESG initiatives, activities or plans to reflect a changing landscape. Such risks and uncertainties include, but are not limited to, the Company's and its operating businesses' ability to meet their greenhouse gas reductions targets; the availability, accessibility and suitability of comprehensive and high-quality data; the need for active and continued participation of the Company's stakeholders; the development of consistent, robust and comparable ESG metrics and methodologies, in particular in respect of climate change; the development and deployment of new technologies and industry-specific solutions; international cooperation; the development of provincial, national and international laws, policies and regulations in respect of ESG matters; and the factors discussed in the Company's current Annual Information Form and most recent MD&A. The forward-looking statements in this ESG Report are presented for the purpose of assisting investors and other stakeholders in understanding our ESG priorities, strategies and objectives, and may not be appropriate for other purposes. Undue reliance should not be placed on the forward-looking information in this ESG Report. The Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. All forward-looking statements contained in this ESG Report are made as of the date hereof and are qualified by these cautionary statements.

For More Information

For more information about sustainability at Choice including this and our previous ESG reports, please visit our website at www.weston.ca and/or email investor@weston.ca.

ESG at Loblaw

Guided by its purpose to help Canadians Live Life Well®, Loblaw aspires to contribute to the long-term prosperity of the communities in which it operates.

As one of the largest retailers and private-sector employers in the country, including the hundreds of small businesses operated by its franchisees and associate-owners, Loblaw has a unique opportunity to impact the issues that matter most to Canadians. Specifically, Loblaw believes that by fighting climate change and advancing social equity, it can be part of improving the lives of Canadians now and in the future.

Loblaw Companies Limited

With its scale and reach, Loblaw recognizes its unique position – and responsibility - to make a meaningful difference in the lives of Canadians. Its purpose, to help Canadians Live Life Well®, extends beyond providing essential goods and services; it's about investing and building a sustainable and equitable future for the communities it serves. Loblaw creates jobs, employing hundreds of thousands of Canadians, it provides access to affordable and fresh food, working with local farmers and producers and supporting community healthcare initiatives. Loblaw invests in Canadian cities and towns, by proudly partnering with hundreds of Canadian businesses of all sizes.

Loblaw's 2024 ESG Report is included here and is available on Loblaw's website. This report reflects Loblaw's holistic approach to creating a more sustainable and equitable future for all. Loblaw holds itself accountable through measurable targets, transparent disclosures, proactive stakeholder engagement, and governance practices. By integrating environmental, social, and governance considerations into its operations, Loblaw aims to build more resilient and prosperous communities for generations to come.



Live
Life
Well®













2024 Environmental, Social, and Governance Report

Loblaw Companies Limited

In This Report

At its core, Loblaw Companies Limited ("Loblaw", the "Company", "we", or "our") is a network of more than 2,800 locations passionately operated by independent franchisees, associate-owners and corporate colleagues. Together, we provide life's everyday essentials to more Canadian families than any other, and as such, our prosperity is directly linked to the prosperity of the communities we serve. It is a great part of being a truly Canadian company and underpins the conviction with which we have been fighting climate change and advancing social equity for nearly two decades.

In this report, we outline our progress in these areas of strategic importance that matter to the country as a whole; to the 220,000 colleagues and employees who work at Loblaw; and to the millions of customers who choose to shop with us every single week. As such, our focus in these areas also matters to our shareholders as it directly contributes to the overall success of our business and makes Canada stronger – now and for decades to come.

More specifically:
Fighting climate change requires decisive action to help mitigate the environmental causes and effects of climate change. It entails reducing CO_2 emissions, achieving net-zero goals, minimizing food waste, and aligning with the Golden Design Rules for plastic packaging[1].

Advancing social equity involves building a diverse and inclusive workforce that adds rich perspectives and skill sets to how we deliver our customer experience and that reflects the communities we serve. It also involves supporting the health and well-being of women and children – both of which are key to the success and prosperity of Canada as a whole.

For well over a century, Loblaw has been tightly woven into the fabric of life in Canada, and we are committed to contributing positively for years to come. This report reflects our holistic approach to creating a more sustainable and equitable future for all through accountability, measurability, transparency, good corporate governance and proactive stakeholder management.

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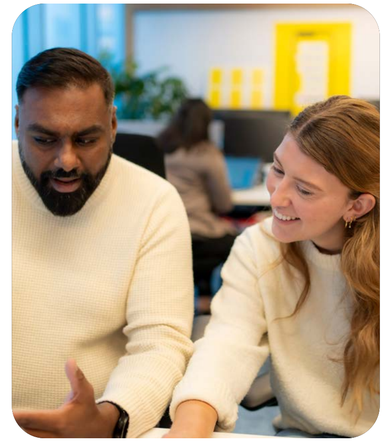






Reading and Understanding this Report

This report covers Loblaw's 2024 fiscal year ending December 28, 2024. Unless otherwise noted, data included relates to this time period and all monetary figures in this report are presented in Canadian dollars.

Our reporting and data measurement methods are consistent with those used in the Company's 2023 Environmental, Social, and Governance report and relate specifically to our corporate operations, which includes our corporate-owned retail stores, distribution centres and offices. Where appropriate and available, we also indicate the inclusion of information relating to grocery franchisees, T&T®, and Shoppers Drug Mart®/Pharmaprix® associate-owned locations.
Loblaw publishes various disclosure documents focused on how it is addressing environmental and social issues. Annually, we analyze third-party disclosure frameworks to determine reporting alignment based on global prominence, reputation, and relevance to our ESG strategy, risk management, and material topics. This report references and/or is aligned to disclosures from the Global Reporting Initiative ("GRI") Standards 2021, as well as the Sustainability Accounting Standards Board ("SASB") Food Retailers Standard, Drug Retailers Standard, Consumer Finance Standard, and Apparel, Accessories and Footwear Standard. It takes additional reporting guidance from the UN Sustainable Development Goals ("UN SDGs") and the Task Force on Climate-Related Financial Disclosures ("TCFD"). Our goal is to deliver robust and transparent disclosures in a timely manner for our stakeholders. As such, our disclosures also take guidance from the International Sustainability Standards Board ("ISSB") International Financial Reporting Standards ("IFRS") S1 General Requirements for Disclosure of Sustainability-Related Financial Information ("S1"), and IFRS S2 Climate-Related Disclosures ("S2"). Loblaw is planning to align fully with the IFRS standards as endorsed by the Canadian Sustainability Standards Board ("CSSB") when required by the Canadian Securities Administrators ("CSA"). Supplemental information is available in table format on our data sheets. Please also see our ESG forward looking statements.

This report is provided solely as an update on the Company's Environmental, Social, and Governance initiatives and is not intended to promote any specific product or service of the Company or any of our suppliers. Customers should consult the applicable product label or service terms when making purchasing decisions.

For the latest updates regarding our Environmental, Social, and Governance progress, please see our website https://www.loblaw.ca/en/responsibility/.
Please direct inquiries to: responsibility@loblaw.ca.

SASB STANDARDS
Now part of IFRS Foundation

IFRS ISSB

FRAS Sustainability Financial Reporting & Assurance Standards Canada

GRI

SUSTAINABLE DEVELOPMENT GOALS

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

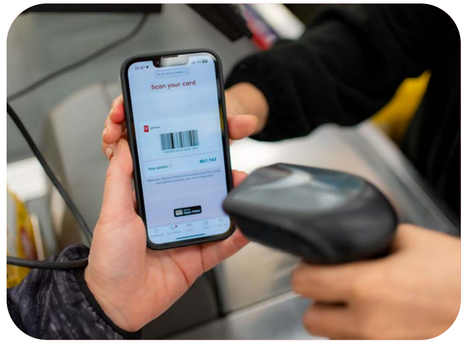


About Loblaw

Committed to Canada's prosperity and driven by purpose – helping Canadians Live Life Well®

Proudly Canadian, Loblaw aims to deliver consistent business growth and shareholder returns through solid strategic planning and corporate governance. By embedding objectives related to fighting climate change and advancing social equity into its business strategy, the Company is ensuring that its actions contribute to the prosperity of the business, its customers, and the nation as a whole.

Loblaw is Canada's food and pharmacy leader and the nation's largest retailer, providing grocery, pharmacy, health and beauty, apparel, general merchandise, financial services and wireless mobile products and services. The company operates more than 1,100 grocery stores that span the value spectrum from hard discount to conventional, and more than 1,350 convenient Shoppers Drug Mart® and Pharmaprix® locations that are often healthcare hubs for their communities as well as Lifemark Clinics. These stores and pharmacies carry some of Canada's favourite consumer brands in President's Choice®, Farmer's Market™, no name® and Life Brand®.



$1 billion +
value of PC Optimum™ points redeemed by customers

25% average savings
by switching from comparable brand to no name®

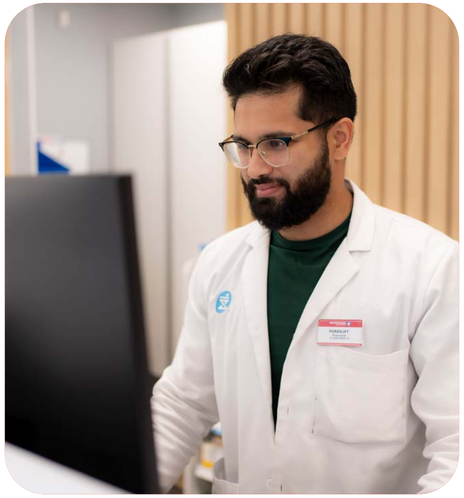
3 of Canada's top ten brands[2]
President's Choice®, no name® and Farmer's Market™



220,000 colleagues and employees









$2.2 billion invested back into the Canadian economy, improving access to more affordable food and healthcare services

60 + new or converted hard discount stores

90% of Canadians living within 10 kilometres of one of our stores

Raised and donated
$212 million

More than **2,800** stores, pharmacies and clinics

HARD DISCOUNT · SUPER MARKET · SHOPPERS DRUG MART · Financial® · JOE FRESH

Message from our President and CEO



Nearly two decades ago, for the first time, Loblaw publicly released a report outlining the many things it was doing in the areas of environmental responsibility, sourcing, community investment, diversity and more. The report was simply entitled “The Way We Do Business.”

Eighteen years later, we are as committed as we have ever been to the principles outlined in that initial report, only now we organize our efforts around two concepts: fighting climate change and advancing social equity. The language we use now might be different – language does, after all, change to meet the needs of the day – but our focus is not. These notions remain central to the way we do business at Loblaw and represent an important opportunity for us to help Canada and Canadian communities prosper.

Our commitment has been unwavering for one simple reason: we fundamentally believe that fighting climate change and advancing social equity are what is right for business. Success in these areas contributes to our financial performance, inspires operational excellence, helps foster a corporate culture that motivates and engages our people, and contributes to the success of our 2,800 locations across the country. And when these locations succeed, our communities and our country succeed too. As a proudly Canadian company, we believe the best outcome is one where we all prosper.

With this in mind, in 2024 we continued to take the steps required to ensure our ongoing success. Our commitments around fighting climate change – which include plastics recyclability, food waste and carbon emission reductions – are owned, not by a centralized committee, but by our business functions themselves. As a result, our strong results stem from how we have operationalized and embedded ownership within the business:

- We achieved a 16% reduction in our carbon emissions relative to our 2020 baseline;
- Our control brand plastic packaging is now more than 90% compliant with the in-scope Golden Design Rules standards we helped to set for design, production, and recyclability;
- Our food waste reduction efforts are more consistent and systematic than ever, helping us divert more than 80,200 metric tonnes of food from landfill.

> “As a proudly Canadian company, we believe the best outcome is one where we all prosper.”

Our efforts to help advance social equity focus intentionally on inclusion – both within our network, and in support of women and children, all of which play a central role in Canada’s strength and wellbeing:

- We trained more than 198,000 of our colleagues and employees on fundamental Diversity, Equity and Inclusion topics all across the country;
- We are establishing new representation goals for women and visible minorities in our business, after having made tremendous progress against our previously shared objectives;
- We raised and donated more than $22.5 million for President’s Choice Children’s Charity and $12.5 million for the Shoppers Foundation for Women’s Health™;
- Our Feed More Families™ program has donated the equivalent of 120 million pounds of food to community-based organizations from coast to coast since the launch of the program in 2022.

I’m immensely proud of all that we achieved in 2024, and the impact we are having on our communities and on the country as a whole. Of course, this success is a direct reflection of the 220,000 people who work in our stores, pharmacies, clinics, supply chain facilities and offices. To them, fighting climate change and advancing social equity are more than words; they are a call to action, which they are answering every single day.



Per Bank
President &
Chief Executive Officer

Leading with Purpose: Enabling Canadian Prosperity

Our Approach to Environmental Sustainability and Social Impact

When Canadian communities are strong, so too is our business. That is why, grounded by our purpose – helping Canadians Live Life Well® – we are committed to fighting climate change and advancing social equity. We want Canada to flourish, now and forever.

Fighting Climate Change

As an industry leader on environmental action for decades, we are building on our success with an emphasis on reducing our greenhouse gas ("GHG") emissions and eliminating waste from our business. Through these and other actions, we aspire to:



- Achieve net-zero by 2040 for our enterprise operating footprint[3], and 2050 for our Scope 3 emissions. (More information on climate action)



- Tackle plastic waste by making all control brand and in-store plastic packaging recyclable or reusable in accordance with the in-scope Golden Design Rules by 2025[4]. (More information on plastics)



- Send zero food to landfill by 2030. (More information on food waste)

Advancing Social Equity

Our social responsibility extends throughout our workforce and into the communities we serve. We aim to build a diverse, inclusive workforce, and support the health of women and children, who we believe are the building blocks of prosperous communities. Our activities include the following:



- Support President's Choice Children's Charity ("PCCC"), Canada's top non-government provider of direct-to-school kids' food nutrition programs, as they seek to raise $150 million by 2027 and aim to reach 1 million children a year by 2025. (More information on community engagement)

- Our Feed More Families™ program has a goal to donate 1 billion pounds of food to community-based food charities[5]. (More information on community engagement)

- Achieve representation goals for management, executives, and our Board of Directors by the end of 2024. (More information on representation goals)

- Create a ripple effect of inclusion and empathy in our communities by providing fundamental diversity, equity and inclusion training to 200,000 colleagues and employees by the end of 2024. (More information on inclusion training)



- Shoppers Foundation for Women's Health™ aims to invest $50 million by 2026 to support initiatives that improve women's access to care. (More information on community engagement)

Stakeholder Engagement

The Weston Group of Companies

Loblaw is part of the Weston Group of Companies along with George Weston Limited ("Weston" or "Weston Group") and Choice Properties Real Estate Investment Trust.

The Weston Group has adopted principles that help guide each company's approach to Environmental, Social, and Governance practices, the details of which are included in Weston's Environmental, Social and Governance Reports.

Aligning Priorities

We believe in working closely with our stakeholders – all individuals and organizations connected to our business – to collaboratively resolve environmental, social, and governance issues. Through engagement, we actively solicit their feedback and insights. This approach allows us to develop and advance our programs in a way that reflects our shared responsibility for a sustainable future. For a full list of stakeholder engagement channels and their respective points of interest, please refer to our data sheets.

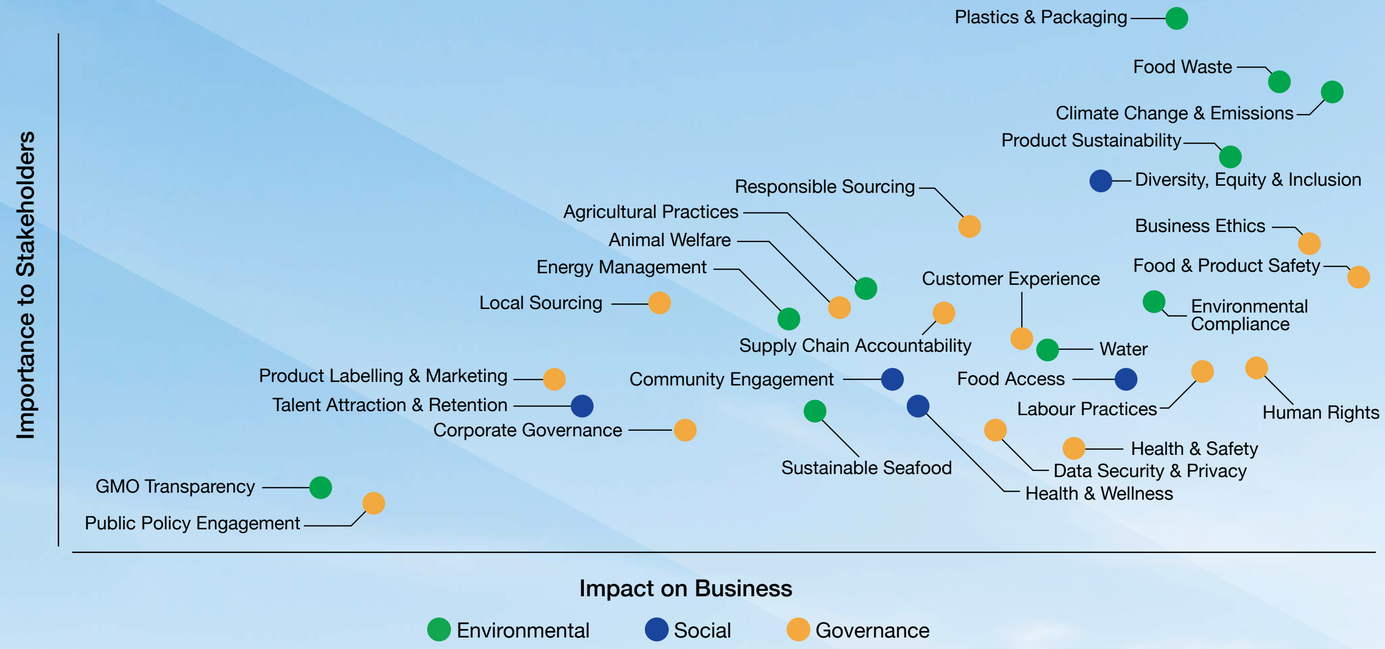
United Nations Sustainable Development Goals

We recognize the importance of the United Nations ("UN") 2030 Agenda for Sustainable Development, and the UN's ambition to rally the global community to take necessary action to bring about inclusive, equitable and sustainable development for people and the planet through a focus on 17 Sustainable Development Goals ("SDGs"). Our purpose and our efforts align with many SDGs, and we have identified SDGs 2, 3, 5, 12, 13, 15 and 17 as most relevant to our enterprise operations.

Materiality

In 2021, we conducted a materiality assessment following GRI Standards 2016, identifying key issues impacting our business and those that are important to our stakeholders. Engaging a third-party consultant, we surveyed over 600 internal and external stakeholders, including colleagues, suppliers, government entities, academia, Non-governmental organizations ("NGOs"), and investors. This survey gauged the significance, relevance, impact, and perception of select Environmental, Social, and Governance issues, considering familiarity with our sustainability practices and evolving sustainability concerns. Acknowledging investors' growing influence, targeted interviews were conducted to understand their top sustainability concerns.

Although we intended to undertake an assessment in 2024, the ISSB's proposed materiality assessment requirements led us to defer this to ensure alignment with IFRS S1 and S2 standards once required by the CSA in Canada.



This materiality assessment reflects the input of a broad range of stakeholders and may not align with the enterprise risk assessments of Company Management.

Governance

Environmental, Social, and Governance matters have the potential to impact business operations, regulatory compliance, reputation, and financial outcomes, and are therefore an important area of focus for the Loblaw Board of Directors and its committees. The Board oversees and monitors the Company's approach, policies, and practices related to these matters.

Loblaw has an Environmental, Social, and Governance Steering Committee comprised of senior leaders who guide the Company and its colleagues on the program and related activities and is tasked with ensuring that the Company considers and adopts leading practices and programs. Responsibilities include overseeing strategic business objectives for commitments and targets, as well as setting the "tone from the top" to foster an ESG-focused culture within the organization. The Steering Committee also provides leadership to the various Management committees which are responsible for setting priorities and implementing and monitoring Environmental, Social, and Governance related initiatives across the organization. Our programs and practices are designed to align with industry-leading standards and to support the achievement of our business objectives, including our commitments and targets. Please see the Governance section of this report for more information.

Strategy

When Canadian communities thrive, our business thrives too, which is why we have a vested interest in fighting climate change and advancing social equity. Proudly Canadian for over 100 years, Loblaw has been a cornerstone of communities from coast to coast to coast, and as we look ahead to the next 100 years, our commitment is unwavering.

We are focused on initiatives that create real, lasting value. For example, we support low-carbon farming because we believe in the long-term health of Canadian farms and the environment. This helps farmers prosper, protects the environment, and helps ensure Loblaw can continue to provide the products our customers want for years to come.

Our guiding pillars focus on:
Carbon Net-Zero:
Reducing our carbon footprint and contributing to a cleaner future.

Eliminating Food Waste:
Minimizing waste and maximizing resource efficiency.

Tackling Plastic Waste:
Reducing plastic consumption and promoting circular solutions.

Canada's Most Diverse and Inclusive Employer:
Fostering a workplace where everyone can thrive.

Supporting the Health and Well-being of Women and Children:
Investing in the future of our communities.

These focus areas are not chosen arbitrarily. They represent the issues that matter most to our business and our stakeholders. We are committed to transparency and accountability – setting ambitious yet achievable targets, based on rigorous analysis and internal roadmaps, and embedded into our day-to-day operational strategies. We also understand the importance of being accountable for our commitments and the need to disclose both progress and challenges transparently.

Our strategy is continuously informed by a thorough assessment of specific sustainability-related risks and opportunities, ensuring alignment with our long-term vision and strategic objectives.

Risk Management

As a company serving Canadians, Loblaw faces risks that could, directly or indirectly, negatively impact our reputation, operations, or performance ultimately affecting the communities we serve and who rely on us. We assess all our significant sustainability-related risks and opportunities and perform a specific assessment of select climate-related risks and opportunities. Under the guidance of the Steering Committee, teams within the business, such as ESG Integration and Reporting, Sustainability and Social Impact, Legal, Investor Relations, and External Financial Reporting, work together to identify and set mitigation strategies for sustainability-related and climate-related risks throughout the year. Loblaw has a defined Enterprise Risk Management ("ERM") program to assess enterprise risks, including potential environmental and social related risks. ESG risk management is aligned to the ERM program, though the ERM and ESG risk timelines are different given that Environmental, Social, and Governance risks include longer-term risk horizons. The climate risk assessment conducted in 2022 aligned with the ERM risk assessment model to allow for consistent criteria and comparability. The specific criteria used within the assessment included potential impact to the business, likelihood of occurrence, the speed of onset, the current control environment and the level of mitigation activity required to address the risk. More information on our ERM program can be found in the Annual Information Form and in the Management Discussion and Analysis.

Environmental, Social, and Governance risks and opportunities noted through risk management exercises inform the Company's Environmental, Social, and Governance strategy during the annual review of materiality and progress. As a result of risks and opportunities identified, changes to the strategy, metrics and/or targets are made as required.

We understand that Environmental, Social, and Governance disclosures are a priority for stakeholders who seek to understand how companies incorporate these considerations into their strategic decision-making, and risk management. Stakeholders are interested in how a company's Environmental, Social, and Governance plans align with its business model, risk mitigation plans, and its potential for long-term value creation. Therefore, we aim to continue to provide transparency related to activities required to achieve our commitments.

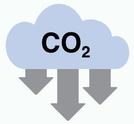
2024 Performance Highlights

In 2024 we continued to make a meaningful difference in the lives of Canadians and our communities. We opened more than 70 new stores, creating over 2,900 new jobs and we invested $2.2 billion into the Canadian economy, improving access to affordable food and healthcare services. With our work deeply embedded into our operational strategies, we were able to focus on what is right for our stakeholders and our business while also ensuring we are building a sustainable and equitable future for the communities we serve.

Net-zero by 2040 for our enterprise operating footprint, and 2050 for our Scope 3 emissions



- Achieved a 16% reduction in our Scope 1 and Scope 2 emissions compared to the 2020 baseline.



- Completed more than 500 carbon reduction projects.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- ~32% of our Scope 3 volume by spend, in aggregate, came from suppliers with science-based targets.

Zero food sent to landfill by 2030



- 100% of our food retail operations and eligible Shoppers Drug Mart®/ Pharmaprix® associate-owned locations donated to a food recovery partner.

Tackling plastic waste



- Achieved 90%+ compliance relative to the in-scope Golden Design Rules for control brand and in-store plastic packaging, within reach of our 2025 goal.

Support the health and well-being of women and children



- Raised and donated (including in-kind donations) $212 million to support research, charities and non-profits across Canada.



- Donated more than 50 million pounds of food to community-based food charities across Canada, in support of Feed More Families™.

SHOPPERS FOUNDATION FOR WOMEN'S HEALTH

- Supported the Shoppers Foundation for Women's Health™ in providing more than $12.5 million to initiatives that improve women's access to care.

children's charity™

- Helped President's Choice Children's Charity reach more than 997,000 kids as part of their mission to tackle childhood hunger.

Aim to be Canada's most diverse and inclusive employer



- Achieved 39.5% women representation in Executive positions and 46% in Management positions.



- Increased representation of visible minorities in Executive positions to 28% and in Management positions to 34%.



- Trained 198,000 colleagues and employees on fundamental diversity, equity, and inclusion topics.

Partnerships and Memberships





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Climate Action

As a Canadian company intricately woven into thousands of communities, we see the impact climate change is having firsthand – on our colleagues, our customers, and the places we call home. To succeed, we must help these communities succeed, and helping to fight climate change is one of our core responsibilities. We must mitigate the impact of our operations and support our value chain in their own efforts to do the same. Reducing our enterprise operating greenhouse gas ("GHG") footprint remains a longstanding priority.

While reducing our own environmental footprint is important (Scope 1 and Scope 2), we know that the products and services we procure (Scope 3) have a large impact on the environment. We know that we cannot achieve our goals alone and are committed to work closely with our supplier community to amplify our impact and accelerate our collective progress toward net-zero emissions by 2050.

Achieving Net-Zero

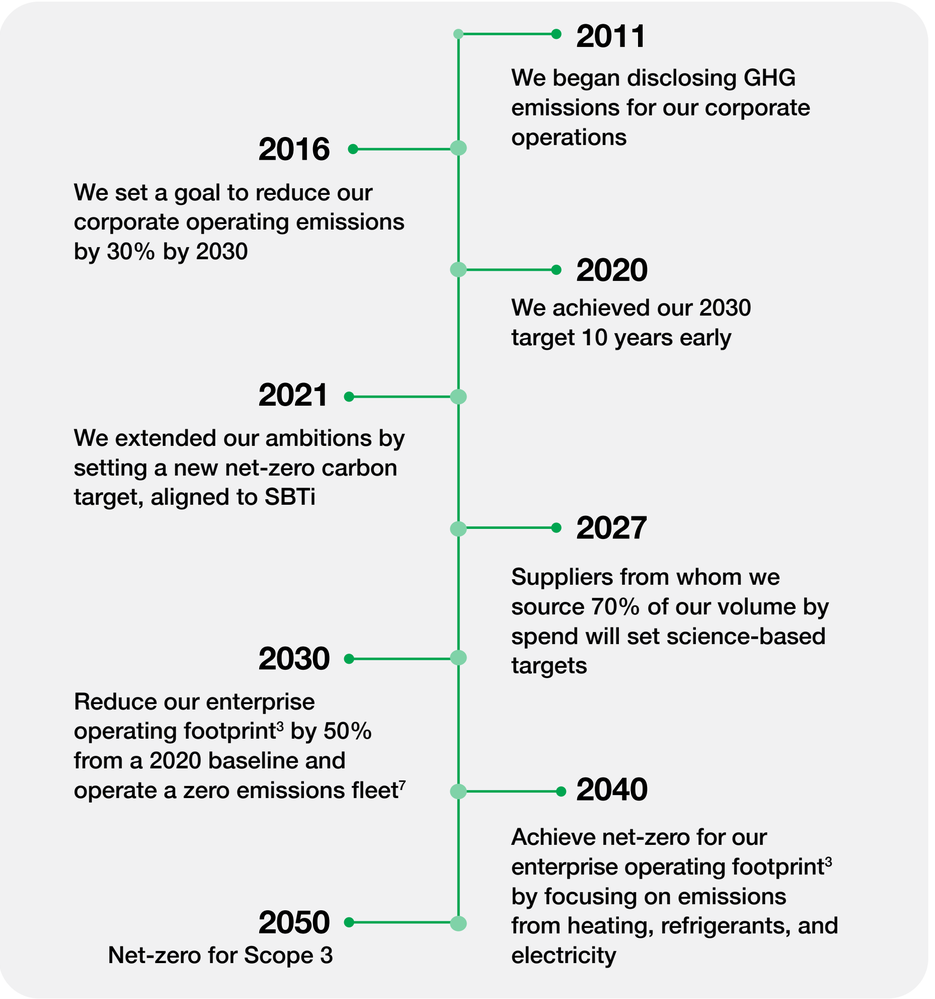
For decades, we have been tracking the GHG footprint of our corporate stores and operations. Between 2016 and 2020 we reduced our corporate GHG emissions through advancements in energy management, equipment conversions and reducing refrigerant leaks.

In 2021, we increased our ambitions with a phased approach to reach net-zero emissions across our full enterprise operations – including corporate, franchise, and associate-owned stores, as well as corporate offices and distribution centres, by 2040. Our plan focuses on four key aspects of our footprint: refrigerants, heating, electricity, and decarbonizing our fleet, and in 2023, we released our plan to tackle our Scope 3 emissions by 2050. Our plan is aligned with the Paris Agreement, which aims to limit global temperature rise to 1.5 degrees Celsius through collective action.

Our Greenhouse Gas Footprint

Loblaw's GHG emissions are categorized as follows: Scope 1 represents approximately 2% of total Loblaw emissions and stems from sources owned or controlled by Loblaw, while Scope 2 is approximately 1% and relates to indirect emissions associated with electricity, steam, heating and cooling purchases. This level of emissions represents more than one million metric tonnes of CO_2 emissions which is critical for us to address. The remaining, approximately 97% of our GHG footprint stems from external sources in our value chain (Scope 3). These sources are vital to our operations but are not directly managed by Loblaw.

While it represents challenges, tackling Scope 3 emissions is of critical importance to our plan to fight climate change and achieve net-zero by 2050. To succeed, strong data collection and collaboration across the value chain is required. That is why in late 2023, we increased our transparency by disclosing our plan to tackle Scope 3 emissions, which included a call to action sent to all our largest vendors asking them to **#JoinTheCarbonFight** and report their GHG emissions and reductions. As part of this work, we announced a new interim target to ensure suppliers from whom we source 70% of our volume by spend will set science-based targets[6] by 2027.

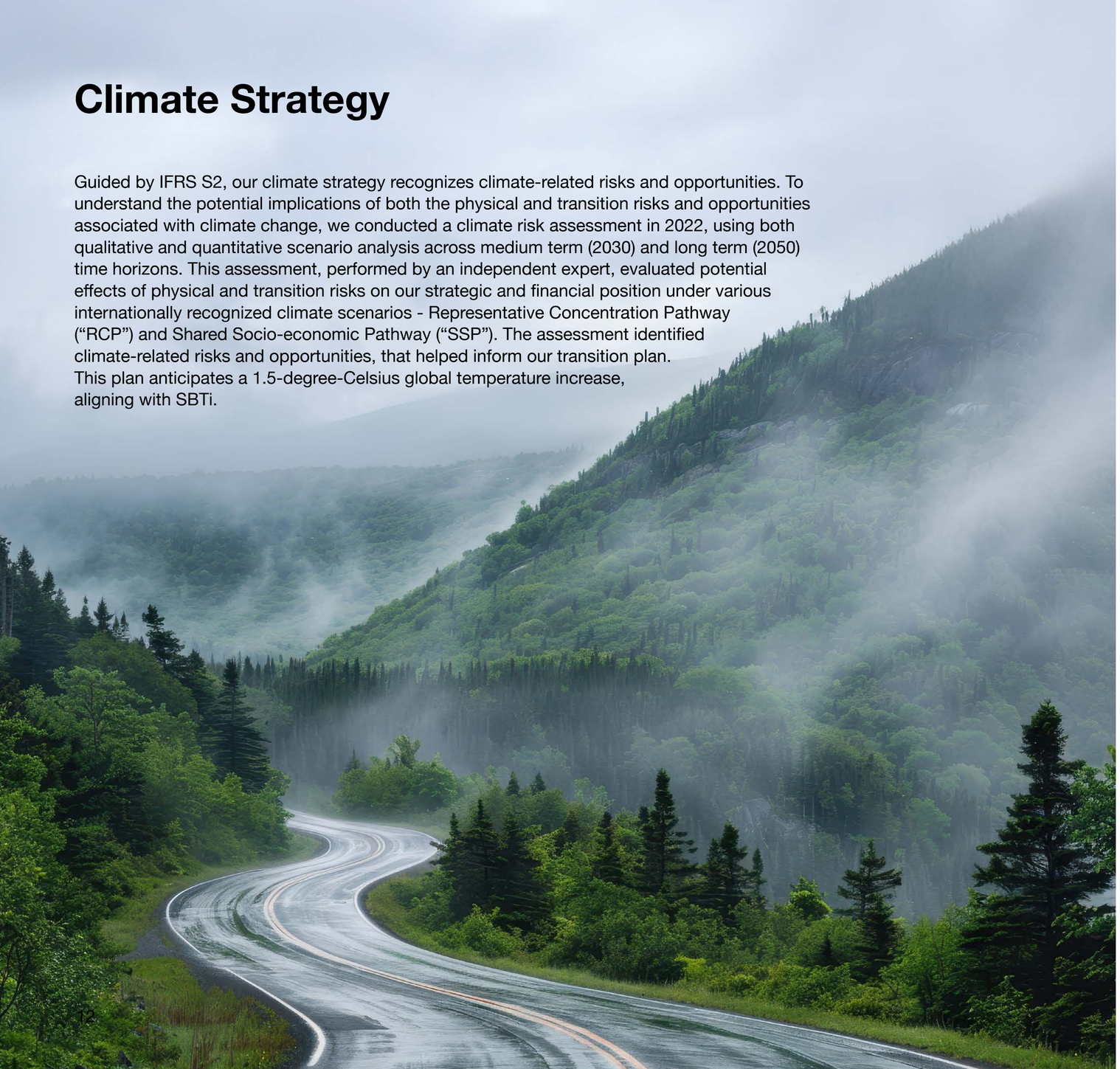


SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

On April 9, 2024, SBTi confirmed validation of our 2027 and 2030 targets as conforming with the SBTi Criteria and Recommendations (Criteria version 5.0) and our Company's Scope 1 and Scope 2 target ambition as in-line with a 1.5 degrees Celsius trajectory.

Climate Strategy

Guided by IFRS S2, our climate strategy recognizes climate-related risks and opportunities. To understand the potential implications of both the physical and transition risks and opportunities associated with climate change, we conducted a climate risk assessment in 2022, using both qualitative and quantitative scenario analysis across medium term (2030) and long term (2050) time horizons. This assessment, performed by an independent expert, evaluated potential effects of physical and transition risks on our strategic and financial position under various internationally recognized climate scenarios - Representative Concentration Pathway (“RCP”) and Shared Socio-economic Pathway (“SSP”). The assessment identified climate-related risks and opportunities, that helped inform our transition plan. This plan anticipates a 1.5-degree-Celsius global temperature increase, aligning with SBTi.



Climate Risk Management

To continue serving Canadians and the communities in which we operate in a sustainable manner, Loblaw must address the growing risks posed by climate change. Changes in laws, regulations, and policies aimed at reducing the impact of global climate change on retail and other businesses are inevitable. Our ability to adapt to these changes is critical to ensuring we can continue to meet the needs of Canadians in a responsible and sustainable way. Failure to adapt poses significant risks to both our business and the communities we serve.

The 2022 Climate Risk Assessment identified the following risks as having the highest potential to impact our business operations:

Transition Risks

- **Carbon Pricing** - Carbon pricing has a significant impact on the cost of energy, fuel, raw materials, and operations and it is expected to increase annually to meet Canada’s net-zero target.
- **Food Waste** - Food waste is a key component of our GHG emissions and is expected to be subject to stricter regulations, increased transportation costs, as well as social pressure in the years to come.
- **Refrigeration and Refrigerants** - As an integral component of all our stores and distribution centres, changes to regulations regarding refrigerants and retrofitting of systems have the potential to significantly impact our operations.

Physical Risks

- **Supply Chain Interruptions** - The effects of physical risks (wildfires, ice/snow, droughts, flooding) have the potential to impact the cost and availability of products to the Company through its supply chain.
- **Long-term Temperature and Precipitation Rise** - Rising mean temperatures, along with the accompanying changes in precipitation patterns, could potentially drive more acute extreme events, and impact our operations, colleagues and customers, such as the potential to impact access to our stores and distribution centres.

Climate Risk Mitigation

To do our part in contributing to thriving, prosperous communities for generations to come, addressing climate risk is paramount – it is the right thing to do for our communities, and our customers. The climate risk mitigation initiatives we are undertaking not only help mitigate related risks and propel our journey towards achieving our net-zero objectives, but also create new opportunities and strengthen our business for long-term success. The following illustrates the strategies we are implementing to help mitigate and/or minimize exposure to the identified risks.

Carbon Pricing

Risk Type: Transition
Time Horizon: Short/Medium/Long

Net-zero Targets:

In 2024, we saw our Scope 1 and Scope 2 emissions decline by 16% relative to our 2020 baseline despite the opening of more than 70 new stores.

Our supplier engagement strategy is the cornerstone of our Scope 3 effort, encompassing access to essential resources and promotion of emissions reporting via CDP Supply Chain. As at the end of 2024, ~32% of our Scope 3 volume by spend, in aggregate, came from suppliers with science-based targets[8]. We are committed to engaging vendors to align with our priorities; however, we acknowledge that influencing vendor operations or decisions to report is not always within our control.

Low Carbon Stores:

In 2024, Loblaw opened two low carbon stores - a Shoppers Drug Mart® in Kelowna, British Columbia, and a Maxi® in Contrecoeur, Quebec. These two stores use ultra-low carbon refrigerants[9] in their food refrigeration systems and use electric heat pumps for heating, significantly reducing the emissions associated with higher emissions intensive synthetic refrigerants and fossil fuel-based heating, while leveraging low carbon electricity generation from their respective provincial utility grids.

Smart Controls:

We continue to implement smart controls which allow us to wirelessly control our lighting systems. This is in addition to the existing centralized building management systems for Refrigeration and Heating, Ventilation and Air Conditioning (“HVAC”).

Reducing Fleet GHG Emissions:

Loblaw continues to progress towards its zero emission fleet target despite supply delays, and as at the end of 2024 we have 20 heavy-duty electric transport trucks in our fleet[10]. We have also begun transitioning our corporate fleet to electric or hybrid vehicles where possible. As at the end of 2024 we had more than 130 electric or hybrid vehicles which makes up approximately 10% of our corporate fleet.

LED Lighting Conversions:

LED lighting has less negative environmental impacts that incandescent lighting: it uses up to 75% less energy than traditional incandescent lighting, produces very little heat which eases cooling costs, and lasts 30 times longer. While swapping out lights in our stores and pharmacies is a lengthy process, we are well underway. All of our new stores are being equipped with energy-efficient lighting during construction, and we have completed more than 400 upgrades.



Refrigeration and Refrigerants

Risk Type: Transition
Time Horizon: Medium/Long

Refrigerant Conversions:

As an integral component of all our stores and distribution centres, changes to regulations regarding refrigerants have the potential to significantly impact our operations. Our approach to reduce the impacts of refrigerants is two-fold:

- The majority of new grocery stores are built with natural refrigerant-based refrigeration systems.
- In our legacy stores, we are actively converting our systems to use lower impact refrigerants. Since beginning this work in 2019, we have converted more than 500 legacy grocery stores to lower global warming potential refrigerants.[11]

Leak Detection:

We have leveraged data from our centralized energy management systems to develop a system that allows for leaks to be detected earlier. This system has been implemented in more than 450 stores.

Food Waste

Risk Type: Transition
Time Horizon: Short/Medium/Long

Zero Food to Landfill by 2030:

We have progressed this commitment by redirecting more than 80,200 metric tonnes of food through donations, reclamation, anaerobic or aerobic digestion, and farm diversion.

10x20x30 Initiative:

We are a proud member of the Consumer Goods Forum's Global Food Waste Coalition of Action.

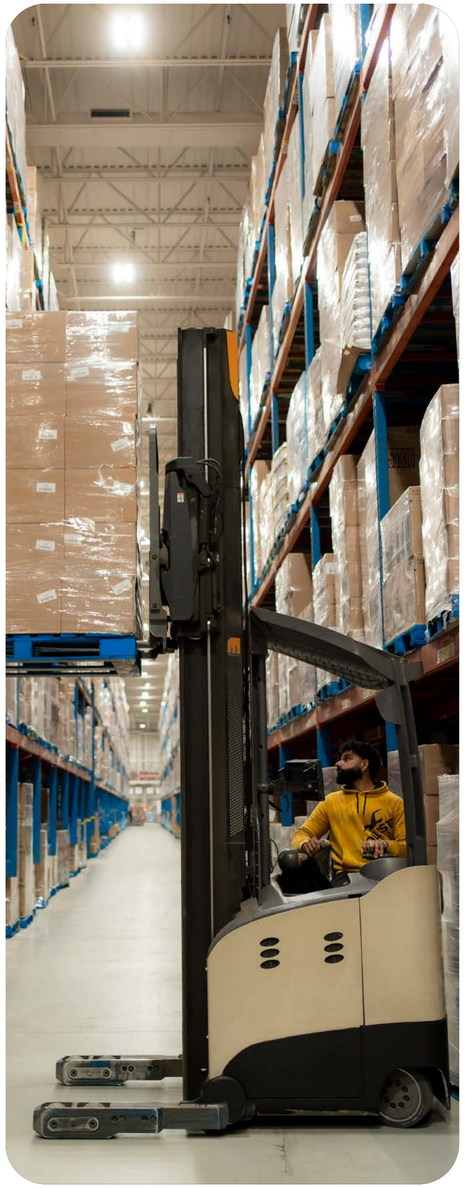
Flashfood:

Through our partnership with Flashfood we have been able to feed hundreds of thousands of families across the country more affordably while reducing our food waste. Flashfood is now live in over 850 of our stores, and in 2024, we eliminated more than 8 million kilograms of potential food waste, while saving Canadians millions on their grocery bills.

Store and Supply Chain Efficiencies:

In the grocery business, customers expect products to be in stock where and when they want to shop. So, ordering the right amount of food is critical. Too little risks disappointing our customers, too much creates waste. We have invested in sophisticated inventory systems to improve our procurement practices and forecast planning, we are using data tracking tools in stores to analyze product lifecycles, and we are shortening our supply chain to help keep food fresher longer. Through these and other systems, we will ensure food is ordered or prepared in amounts that aim to reduce waste.





Supply Chain Interruptions

Risk Type: Physical
Time Horizon: Short/Medium/Long

Supply Chain Management:

Loblaw works with vendors to assess the impact of climate change on crops in various countries and regions, and we continue to explore alternative farming approaches, including local sourcing and greenhouse growers. We support Canadian Alliance for Net-Zero Agricultural ("CANZA"), which is focused on developing, testing and scaling innovative technologies, and incentivizing the adoption of regenerative agriculture and carbon farming practices, with the ambition to collectively transform the sector and create a circular, net-zero agri-food value chain.

Contingency Planning:

Loblaw procurement works closely with supply chain management to ensure redundancy in the supply chain, by sourcing from multiple vendors from various regions/countries in addition to having numerous routes and modes of transportation for shipped goods.

Long-term Precipitation and Temperature Rise

Risk Type: Physical
Time Horizon: Long

Building Codes:

Loblaw follows municipal building requirements to ensure locations are built to address the various environmental factors such as earthquakes, high flood zones, etc.

Emergency Preparedness:

Loblaw has a robust enterprise crisis management process to minimize damages or other impacts and ensure the safety of our customers and colleagues.

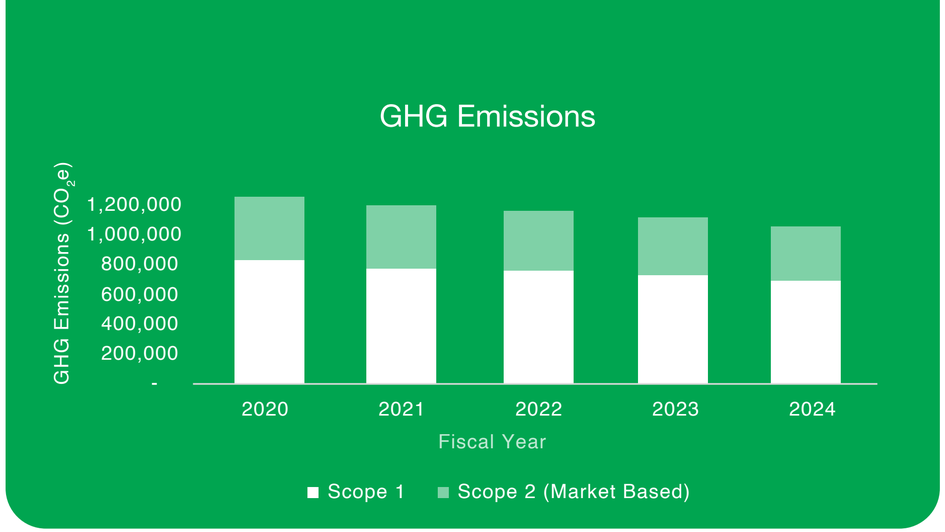
Risk Management:

We recognize that, despite best efforts, some risks will materialize. We work diligently with our insurance providers to ensure coverage is reflective of potential risk.

Scope 1 and Scope 2 GHG Emissions Reporting

We are proud of the achievements we have made on our Scope 1 and Scope 2 emission reduction journey, and as of the end of 2024 we have decreased these CO_2 emissions by 16% against our 2020 baseline.

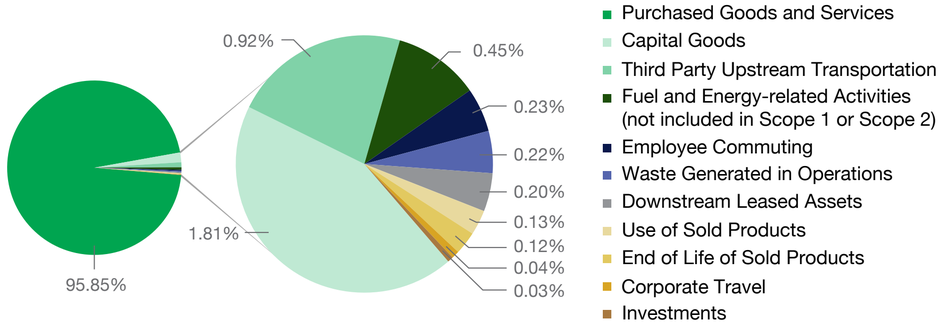
Metric[3,12,13]	Unit of Measure	FY2024	FY 2023	FY 2022	FY 2021	FY 2020
Scope 1 (Direct) – Fleet and building fuel consumptions, refrigerant releases, and company-owned travel	Metric tonnes of CO_2e	687,940[14]	726,052	752,306[15]	766,856[15]	826,921[15]
Scope 2 (Indirect) – Electricity, location-based	Metric tonnes of CO_2e	376,246[14]	392,500	407,217	427,857	429,413
Scope 2 (Indirect) – Electricity, market-based[16]	Metric tonnes of CO_2e	368,076[14]	388,300	407,217	427,857	429,413
Total (Scope 1 and Scope 2, market-based)	**Metric tonnes of CO_2e**	**1,056,016**	**1,114,352**	**1,159,523**	**1,194,713**	**1,256,334**
Change as a % compared to prior year	%	-5%	-4%	-3%	-5%	-
Change % against baseline year (2020)	%	-16%	-11%	-8%	-5%	-
Change % against baseline compared to prior year	%	-5%	-4%	-3%	-5%	-
Progress through Projects – Capital spent on carbon reduction projects during the period[17]	$	$40,699,000[14]	$43,990,000	-	- [18]	- [18]
Progress through Projects - Number of carbon reduction projects completed during the period[19]	Count	509[14]	490	250	- [18]	- [18]
Progress through Projects - Number of corporate owned and operated electric trucks[20]	Count	20[14]	14	nil	nil	nil
Progress through Projects – Corporate owned and operated electric trucks as a percentage of total corporate owned and operated short-haul outbound trucks[21]	%	9.4%[14]	- [18]	- [18]	- [18]	- [18]



Scope 3

The following represents the contribution of various value chain activities to our overall Scope 3 emissions. The weighting of Purchased Goods and Services underpins the importance of working with our vendors up and downstream, to achieve net-zero by 2050.

Our plan to achieve net-zero by 2050 is science-based and focuses on five key areas - supplier engagement and commitments, support for responsible sourcing practices, empowering our people, tackling food waste, and empowering our customers to consider the climate impacts of their choices. See our net-zero plan for more details.



*A high-level screening of Scope 3 emissions by categories was conducted in 2022. Data available at the time was used and does not represent a comprehensive analysis of Loblaw's emissions by Scope 3 categories.

Reducing Plastics Waste by 2025

Consumer Goods Forum Global Plastic Waste Coalition of Action

Plastic waste is a unique challenge for retailers. The scale of the issue is significant, as are the impacts on our environment. However, given the many ways retailers can influence plastic packaging, it is a challenge we are well positioned to tackle. For control brands it is the retailers that decide what to package, how to package it, how to merchandise and market it, and increasingly how that packaging is recovered and recycled. The opportunity that retailers and large consumer goods companies have is why Loblaw enthusiastically joined the Consumer Goods Forum's global Plastic Waste Coalition of Action ("the Coalition"). As a member of the Coalition - of which our Chairman, Galen G. Weston is an executive co-sponsor - we were instrumental in the creation and endorsement of global Golden Design Rules ("GDRs"). These rules were intended to encourage retailers and consumer goods companies to use less and better plastic packaging.

Canada Plastics Pact

In 2021 we were proud to be among the 41 founding partners that launched the Canada Plastics Pact ("CPP"). As a member of the Ellen MacArthur Foundation's Global Plastics Pact network, CPP is leading Canada's efforts to fight plastic waste. The CPP has made significant progress in the areas of data collection, education, and research but most importantly it serves as the major driver of the GDRs in Canada. It is critical that the whole industry adopt the GDRs if we are going to make the needed improvements to Canadian recycling systems - CPP is essential to this adoption.

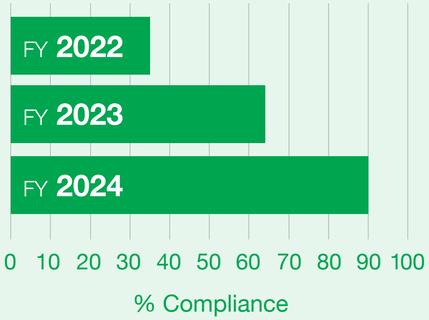


Aligning to the Golden Design Rules

In alignment with the Ellen MacArthur Foundation, the Consumer Goods Forum, and the Canada Plastics Pact, as well as industry led organizations charged with running the recycling systems across Canada (including Circular Materials) we believe that through collective action we can significantly reduce plastic waste by leveraging the GDRs. These globally recognized rules set a benchmark for packaging design, emphasizing the reduction of materials and the removal of problematic elements and are fundamental to Loblaw's goal to make all control brand and in-store plastic packaging recyclable or reusable[22] by 2025.

Embracing these principles, in 2022 we took proactive steps by communicating the GDRs to our hundreds of control brand vendors, outlining our new packaging standards, and highlighting the global guidelines. In 2023 and 2024, we continued to work with our control brand vendors to encourage them to build their internal capabilities on design aligned with these principles. By the end of 2024, in collaboration with our vendors, we have achieved compliance with the in-scope GDRs for more than 90%[23] of our more than 11,000[24] control brand and in-store plastic packaged products, with an established roadmap to convert the balance of our control brand and in-store plastic packaging products by the end of 2025. Additionally, in October 2023 we sent a communication to all our national brand vendors, encouraging them to adopt the GDRs. We informed our national brand vendors that our merchants will begin incorporating the use of the GDRs in product packaging as a factor in all product listings starting January 1, 2025. And, that we aspire to have only recyclable or reusable[22] packaging on our shelves by January 1, 2026.

Compliance with in-scope Golden Design Rules for control brand and in-store plastic packaging



Full Extended Producer Responsibility

We believe that producers should be held responsible for the management of the packaging materials they put into the market. That responsibility should include not only the cost of the system but the running of that system as well. We have taken that responsibility very seriously for more than a decade and have advocated for provincial regulatory systems that provide us that accountability and that establish the necessary targets to facilitate the necessary progress on plastic waste. As provinces have amended their regulations to provide producers full responsibility, we co-founded Circular Materials, a producer responsibility organization ("PRO") to lead our efforts, meet our obligations, and improve recycling across Canada.

Tackling Plastic Waste

Re-Use City Pilot

Loblaw, along with another major retailer and five global consumer goods brands, have completed the design phase of a reusable packaging platform for personal and home care category products to be piloted in Ottawa. The focus for 2025 will be to develop and implement the necessary infrastructure to support a pilot launch in early 2026.

Simplifying Plastics Across our Operations

91% of our PC® portfolio is now compliant with the GDRs. This includes our PC® Gnocchi family which is packaged in simplified recycle ready[25] plastics – this change results in 7 tonnes of plastic which can be diverted from landfills each year from this product line alone. We also made sure our PC® frozen soups are packaged without black plastic. In one year, our frozen dinner program aims to divert up to 207 tonnes of plastics from landfills[25].

In 2024 Loblaw revamped and extended its plastic pallet wrap recycling program to additional locations where plastic film is transported back from stores to centralized DCs where it is baled for service providers to collect and recycle. This initiative allows stores that do not have access to local solutions to participate in our national plastic recycling efforts. This together with various other collection and sortation projects will divert plastics from landfill through programs run in our DCs across the country. We look forward to continuing to onboard all remaining stores that do not have access to a local solution in the coming years.

Traditionally, certain produce commodities like rutabagas, celery, and cabbage, have been shipped in corrugated cardboard boxes that are lined with a wax film that prevents them from being recycled and thus they end up in landfills. In 2024 we continued the journey to expand the use of reusable plastic crates (“RPCs”) in an effort to reduce waste within our supply chain.

Funding Research for Better Plastic Outcomes

It is critical to understand the full environmental impact of microplastics and microfibres and as such we support leading research organizations. Since 2021, we have provided $600,000 to Ocean Wise, a global ocean conservation organization that addresses overfishing, ocean pollution and climate change. Through our long-standing partnership, we also supported programs like the Ocean Wise Plastic Lab, which delivers insights into how microfibers are generated and transferred to waterways. Loblaw was proud to again be a presenting sponsor of the Ocean Wise Shoreline Cleanups in 2024, an initiative that rallies communities across the country to remove litter and provides invaluable data for addressing pollution at its source.



OCEAN WISE



Minimizing Waste

With our vendor, CHEP Canada, we are increasing circularity in our supply chain. We utilize a shared reuse network of pallets for transporting products between our stores and distribution centres across Canada. This circular system, managed by CHEP, involves renting, loading, shipping, returning, repairing, and redeploying pallets, with the goal of minimizing waste in our supply chain.

Food Waste

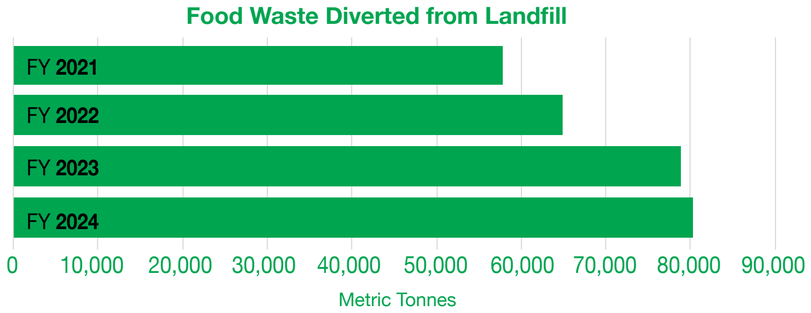
The reality that 46.5% of food produced in Canada is wasted, while more than 1 in 5 Canadians experience food insecurity[26], presents both a pressing social challenge and a critical area of focus for our business.

Addressing food waste is not only the right thing to do, but it also benefits everyone. By reducing food waste, we can help ensure that all Canadians have access to healthy food, minimize our environmental impact, reduce our cost to serve, and strengthen our relationships with local partners and producers, creating a more prosperous food system that benefits our customers, our communities, and our business.

Zero Food to Landfill by 2030

In 2021 we set an ambitious goal – to send zero food to landfill by 2030. This goal extends to our full enterprise, including franchise and associate-owned store operations and our supply chain. To drive our results, we set an interim goal: by the end of 2023, each of our eligible stores will achieve food waste reductions, and we are extremely proud to have met this goal in 2023 with 100% of our food retail stores and eligible Shoppers Drug Mart®/Pharmaprix® associate-owned locations continuing to donate to a food recovery partner in 2024. This is a huge achievement which supports our goal of sending zero food to landfill by 2030, and to helping us achieve our Feed More Families™ commitment to provide 1 billion pounds of food to community-based food charities.

Metric	Unit of Measure	FY 2024	FY 2023	FY 2022	FY 2021
Redistribution of food surplus[27]	Metric tonnes	17,656	16,992	6,667	2,064
Feeding animals[27]	Metric tonnes	28,348	23,987	21,623	17,203
Bio-based materials / biochemical processing[27]	Metric tonnes	1,388	3,987	3,261	3,883
Anaerobic digestion[27]	Metric tonnes	5,445	13,751	32,936	34,296
Composting / aerobic processes[27]	Metric tonnes	27,375	20,070	379	343
Total Food Waste Diverted[27]	**Metric tonnes**	**80,212**	**78,787**	**64,866**	**57,789**
Percentage of stores that donated to a food recovery partner in the fiscal year[28]	%	100%	100%	100%	Not Tracked



The food waste diversion figures presented above (in metric tonnes) is limited to data from our corporate food retail operations at this time. We are committed to providing a comprehensive view of our food waste diversion efforts and are actively assessing food waste data from our broader enterprise operations. Reporting with integrity is important to us and we are committed to expanding our disclosures as soon as we are able to verify the accuracy and completeness of the data.

Loblaw's 10x20x30 Initiative Partners

In 2020, Loblaw joined the Consumer Goods Forum's global Food Waste Coalition of Action. A key effort of the coalition is the 10x20x30 program, which encourages members to recruit their suppliers to sign on to the UN SDG Target 12.3 to halve global food waste by 2030.

Flashfood

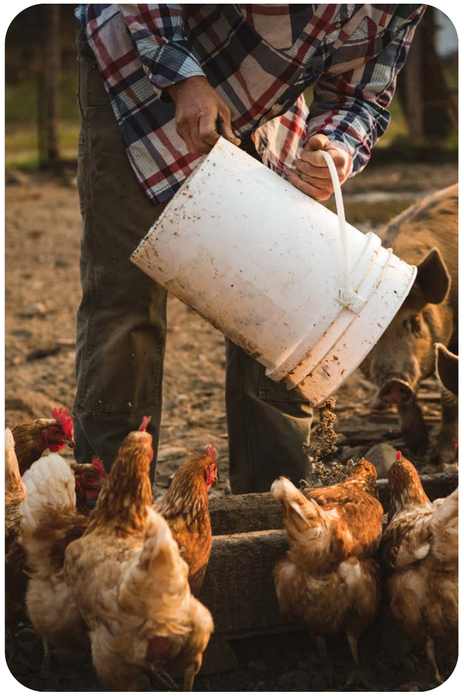
Through our partnership with Flashfood, we have been able to feed hundreds of thousands of families across the country more affordably while reducing our food waste. As of the end of 2024, Flashfood is available in over 850 of our stores. In 2024, this partnership diverted more than 8 million kilograms of potential food waste.





Food Banks and Food Recovery Agencies

We continue to focus on frequency of donations and as a result in 2024 we donated over 50 million pounds of food[29] to our partners - Second Harvest, Food Banks Canada, and Banques Alimentaires du Quebec. These donations directly support our Feed More Families™ pledge to donate one billion pounds of food to community-based food charities.



Food to Farm

We continue to partner with Loop Resource Ltd. to send food that is not fit for human consumption to farms where it is fed to animals. In 2024, more than 125 participating stores nationwide sent more than 21.5 million kilograms of food to approximately 2,670 farms.

Loop



ZooShare

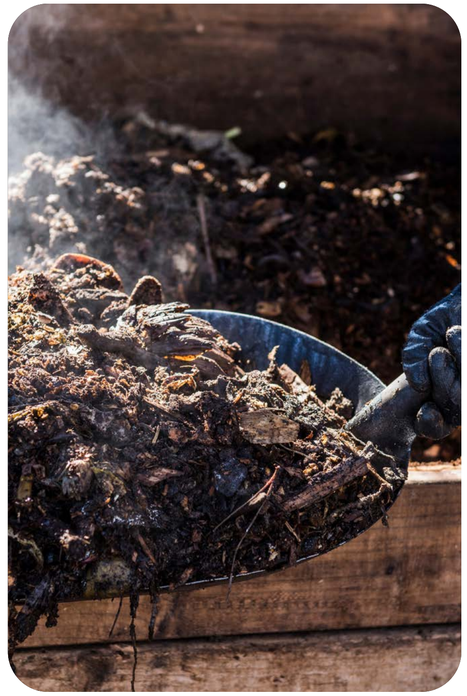
In 2024, we continued our partnership with ZooShare Biogas LP., who combine used cooking oil and food no longer fit for human consumption with animal manure from the Toronto Zoo to produce biogas that generates renewable electricity fed directly into the Ontario provincial power grid. Through this program, our stores diverted 668,000 kilograms of residual material from disposal.

ZOOSHARE



Bakery Waste

Expired and damaged bakery items no longer fit for human consumption are converted into ingredients for animal feed. In 2024, through this program, we diverted more than 3 million kilograms of bakery food waste from grocery stores in Ontario and Nova Scotia.



Compost

One of the other methods we utilize to manage inedible food waste is composting and in 2024, more than 340 stores diverted more than 27 million kilograms through this stream.

Biodiversity

According to the World Wildlife Fund's 2020 Living Planet Report, "The world has seen an average 68% drop in mammal, bird, fish, reptile, and amphibian populations since 1970". Pollution, climate change and habitat loss are all threats to biodiversity. As a company committed to serving Canadians for generations to come, we recognize our responsibility to protect and promote biodiversity within our operations. This is why we support organizations dedicated to conserving natural habitats, restoring degraded ecosystems, and promoting the responsible use of biological resources.

Our approach to biodiversity conservation is multifaceted, encompassing initiatives aimed at habitat protection, species conservation, sourcing practices, and community engagement. We strive not only to mitigate risks to biodiversity but also to contribute positively to global efforts in preserving biodiversity.

In Canada, we are working to protect biodiversity through various initiatives. These include our native plants program, our commitment to sourcing only certified sustainable seafood, and our long-standing membership in the Roundtable on Sustainable Palm Oil ("RSPO"). For more information on our biodiversity program, please see Our Statement on Biodiversity.

Responsible Water Use

Water plays a vital role in maintaining biodiversity. We have a responsibility to work within our business operations and value chain to use water responsibly and to protect local water sources. While our water consumption (more than 3.2 million cubic meters[30]) represents a small percentage of our environmental footprint, we understand that food production relies heavily on a sufficient supply of clean water. For more information on our approach, please see Our Statement on Water Use.

Signage plays a crucial role in our operations.
Acknowledging the importance of conserving valuable resources, we have collaborated with Print Releaf. This partnership allows us to produce in-store signage while also planting the trees required to counterbalance the paper related resources we consume for our signage production. Thanks to this innovative collaboration,

over 100,000 trees have been planted since the program started in November 2021!



Loblaw and The Arrell Food Institute's Net-Zero Food Systems Challenge

We are proud to again partner with the Arrell Food Institute at the University of Guelph on the second phase of the Net-Zero Food Systems Challenge, an experiential learning program that brings together graduate students from the University of Guelph to investigate opportunities to drive demand and adoption for GHG net-zero agricultural products. The next phase will commence in 2025 and we look forward to sharing updates from this important partnership at that time.

Our CDP Progress and Scores

In 2024, we responded to CDP Climate, Forests and Water Security and achieved a score of "B", "C" and "C" respectively.

Regeneration and Protection

For more than a decade we have supported World Wildlife Fund ("WWF") Canada, as they work to protect and restore nature and biodiversity loss in Canada. As one of their largest Canadian corporate partners, we have provided more than $14 million in direct funding (including $363,000 in 2024), covering a myriad of programs and projects, since 2009, including WWF's Regenerate Canada program, an effort to fight biodiversity loss and other impacts from climate change.

In 2024 we enabled Canadians to contribute to healthier, more resilient ecosystems, through the sale of more than 60 native species of plants at 133 of our stores. Ontario native plants are grown from source-identified and ethically collected seeds and this program supports important restoration and regeneration efforts, which will help migratory and local wildlife thrive.

The Canadian Alliance for Net-Zero Agriculture

The Canadian Alliance for Net-Zero Agri-food ("CANZA"), an industry-led alliance including RBC, Maple Leaf Foods, McCain, Nutrien, Loblaw, and others, coordinates and advances investment and solutions towards a more resilient agri-food system. This system seeks to secure long-term productivity for farmers, ensure food security for communities, and showcase the competitiveness and leadership of Canada's entire agri-food system. CANZA brings together farmers and diverse industry partners to drive solutions that de-risk farmers' efforts to adopt climate-smart practices and reward the positive environmental impacts of these efforts.

Critical to this work is the creation of an environmental outcomes marketplace. This project, with Loblaw's leadership and support, will help farmers' adoption of climate-smart practices by enabling them to access payments for practice change or environmental outcomes (such as improved health, water quality, or biodiversity). The project will help farmers overcome technological and operational barriers. Companies can also confidently invest in incentives that transition acres to climate-smart practices and strengthen the resiliency of their supply chains. This project will leverage the Measurement, Reporting, and Verification system that CANZA is also developing.

Responsible Sourcing

Sourcing responsibly isn't just good business – it is an opportunity to help our communities thrive. By working with local producers, we can support local economies and help reduce our environmental footprint, all while giving our customers the confidence to feel good about their choices. We believe that responsible sourcing is a crucial aspect of our commitment to fight climate change and advance social equity. We understand that our business operations have the opportunity to positively impact these commitments, and our goal is to provide customers with quality products while contributing positively to society and the environment. This means monitoring at-risk commodities at their origins and applying controls – including third-party certification of responsible sourcing - and ensuring ongoing evaluation to identify areas where we can improve our sourcing practices.

Reducing GHG Emissions Across our Supply Chain

We are focused on reducing GHG emissions across our supply chain. This includes working with suppliers who share our commitment to sustainability, from farming practices that reduce carbon footprints to manufacturing processes that minimize waste and energy use. But to succeed in this work, we require strong data collection and collaboration. That is why we launched **#JoinTheCarbonFight**, a call to action for our largest suppliers, asking them to join our fight against climate change, and report on their own carbon emissions and reductions. Please see pg 11 for more information.

Assessing Human Rights Impacts

We recognize our responsibility to respect and protect the human rights of all people who support and intersect with our business, and we do not tolerate abuse, discrimination or harassment in any form. Through our formal policies, codes of conduct for our colleagues and suppliers, comprehensive compliance standards and a robust governance framework, we strive to uphold the rights of our customers, colleagues and employees, as well as the many workers across our supply chain. Please see pg 49 for more information.

Loblaw Small Supplier Program

Every day, customers visit our stores to fill their fridges, stock their pantries and find the items they need to Live Life Well®. Now more than ever, Canadians are looking for locally made products and more access to unique goods and new flavours that we have sourced from small businesses. That is why we are proud of our Small Supplier Program, with the aim of making it easier for small suppliers to reach our customers. Over 1,000 small suppliers benefit from this program which reflects our ambition to be the best retail partner in Canada for small suppliers.

Local Sourcing

We take great pride in offering an expansive array of fresh fruits and vegetables across our retail banners, and in 2024 we purchased over $1 billion in produce from Canadian owned and/or operated businesses.

We understand the benefits that are realized when we buy from close to home. When we purchase locally grown produce, we are delivering on a number of important benefits including fresher products, lower carbon emissions, meeting customer needs and ensuring our investments are placed with local businesses.

100% of our PC® fresh poultry is raised by **Canadian farmers.**

Assessing and Managing Nature-Based Risk

In 2024, Loblaw enlisted a Canadian-based agri-food consulting firm, Groupe Agéco, to conduct a comprehensive commodity risk assessment, reviewing commodities used within our control brand portfolio from the lens of environmental and social risks. The objective of this assessment was to inform the development of a long-term sourcing strategy that enhances the resilience of Loblaw's supply chain through more proactive management of sustainability risks, including those related to human rights.

The assessment resulted in a list of ten key commodities particularly vulnerable to environmental and social risks within our current control brand portfolio. These commodities were cacao, coffee, palm oil, sugar, beef, banana, rice, cotton, tea, and tomato.

The assessment evaluated the selected commodities based on two areas of vulnerability (Exposure to Risk and Risk Management) and considered nine impact areas – Climate Change; Water Use; Biodiversity; Pesticide and Fertilizer Pollution; Forced Labour; Child Labour; Discrimination, Harassment, Abuse; Livelihood; and Occupational Health and Safety. The social indicators used for the assessment aligned with Loblaw's five inherent salient risks. Each commodity, sourcing region and vendor were assessed against these risks.

By incorporating Loblaw's existing risk management processes into the assessment, tailored recommendations to mitigate identified risks within its control brand portfolios were provided to Loblaw. Loblaw is currently analyzing the findings and recommendations from both the commodity risk assessment and the recently completed Human Rights Impact Assessment. These findings, viewed through the lens of our five inherent salient risks, will enable us to prioritize the most critical areas for action, focusing on both mitigating human rights risks and proactively pursuing opportunities to drive positive change at a sector-level.

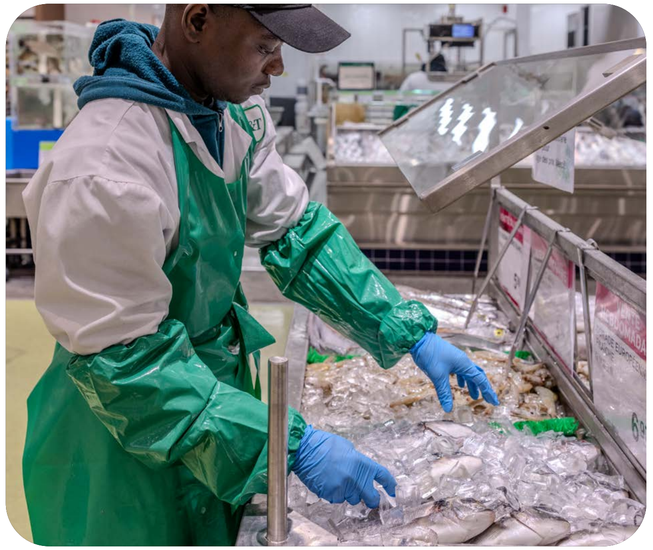
Sourcing High Risk Commodities

Certified Sustainable Seafood

For over a decade, we have been focused on increasing the availability of certified responsible and sustainable seafood across Canada because it is important to our customers, the environment and our business. We want to ensure the seafood we enjoy today will be available for generations to come. According to the Marine Stewardship Council (“MSC”) sustainable fishing helps maintain healthy and diverse ocean ecosystems and minimizes impacts on endangered, threatened, and protected species[31].

Loblaw is committed to sourcing seafood from sustainable sources. This commitment cuts across our business[32] and includes our control brands and national brands, in our canned, frozen and fresh wild and farmed seafood categories.

We are proud to offer more than 100 control brand products with Marine Stewardship Council (“MSC”), Aquaculture Stewardship Council (“ASC”), or Best Aquaculture Practices (“BAP”) ecolabels across our stores.





Palm Oil

Palm oil is an important ingredient in a wide range of products, but the rapid growth of this industry has been linked to deforestation and the degradation of peatlands. This has a negative impact on economics, species, and environmental conditions. Since 2015, all Loblaw control brand products containing palm oil ingredients align with one of the Roundtable on Sustainable Palm Oil (“RSPO”)’s four supply chain methods: Identity Preserved, Segregated, Mass Balance, or Book and Claim. More information can be found in our RSPO Annual Communication of Progress (“ACOP”).

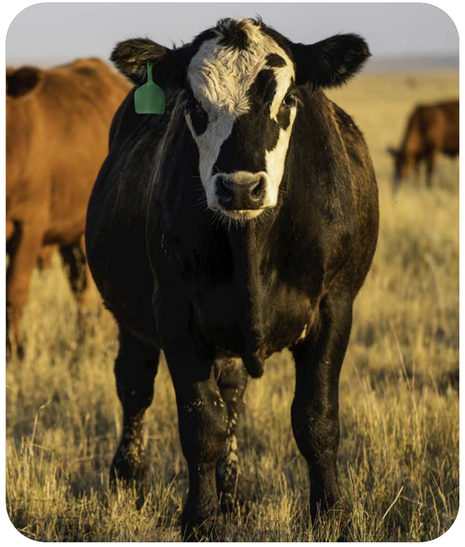


Coffee, Tea and Cocoa

There is a growing global demand for responsibly sourced cocoa, tea and coffee products, often signified by the Rainforest Alliance or Fairtrade certification seals. Our control brands currently include 71 Rainforest Alliance and 33 Fairtrade Certified products.

Sourcing Rainforest Alliance Certified ingredients addresses concerns such as aging tree stocks, improper use of chemicals, uncontrolled deforestation, labour conditions and low farmer incomes. By sourcing Fairtrade Certified ingredients, we support fairness for workers and farmers, while also investing in sustainable farming practices, community development projects, and social and physical infrastructure to empower the next generation of farmers.

We had the **largest control brand Fairtrade certified assortment** in Canada in 2024.



Sourcing Certified Sustainable Beef

We are committed to environmental, social and economic sustainability in the Canadian beef industry. The Canadian Roundtable for Sustainable Beef (“CRSB”) is committed to safeguarding wetland and grassland habitats, which are Canada’s most biodiverse habitats. Our support of organizations like CRSB and Ontario Corn Fed Beef™ provides a positive signal to farmers and ranchers that we value their responsible, climate protecting practices, and their role in climate-positive actions.

Designed with the Customer in Mind



PC® Planet First™

To meet the needs of our customers, in 2024 we expanded the PC® Planet First™ product lineup to include more than 30 products. Our PC® Planet First™ Soft & Thick Double Roll Bath Tissue is made with 100% recycled paper, which reduces the use of virgin material. Our PC® Planet First™ Birch Forks are made from birch wood from sustainably managed forests[33].



Plant-based Products

In 2024, we continued to meet the needs of our customers who are looking to reduce consumption of animal-based products by offering more than 60 PC® Plant Based products. Our PC® Plant Based products are third-party certified vegan and contain no animal by-products.



PC® Organics Products

We have heard from many of our customers that they want products made with a reduced environmental impact and without any synthetic pesticides, fertilizers or genetically modified organisms ("GMOs"). In 2024, the PC® Organics product lineup included more than 580 food and non-food products. All products are third-party certified and meet organic standards, which emphasizes sustainability and a holistic approach to agriculture.

Chemical Management

Our customers care about the products they put in and on their bodies - so do we. Over the years, we have worked with suppliers to remove many unwanted synthetic ingredients with potential health impacts from our control brand products. Our regulatory compliance and quality assurance programs define product and supplier requirements, including quality specifications, packaging and labelling requirements, and testing protocols to ensure product safety. The details of these requirements are outlined in our Supplier Code of Conduct.

Examples include removing Bisphenol A ("BPA") by sourcing packaging alternatives, including glass containers and plastic pouches for our President's Choice® baby tubs and food pouches; formulating all Life Brand® and President's Choice® household and personal care products without triclosan, microbeads, or phthalates since 2018; and confirming with our live-plant vendors that no live plants in our garden centres are treated with neonicotinoids containing pesticides.



Responsible Antibiotic Use

Animal welfare experts and the Government of Canada approve the use of antibiotics to treat sick animals, and they regulate the safe return of those animals to rearing programs. However, there is growing evidence and concern around anti-microbial resistance. That is why we launched our PC® Free From® line of meats raised without the use of antibiotics or added hormones more than a decade ago. By the end of 2024 we offered more than 200 products.

Our PC® Free From® animals are strictly raised without the use of antibiotics, and in the case of beef, without the use of added hormones. If an animal within our PC® Free From® program does become sick, the animal is treated and simply moved into a conventional animal rearing program that does not supply our PC® Free From® line of products.



Simple Check™

Eating quality food should not cost more, that is why our no name® Simple Check™ products are formulated based on our commitment to remove specific ingredients from our products. As at the end of 2024, the no name® Simple Check™ product portfolio included more than 950 products. The Simple Check™ symbol identifies no name® products made without these 10 ingredients:

- synthetic colours[34],
- artificial flavours,
- monosodium glutamate[35],
- butylated hydroxyanisole (“BHA”)/ butylated hydroxytolulene (“BHT”)/ tert-butylhydroquinone (“TBHQ”),
- hydrogenated oils,
- artificial sweeteners,
- sugar alcohols,
- azodicarbonamide,
- polydextrose,
- brominated vegetable oil.

Simple TM MC



Products Supporting Customer Preferences

By year-end, we offered more than 2,050 control brand products designed to meet customers’ preferences including nutritional and health concerns and preferences regarding ingredients, additives and potential allergens. These products include PC® Blue Menu®, PC® Organics, PC® gluten-free, PC® plant-based, peanut-free and PC® lactose-free products, and no name® Simple Check™. These products are available at our various grocery stores and drug stores, providing alternatives to our customers no matter where they shop with us.

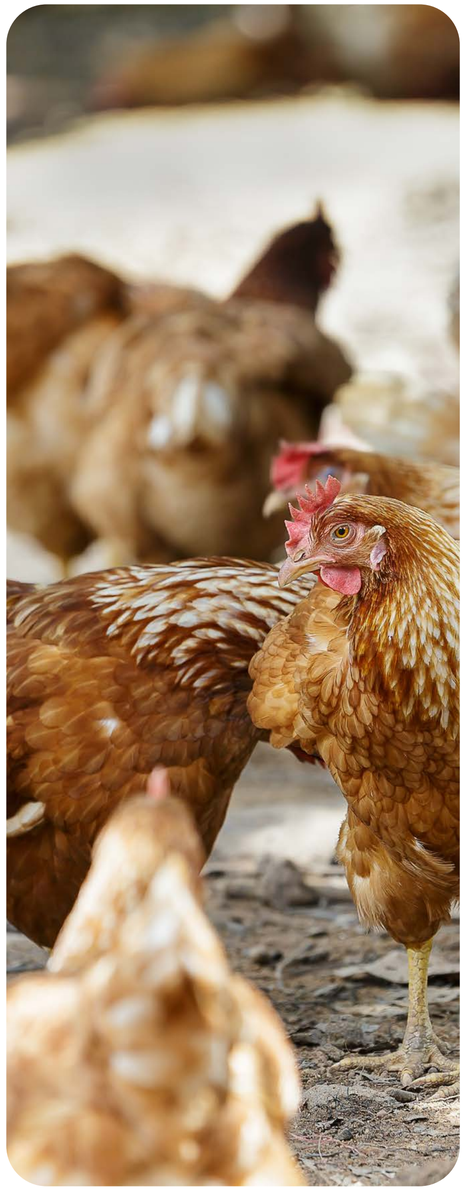
Healthy Food at Lower Prices

Launched in 2015, no name® Naturally Imperfect™ (“NNNI”) is a line of fresh and frozen fruits and vegetables that while smaller in size or slightly mis-shaped brings healthy fruits and vegetables to our customers at lower prices. As at the end of 2024 we offered 40 different NNNI produce items capturing a broad range of products across the department, ranging from potatoes and cucumbers, to strawberries. This includes 8 new products launched in 2024 (oranges, mandarins, strawberries, corn, eggplant, cantaloupe, mini-cucumbers, and brussel sprouts).



Blue MENU · Organics · PLANT BASED · MADE IN A PEANUT-FREE FACILITY · LACTOSE-FREE · GLUTEN-FREE

Loblaw Companies Limited



Animal Welfare

We are one of Canada's largest buyers and sellers of meat, poultry, chicken eggs and dairy products. Our customers expect their food to be safe, high quality, and produced responsibly and humanely. Customer expectations – combined with the input of industry associations, sector best practices, supplier guidance, and scientific advisors – are reflected in our Supplier Code of Conduct and our Animal Welfare Principles. For more details, please read our Animal Welfare Statement.

Cage-free Chicken Eggs

In 2016, we pledged to source all shelled chicken eggs from free-run[36] systems by 2025. We have made strides towards this goal: our PC® shell chicken eggs are 100% free-run and our PC® Organic chicken eggs are free-range[37]. However, in 2021 we realized that the 2025 timeline was unattainable as suppliers are not in a position to ramp-up supply within this timeframe. Despite this setback, we remain committed to improving the welfare of laying hens while ensuring egg availability and affordability for our customers. In 2023, we set several short-term goals to improve customer awareness of chicken egg housing systems, and we are pleased to report that in addition to ensuring all of our corporate grocery retail stores have free-run options for consumers[38], we completed the following in 2024:

- Increased transparency by reporting on free-run chicken egg sales for our national and control brand chicken egg portfolio for our grocery retail stores;
- Provided added profile to free-run options for our e-commerce business;
- Transitioned 100% of chicken eggs used in our corporate grocery retail in-store; prepared sandwiches and meals, to free-run chicken eggs[38]; and
- Piloted on-shelf signage in stores, to educate customers on the systems used to produce the chicken eggs they purchased.

In 2024, the sale of free-run and free-range eggs (previously "cage free") accounted for approximately 16% of all category sales (includes national brand and control brand eggs sold in corporate, franchise, associate-owned, and T&T® stores).

Additionally, in 2024 we committed to collaborating with various stakeholders to define our long-term strategy for eggs within our no name® portfolio. As part of this commitment, we have accelerated our transition plan, ensuring that all control-brand shelled chicken eggs will come from hens housed in alternatives to the standard "battery" cage by 2030 including from free-run, free-range or enriched housing[39].

FREE FROM®



Gestation-stall-free Sows

We are committed to sourcing from farms that use 100% group-housing systems for gestating sows as soon as practically possible. Animal welfare experts agree that housing sows in gestations stalls for the duration of pregnancy may result in negative health impacts including decreased muscle mass, lower bone strength, and reduced physical fitness[40]. We are pleased to report that by the end of 2024, we had converted 75% of fresh PC® Free From® pork to group housing for gestating sows.

JOE FRESH



Banned Fibres

Joe Fresh® is committed to sourcing more responsible and ethical materials, we have implemented a ban on the inclusion of fur, mohair (from Angora goats), and angora (from Angora rabbits) in all our products. Furthermore, we pledge to accurately label any synthetic materials that may resemble animal by-products.



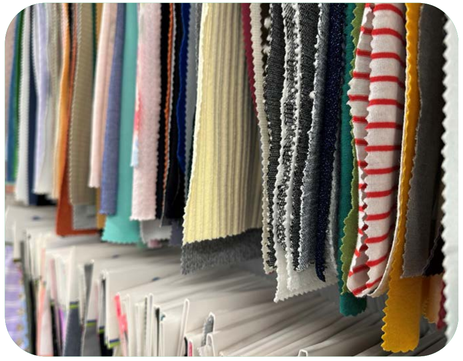
QUO BEAUTY®

Vegan Certified Beauty Products

100% of our Quo Beauty® brand products are certified vegan and animal test free. People for the Ethical Treatment of Animals ("PETA") have certified that none of our products are manufactured with animal by-products.

Responsible Initiatives in Apparel

Joe Fresh® Textile Waste Downcycling





In 2023, Joe Fresh® committed to permanently diverting textile samples from landfills in partnership with CSR Eco Solutions. These samples would not be suitable for consumer use and so it was important that a responsible end-of-life solution was found. CSR Eco Solutions works with textile recyclers to downcycle the no longer needed samples and uses them to produce building and automotive insulation. Since then, we have expanded this program to address some other textile waste where possible.

In 2024, the partnership diverted 90 metric tonnes of textile waste, effectively saving the planet the equivalent of more than 260 metric tonnes of CO_2e[41]. As the industry and technology develops better fibre-to-fibre recycling, Joe Fresh® will continue to identify opportunities to further progress circularity.

Responsible Wool

In 2024, Joe Fresh® began to introduce The Responsible Wool Standard (“RWS”) yarns into our assortment. The RWS is a voluntary standard that requires all sites, from wool farms to the seller in the final business-to-business transaction, to be certified as responsibly sourced. RWS farmers and ranchers are evaluated against animal welfare, land management, and social requirements set in the standard. In 2024, we had more than 17,000 units of apparel and accessories that were produced using more than 7 metric tonnes[45] of RWS yarns.

Cascale

In 2023 Joe Fresh® became a member of Cascale (formerly the Sustainable Apparel Coalition) and obtained access to the Higg Index. The Higg Index is developed and owned by Cascale and serves as a standardized sustainability measurement framework for the consumer goods industry, assessing various aspects of sustainability within the supply chain. In 2024, we worked with our direct vendor partners to complete the 2023 HIGG Facility and Environmental Module (“FEM”) and the HIGG Facility Social and Labour Module (“FSLM”) assessments for their tier 1 and 2 facilities. The FEM assessment has been completed for 84% of direct vendor facilities and the FSLM assessment has been completed for 24% of direct vendor facilities.

Recycled Insulation

In 2019, we began using PrimaLoft® thermal insulation for our Joe Fresh® insulated apparel. PrimaLoft® insulation is predominantly manufactured with post-consumer recycled (“PCR”) content including plastic water bottles, as well as recently added pre-consumer industrial materials (defined as materials recovered during the manufacturing process), providing warmth without bulk that is also water repellent. In 2024, we were able to divert 3.8 million bottles or 76 metric tonnes of plastic water bottles from landfill[42].

Cotton Initiatives

Joe Fresh® is committed to converting 100% of its cotton-rich products to more sustainable cotton by 2025. This includes converting such products to either Global Organic Textile Standard (“GOTS”) certified organic cotton or to Better Cotton. In 2021, we became a member of Better Cotton, which has a clear mission: “Help cotton communities survive and thrive, while protecting and restoring the environment.” We are pleased to report that in 2024 we increased our Better Cotton sourcing from 84% to 96% in cotton rich products[43]. Additionally, we sourced 3% of our cotton as GOTS certified organic for cotton rich products[44].



Certified Recycled Polyester

Joe Fresh® uses polyester certified by the Global Recycled Standard (“GRS”), recognized as the leading standard for recycled materials worldwide, and is made from post-consumer recycled plastic. In 2024, we had more than 1.6 million units of apparel and accessories that were produced using more than 400 metric tonnes of recycled polyester[45]. These products have at a minimum 20% GRS polyester.

Responsible Viscose

In 2023, Joe Fresh® introduced responsible viscose products containing certified manmade cellulosic fibers (MMCFs) such as LENZING™ ECOVERO™ Viscose, LENZING™ TENCEL™ Modal, or LENZING™ TENCEL™ Lyocell. Responsible viscose is derived from wood sources that are FSC® (Forest Stewardship Council) or PEFC™ (Programme for the Endorsement of Forest Certification) certified or are not known to be sourced from Ancient Endangered forests based on audits and other information. In 2024, we had more than 151,000 units of apparel and accessories that were produced using more than 34 metric tonnes of responsible viscose[45].

Responsible Initiatives in Pharmacy

Reducing Waste

The Shoppers Drug Mart network experiences pharmaceutical waste every year due to factors that cannot be managed by the robust existing inventory control systems in our pharmacies – for example, patient discontinuation of medications, patient move/transfer, and in some cases patient death.

To help reduce pharmaceutical waste in the system, we created a central portal ("Medslink") for our pharmacies that streamlines pharmacy-to-pharmacy transfers of prescription medication based on patient need at the receiving pharmacy, as agreed to between Associates at the transferring and receiving pharmacies. The portal works by automatically flagging any prescription medication that is nearing expiry in a pharmacy and that has had no dispenses against it in the last six months. The portal then initiates a transfer of a specified quantity to another pharmacy within a twenty-kilometer radius in the same province where there is a patient need for the medication. The medication is then transported[46] between pharmacies through our existing distribution channel, which meets all requirements for environmental and security controls. This program prevents medications from expiring on pharmacy shelves which would result in waste, including both the medication itself as well as the packaging. In 2024 Shoppers Drug Mart® pharmacies in Ontario, Nova Scotia, New Brunswick, Manitoba, and British Columbia participated in the program and together helped to mitigate the risk of pharmaceutical waste.

Sanis Health Inc, a subsidiary of Shoppers Drug Mart Inc. is a pharmaceutical manufacturer offering a range of generic medicines. In 2024, Sanis made a significant impact by removing more than 6,700 kilograms of plastic through a focused transition to larger pack sizes. This shift to "bulk packaging" for medications, utilizing larger bottles, effectively minimizes packaging waste and decreases the consumption of plastic.

For a second year Specialty Health Network by Shoppers™ ("SHN") has continued on the path to help reduce single use packaging waste. By converting to fully recyclable[47]. packaging for delivery from our pharmacies to patients, we eliminated more than 3,900 polystyrene coolers (equivalent to more than 19,500 kilograms) that may have otherwise ended up in landfills.

Our pharmacies dispense medication in approximately 73 million paper bags annually. In 2025 we plan to transition our traditional paper bags to kraft paper bags that are Forest Stewardship Council ("FSC") certified and manufactured with 100% recycled paper containing a minimum of 40% post-consumer content.



Medication and Sharps Return

Pharmaceutical household waste from expired or unused medicine does not only offer zero therapeutic benefit but contributes to environmental pollution when disposed of via improper routes[48] including improper disposal in toilets, drains, trash or nature. Partnerships and store programs facilitate the safe disposal of unused and expired medication and sharps to keep these materials out of the environment. Collected medication and sharps are treated by high-temperature incineration. In 2024, our pharmacy network collected 275,000 kilograms of unused or expired medication and 264,000 kilograms of biomedical sharps.

As we continue to look for ways to reduce waste we will be standardizing re-usable Pharmacy-use sharps containers in all locations by the end of 2025. Using re-usable sharps containers for Pharmacy-use will reduce the number of single-use sharps containers from being incinerated, and help reduce GHG emissions.



Environmental Management

We maintain an effective environmental management system (“EMS”) designed to ensure we follow environmental regulations and company policies, manage environmental risks, and improve our environmental performance. This system relies on clear roles and responsibilities and relates to our enterprise operations including corporate retail, food franchise, and associate-owned drug stores, as well as distribution centres[49].

Within this structured framework, we proactively identify potential issues, exercise due diligence, and maintain emergency preparedness procedures. Our commitment extends further through colleague training and awareness programs.

Continuous improvement is integral to our EMS. Through ongoing monitoring, reporting, inspections, and internal audits, we refine our strategies for waste diversion and energy reduction, translating aspirations into actionable plans integrated into our daily operations.

To ensure the effectiveness of our environmental compliance program, internal audits conducted by certified environmental auditors are a key component. Audits prompt corrective action plans, fuel improvement, and drive excellence in environmental practices.

Our EMS promotes transparency by centralizing environmental communications and drives continuous improvement by ensuring we actively address corrective actions.

The Compliance and Ethics department oversees the EMS, ensuring clear implementation direction. Roles and responsibilities are outlined in our Environmental Management Manual, solidifying our commitments, actions, and compliance adherence. Aligned with ISO 14001 standards, our EMS policy emphasizes continuous improvement.

Environmental Due Diligence

We maintain an environmental due diligence process to assess sites for potential risk of environmental contamination. Aligned with industry standards for site development, divestiture, or historically contaminated sites, the program plans, tracks, and forecasts resource requirements in accordance with business strategy. The program includes the management of any environmental monitoring of contaminants as required for the portfolio of sites. It also supports the development and upkeep of Standard Operating Procedures and records of remediation, new developments, and legacy sites.



Asbestos and Hazardous Materials Management

We manage risks associated with asbestos and other hazardous substances by maintaining a program primarily intended to identify these substances, manage asbestos containing materials while in place, and control disturbance of such materials by using proper procedures during demolition, renovation, alteration, maintenance, repair, or other activities. The objective in preparing and instituting this program is to ensure that known or suspected asbestos or other hazardous substances are managed so that maintenance staff, construction workers and occupants are safeguarded in accordance with applicable regulations. We proactively conduct assessments for hazardous materials as part of our EMS business strategy and maintain up to date records.

Health and Safety

We are committed to providing and maintaining safe shopping and working conditions for colleagues, employees of our franchisees and associates, as well as customers. Health and safety is embedded in all we do each day. We mandate health and safety training for all colleagues and employees, including orientation, new hire training and the Workplace Hazardous Materials Information System (“WHMIS”). We also have role-specific training for power lift truck operators, first aid responders and people leaders. We ensure colleagues have the necessary tools to do their jobs safely and effectively. Our joint health and safety committees (“JHSC”) and health and safety representatives work with our colleagues and managers to ensure a safe workplace. They provide valuable feedback and recommendations to our management teams for implementation. We set clear expectations, regularly monitor our health and safety program and engage with our colleagues to help reduce injuries and accidents.

Health and Safety Metrics

We track all health and safety metrics at the corporate level for a clear understanding of issues, trends and opportunities for improvement. As part of our compliance program, we monitor workplace injuries including critical injuries, lost time, health care and first aid injuries. We also monitor regulatory visits and orders, JHSC compliance (meetings and inspections), and mandatory training. Compliance to key elements of our health and safety program is measured through facility audits and regular field visits by our Health and Safety Business Partners. One of the ways we assess our safety performance is by measuring accident frequency and lost time frequency within our corporate operations. Accident frequency is a common industry measurement of the average number of workers injured for every hundred employees, while lost time frequency is a measure of how many lost time injuries occur for every hundred employees. Please see details available in table format on our data sheets.

Culture and Inclusion 30
Our Colleagues 35
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Investing in Our Communities 40
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Social



Culture and Inclusion

We are at our best when our stores, pharmacies and clinics represent the people they serve, and when our colleagues and employees feel that they are part of a corporate culture where everyone can bring their full selves to work. This diversity fuels the success of our business, and in turn, makes our communities stronger. It is what drives innovation, helps us solve challenges, and allows us to deliver exceptional customer experiences every day.

In 2024, in recognition of our intentional focus on culture and inclusion, Loblaw was honoured with several awards, including receiving the Top Diversity Award for the 14th consecutive year. We were also recognized as one of Canada's Top 100 Employers and Greater Toronto's Top Employers since 2010, and as one of Canada's Best Diversity Employers since 2011. These achievements are a testament to our long-standing commitment to our people and the exceptional culture we have built together.

Our CORE values – **Care, Ownership, Respect and Excellence** – are embedded into everything we do, and best come to life through our culture principles: being authentic, building trust, and making connections.



Governance

Our progress in culture and inclusion is a direct result of its integration into our business strategy and the unwavering commitment from our leadership. Our Culture and Inclusion Council, comprised of 28 executive and senior management colleagues from across the organization, meets quarterly to steer and accelerate our initiatives.



Employee Resource Groups

Loblaw's Culture and Inclusion strategy has been championed by colleagues in our four equity-seeking Employee Resource Groups ("ERGs"): Able at Loblaw, Embrace Your Roots at Loblaw, Proud at Loblaw, and Go Further Women at Loblaw. Each ERG receives dedicated funding, executive sponsorship and is driven by passionate colleagues who identify with the community, along with their allies. These groups play a vital role in fostering a sense of belonging and driving positive change. Additionally, each operating division has a dedicated committee to further advance our Culture and Inclusion goals, which are equally embedded into their day-to-day operational strategies.

Throughout 2024, our ERGs spearheaded impactful events commemorating significant observances such as Black History Month, International Women's Day, Transgender Day of Visibility, Pride, National Day for Truth and Reconciliation, and National Disability Employment Awareness Month. These events serve to celebrate our diversity, promote understanding, and foster a more inclusive workplace for all. This year, we celebrated our longstanding tradition of recognizing our diverse workforce and the hard work of our colleagues with the newly rebranded Culture and Inclusion Week.

ABLE at Loblaw

Embrace your ROOTS at Loblaw

PROUD at Loblaw

Go Further WOMEN at Loblaw

Representation Goals

Loblaw's representation goals are driven by our belief that a diverse workforce is a stronger workforce. That is why we are dedicated to creating teams that accurately reflect the unique Canadian communities we serve. We know that this commitment to representation enables us to be more innovative, make better business decisions, and truly embody Canadian values in everything we do.
Our achievements in diversity are a testament to our collaborative approach, weaving our culture and inclusion strategy into the very fabric of our business. Our leadership team has prioritized equity in all facets of our operations, particularly in key areas such as succession planning and professional development.

As we deliver on our goal of being Canada's most diverse and inclusive employer, we will provide transparency on our progress towards our representation goals. Four years ago, we set a goal to ensure that our leadership teams better reflect the diversity of our Canadian workforce and customers. Since then, women in executive positions increased to 39.5% and 46% in management, and racialized groups[50] in executives increased to 28% and 34% in management.

Metric[51,52,53]	Unit of Measure	2024 Goals	FY 2024	FY 2023	FY 2022[54]	FY 2021
Percentage of women in Board of Directors	%	40%	46%[14]	42%	45%	42%
Percentage of women in Executive positions[55,56]	%	40%	39.5%[14]	39%	38%	38%
Percentage of women in Management positions[55,57]	%	43%	46%[14]	46%	47%	44%
Percentage members of visible minorities in Board of Directors	%	25%	23%[14]	17%	18%	17%
Percentage members of visible minorities in Executive positions[55,56]	%	25%	28%[14]	28%	26%	24%
Percentage members of visible minorities in Management positions[55,57]	%	30%	34%[14]	32%	30%	26%
Cumulative number of colleagues that have completed training on fundamental Diversity, Equity and Inclusion topics[58]	Number of People	200,000	198,000[14]	166,400	122,100	16,500





We will continue advancing social equity and build upon our existing diversity goals with a renewed focus on accelerating executive representation for women and racialized groups. We firmly believe that reflecting the rich diversity of Canadians within our leadership not only enhances our effectiveness, but also strengthens our engagement with the communities we serve.

To achieve this, we remain focused on breaking down systemic barriers and aligning our representation goals with the Canadian labour market.

Metric - achieve or maintain	2028 Goals	FY 2024
Percentage of Women in Board of Directors	40%	46%
Percentage of Women in Executive positions[55,56]	45%	39.5%
Percentage of Women in Management positions[55,57]	46%	46%
Percentage of racialized individuals in Board of Directors	23%	23%
Percentage of racialized individuals in Executive positions[55,56]	30%	28%
Percentage of racialized individuals in Management positions[55,57]	30%	34%

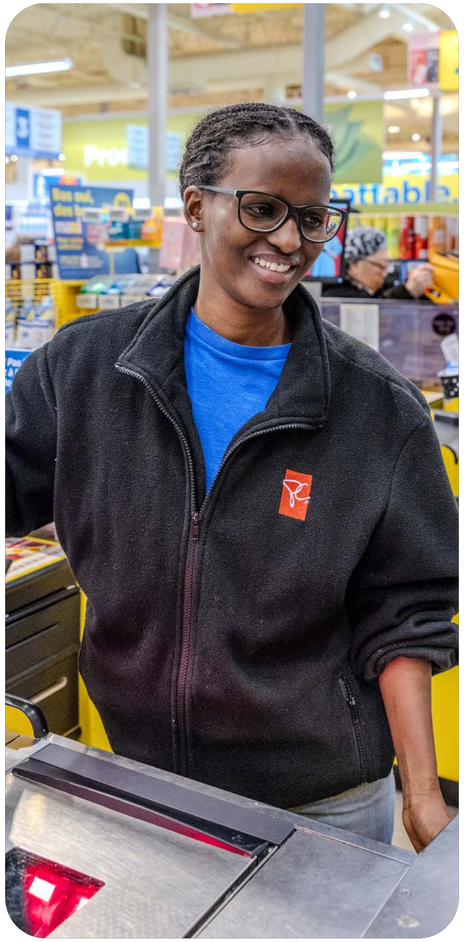


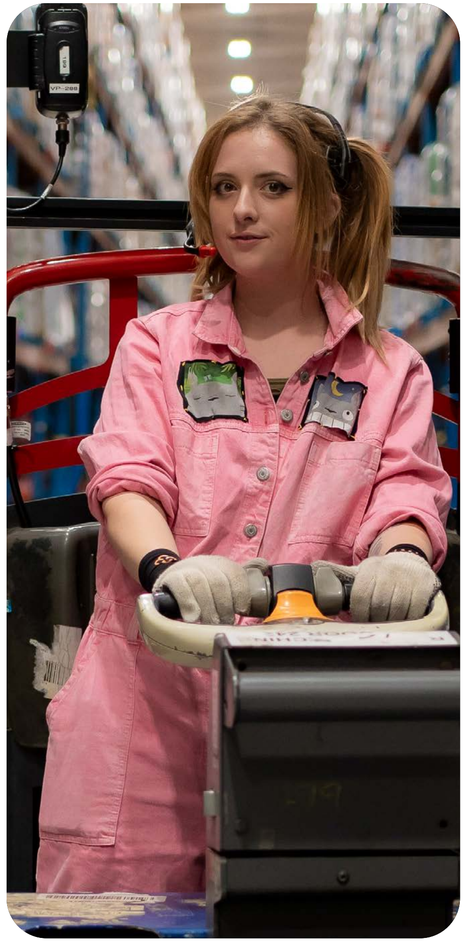
Gender Equity and Advancing Women

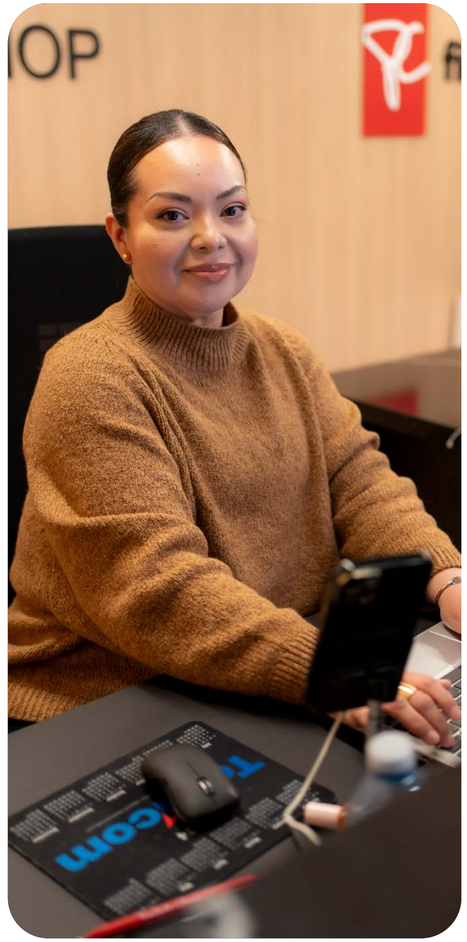
Go Further Women focuses on empowering women of all backgrounds to realize their full potential and grow their careers at Loblaw.

- We monitor and remove biases in our Talent Management Programs by providing leaders with Unconscious Bias in Performance communication job aids and performing a review of successor representation metrics in our annual succession planning process. As a result of these and other initiatives, in 2024, 44.4% of executive successors identified as women, as did 51.5% of Top Talent.
- We have taken steps through our recruitment and retention programs to increase women in Science Technology Engineering and Mathematics ("STEM") groups within our organization. In 2024, women represented 40% of Loblaw Digital and 37% of Loblaw Technology and Analytics teams.
- Our focus on new talent is enabling us to build a more gender diverse pipeline. In 2024, 42% of our interns and 60% of Loblaw Scholarship recipients identified as women.
- Our Parent and Caregiver Network offers assistance and materials to parents and caregivers, or those who plan to be. Additionally, we provide Lactation Rooms in our main offices for those who require them.
- Gender pay equity remains a core focus for our organization. In 2024, we successfully maintained a 0% adjusted pay gap[59] in like-for-like positions for corporate store non-union and store support colleagues. This achievement highlights that we have embedded gender pay equity principles into our pay decision-making processes to maintain this position and ensure equity is sustained across all roles.
- As of the end of 2024, the average gender pay gap, regardless of position, stood at 4.42%. This marks further progress from 4.57% in 2023 and 5.73% in 2022, demonstrating steady improvement year over year. The reduction in the raw pay gap underscores our commitment to fostering a fair and equitable environment for all colleagues while driving meaningful change.
- In 2024, we focused on celebrating and developing our colleagues through a company-wide International Women's Day event, as well as quarterly newsletters with colleague spotlights, peer mentorship circles, and our fourth annual Go Further Women Awards where we recognized over 1,500 winners from across the country.
- As of year-end, 49.6% of our total corporate workforce identified as women, including 50.2% at the corporate store level.

Go Further WOMEN at Loblaw







Anti-racism and Celebrating Cultural Diversity

Embrace Your Roots celebrates, supports, and recognizes the richness and strength that comes from the diverse racial and cultural backgrounds of Canadians.

- We are supporting a new and more ethnically diverse generation into the workforce - 58% of interns and 57% of Loblaw Scholarship recipients in 2024 self-identified as Indigenous, members of visible minorities, or racialized groups.
- We monitor and remove biases in our Talent Management Programs by providing leaders with Unconscious Bias in Performance communication job aids and performing a review of successor representation metrics in our annual succession planning process. As a result of these and other initiatives, in 2024, 32.9% of Top Talent and 36.2% of executive successors identified as members of visible minorities or racialized groups.
- Black colleagues represent 3.7% of our corporate workforce. In 2024, we continued our partnership with the Black Business and Professional Association (“BBPA”) to remove barriers to Black-owned businesses through vendor programs, sponsorship of their Rise Up pitch competition for Black women entrepreneurs, and the BBPA’s Harry Jerome Awards.
- We also provided professional coaching as a development opportunity through the EZRA program (a professional coaching program that brings together behavioural science and generative AI to personalize development opportunities for leaders) to 10 Store Management colleagues across the organization in 2024.
- To support the diversity of our colleagues and communities, we have Reflection Rooms in some of our main store support offices. Many of our retail store locations have also provided space for quiet meditation and prayer.
- Through the Embrace Your Roots “Ready to Scale” Supplier Diversity Summit, we mentored Indigenous and Black-owned vendors, helping them navigate and operate in our supply chain.
- As of year-end, 29% of our total corporate workforce voluntarily self-identified as a visible minority.



Embrace your ROOTS at Loblaw



Reconciliation and Inclusion of Indigenous Peoples

As a proud Canadian company, we recognize our responsibility and opportunity to enhance reconciliation with and inclusion of Indigenous peoples.

- As part of our ongoing efforts to promote diversity and inclusion, we have collaborated with our recruitment teams to develop strategies and remove barriers, aiming to increase representation of Indigenous colleagues in our corporate workforce, which currently stands at approximately 1.2%.
- To support and celebrate the accomplishments of Indigenous women, we again sponsored the Canadian Council for Indigenous Business (“CCIB”) Indigenous Women in Leadership Award, and we continue to work closely to help build stronger representation of Indigenous business within our supplier network.
- Our meetings consistently incorporate Land Acknowledgements to promote understanding and reverence for the territories on which we reside, and we installed a Land Acknowledgement Plaque at our Brampton head office and in more than 235 stores in 2024.
- In partnership with The Gord Downie and Chanie Wenjack Fund, Chief Claire Sault of the Mississaugas of the Credit First Nation, and artist, Philip Cote, we opened a Legacy Space at our Loblaw head office in Brampton, which is a representation of our commitment to reconciliation through the creation of a physical space where visitors can learn and reflect on the true history of Canada.
- In 2024, we partnered with AMIK Inc. to provide Indigenous cultural awareness training to our Saskatchewan Shoppers Drug Mart Associate Owners and store managers, helping them better support the local Indigenous communities they serve.
- In 2024, we partnered with Chris and Greg Mitchell of Born In The North to design an orange shirt to honour the National Day for Truth and Reconciliation. Raised in Halifax (Kjipuktuk) and now based in Toronto (Tkaronto), these Mi’kmaq artists explore the bond between humanity and nature—their art brings visibility to the richness of contemporary Indigenous artistry. 100% of proceeds from the sales of this shirt in the amount of $100,000 were donated to the Gord Downie and Chanie Wenjack Fund.



2SLGBTQIA+ Inclusive Spaces

PROUD at Loblaw's mandate is to create a positive space where colleagues of all genders and sexual orientations feel welcomed and can be their authentic selves allowing them to contribute fully.

- In 2024, 1.6% of executives, 2.3% of management and 1.8% of our corporate workforce voluntarily self-identified as 2SLGBTQIA+; less than 1% of our corporate workforce self-identified as transgender or non-binary.
- We continued several initiatives to create a more inclusive space for colleagues and customers, including pronoun stickers for store support colleague badges, encouraging store colleagues to add pronouns to their uniform badges, expanding inclusive washroom signage across the store network, and modifying business applications to support name changes for transitioning colleagues.
- We celebrated Pride Month by raising our Pride flags at our corporate offices across the country and marched in 10 major Canadian city Pride parades, including Halifax, Montreal, Toronto and Vancouver.
- We supported 16 2SLGBTQIA+ colleagues through talent development and networking programs, THRIVE and FLOURISH, at Pride at Work Canada. The THRIVE program supports the development of the next generation of Two-Spirit, queer and trans people leaders and the FLOURISH program supports skill development for Employee Resource Group (ERG) leaders.
- We expanded the Shoppers Drug Mart® Pride campaign – "Pride Vibes" – through the distribution of a Pride Guide with resources and educational materials, as well as a $30,000 contribution to Pflag Canada, raised through a portion of sales on Quo Beauty® Pride celebration products.



PROUD at Loblaw





Championing Disability Inclusion

ABLE at Loblaw acts as a voice and support centre for hiring people with disabilities. ABLE monitors representation and accessibility in our business, celebrates the unique abilities of people with disabilities, and educates leaders on hiring and managing people with disabilities.

- In 2024, we continued to expand our efforts to hire more persons with disabilities through our partnership with Ready Willing and Able in stores across Canada.
- By year-end, 1.1% of executives and 0.9% of our corporate workforce voluntarily self-identified as a person with a disability.
- To ensure availability of accessible workplaces, we sustained our training related to Accommodation in the Workplace and Disability Etiquette. Additionally, we are proud to offer American Sign Language workshops to our colleagues, led by the Canadian Hearing Society.
- Awareness and education for our colleagues continued in 2024 with our enterprise-wide events for Mental Health Awareness Month and National Disability Employment Awareness Month. Each of these initiatives included the distribution of digital resources for our colleagues, to drive inclusion and sense of belonging for corporate colleagues, franchise and associate employees and customers.
- In our main offices, we installed quiet rooms, providing spaces where anyone, including our neurodivergent store support colleagues can focus.
- Over 300 team members participated in this year's Terry Fox Walk and $20,000 was raised for cancer research.
- To improve inclusive experiences for our customers, we continued with two programs to provide a more accessible in-store experience:
  - Leveraging loop system technology in more than 50 of our stores to provide a more inclusive experience for customers and colleagues using hearing devices. Loop systems use hearing aid technology to cut out background noise.
  - Utilizing a booking service to allow customers with disabilities to pre-book an appointment to have dedicated assistance when shopping.



ABLE at Loblaw

Our Colleagues



Colleague Code of Conduct

Our customers, suppliers and partners have high standards for our organization. Our colleagues must demonstrate integrity, professionalism and accountability at all times to meet these expectations. Our Colleague Code of Conduct lays the foundation for how we work together in a respectful, transparent and fair way and reflects our CORE values – Care, Ownership, Respect, and Excellence. All colleagues are required to comply with both the spirit and the letter of the Code of Conduct.

Colleague Learning and Career Development

At Loblaw, we recognize that our people are the driving force behind our success. We are deeply invested in fostering a continuous learning and development culture, providing our team with the tools and resources they need to thrive. Our multi-faceted approach to development goes beyond traditional training, encompassing:

- **Tailored Development Programs:** These immersive programs, ranging from 3 to 12 months, provide in-depth learning experiences through workshops, coaching, assessments, and external opportunities, equipping individuals at all career stages with essential job skills and leadership capabilities.
- **Targeted Leadership Development:** We offer specialized workshops on key leadership topics and a robust People Leader Development Program grounded in our Leadership Behaviour Model, Culture Principles, and CORE Values.
- **The Academy - A Gateway to Growth:** Our integrated learning management system, The Academy, grants access to more than 29,500 voluntary and mandatory training courses, empowering individuals to excel in their current roles and build skills for future career aspirations.
- **Career Development:** Loblaw offers thousands of job opportunities across diverse fields like food, healthcare, technology, and finance, empowering colleagues to grow their careers. With leadership support, we encourage colleagues to create Individual Development Plans aligned with their goals. For the 2024 year, more than 18,500 year-end performance reviews were completed for corporate store support colleagues.

In 2024, our team completed over 2.3 million training courses, demonstrating their commitment to continuous learning. We are incredibly proud of our team's dedication to growth and are committed to further enhancing our learning ecosystem. Our future plans include expanding digital and Artificial Intelligence coaching options, creating persona-based learning paths for leadership development and making leadership development more consistent, customizable, and scalable across our organization.



Accelerating Culture and Inclusion with the Even Better 3 Workshop

In 2024, we doubled down on our commitment to fostering a diverse, equitable, and inclusive workplace by launching the Even Better3 workshop across the organization. Building on the success of our foundational culture-shaping program, b3 (Better Me, Better We, Better Loblaw), Even Better3 delves deeper into critical aspects of creating a truly inclusive environment.

We challenged ourselves to deliver this culture refresh training in person only, from our front-line teams right to our management board members. Rolling out coast to coast, from Whitehorse to Moncton, we skilled up a network of over 65 passionate leaders and ambassadors to facilitate the workshops offsite as well as in stores and distribution centres. This immersive workshop focuses on equipping our colleagues with the knowledge and skills to champion inclusion and belonging, cultivate psychological safety, and practice empathy and compassion. The success of this rollout at this scale, came through the commitment to further driving our culture across our Company.

This year, we were proud to have offered the Even Better3 workshop to over 70,000 colleagues across our stores, clinics, distribution centres, and store support teams. We are committed to complete the Even Better 3 training rollout with a cumulative 100,000 colleagues reached (2024 and 2025 combined).

Even Better3 is a testament to our ongoing commitment to creating a workplace where everyone feels valued, respected, and empowered to thrive. We believe that investing in our people and fostering a culture of belonging is not only the right thing to do, but also essential for our continued success. We have been on a culture journey for over 10 years, and we have only seen our organization grow through authenticity, building trust and making connections. Our culture has built our resiliency through times of change and crisis.

Ambassador Network and Huddle Boards

Accelerating and further embedding culture and inclusion with our front-line population is one of our key pillars in our Human Resources strategy. Our colleague engagement scores have shown us that our belonging scores are lower in our front-line population, compared to our store support teams. To support this, in 2024 we rolled out a Culture and Inclusion Ambassador and Huddle Board Program, where we encouraged our stores and distribution centres to elect one or more culture and inclusion passionate leaders to act as their location's ambassador.

To support this program, we designed a huddle board to house culture and inclusion related resources that we create and share every month. To date, we have over 500 colleagues elected as ambassadors across our food retail front-line network and over 430 locations utilizing the Culture and Inclusion huddle board. Additionally, all Shoppers Drug Mart® stores receive the resources we prepare for this program, and Associate Owners are encouraged to utilize them on their Culture and Inclusion supplemental cork board.

Thanks To You and Culture and Inclusion Week

At Loblaw, we believe that a culture of recognition is not merely an event, but a living, breathing entity woven into the very fabric of our organization. It is about fostering an environment where every individual feels seen, valued, and empowered to contribute their unique talents.

In 2024, we elevated our annual "Thanks To You" initiative from a singular event to a vibrant, week-long celebration of our collective achievements and the diverse tapestry of our workforce. Aptly titled "Culture and Inclusion Week", this event consisted of opportunities for learning and development, engagement and networking, and colleague recognition, all centered around the theme of belonging.

Beyond the centrally organized initiatives, our stores, distribution centres, and store support offices embraced the spirit of the week, hosting their own unique activities and programs. This groundswell of enthusiasm showcased the creativity and passion of our teams, further amplifying the message of appreciation and inclusion across every corner of our organization.



Additional Colleague Benefits

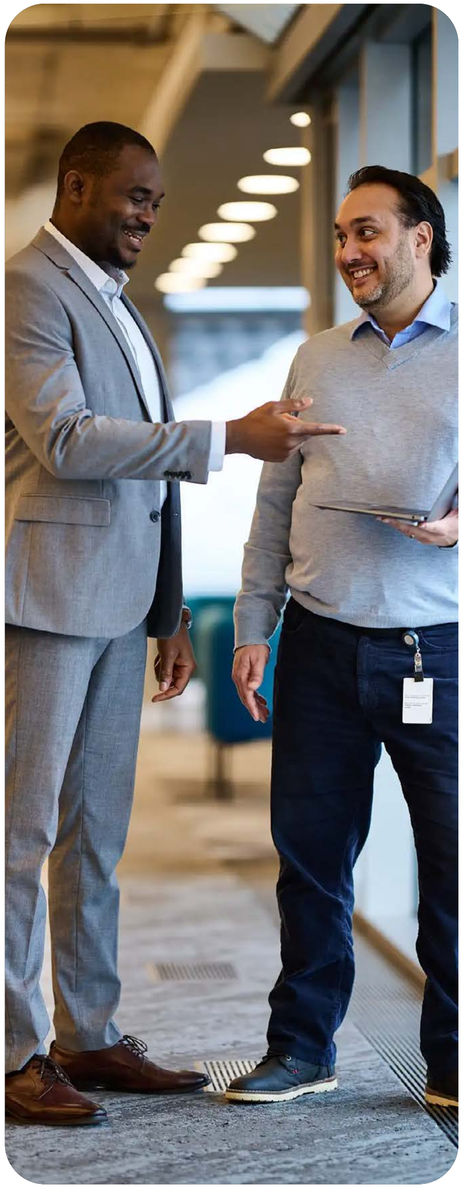
- **Loblaw scholarship fund:** since 2011, Loblaw has awarded financial assistance to colleagues and employees who are pursuing post-secondary education based on academic achievement, leadership potential, and community involvement. In 2024, 150 recipients were awarded $2,000 towards their education.
- **Bereavement:** our expanded bereavement policy supports our corporate non-union colleagues during challenging times of personal loss, including both pregnancy loss and loss of chosen family members.
- **Equal parental leave and top-up:** effective January 1, 2024, our parental leave time off and top-up policy applies equally to birthing and non-birthing parents. This effort recognizes the diversity of families and supports parents who have children through adoption or surrogacy and encourages shared responsibilities and time for family bonding.
- **Additional health benefits:** our corporate non-union benefits program, My Benefits, is a flexible benefits plan that allows colleagues to customize their coverage each year to support the unique health and wellness needs that they and their families have. My Benefits offers equitable coverage, including mental health support for colleagues and dependents, gender affirmation care coverage for transgender colleagues and/or dependents, and fertility treatment support for colleagues.
- **Accommodations for cultural observances:** our colleagues and employees are encouraged to work directly with their leadership teams to leverage flexible working options to accommodate for cultural observances without utilizing their vacation days.
- **Inclusive customer and colleague experience:** Pronoun tags and email signatures help foster an environment where all feel that they are being acknowledged and respected, while language pins enable effective communication by bridging language barriers and promoting cultural sensitivity. Hearing loops provide essential accessibility for those with hearing impairments, ensuring that they can participate fully in discussions or activities.



Talent Recruitment and Retention

To be the best, we need to hire the best people and retain them. We have positioned our Company as a first-job destination for those entering the workforce. We offer exciting career opportunities across our diverse business, including technology, data and analytics, e-commerce, pharmacy, finance, supply chain, and more. To attract talent and develop our colleagues into high-performing leaders, we are heavily focused on training and development, investing in our corporate culture, and creating differentiated experiences for our workforce of the future. These efforts will help us retain our top talent and attract candidates with superior skills to help us deliver positive business results.

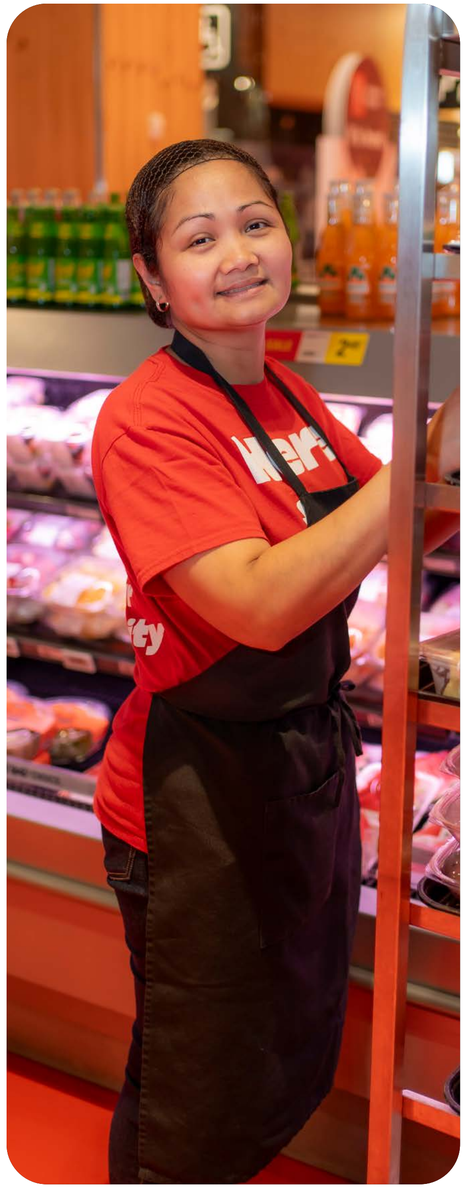
In 2024, more than 61,000 corporate colleagues and food franchise employees were hired across our network. Our talent recruitment ratio was 0.99. Involuntary turnover was 6.8% and voluntary turnover was 34.5% for corporate colleagues in 2024.



Colleague Engagement

An annual engagement survey, Tell It as It Is, is distributed to our entire organization to collect feedback related to overall engagement, leadership effectiveness, culture, inclusion and belonging, customer centricity, compliance and ethics, wellbeing and more. We also ask participants to self-identify their gender, ethnicity, sexual orientation, and disability in the survey to compare aggregate results of the marginalized groups to the majority groups.

Since measuring these gaps, we have seen improvement relative to engagement, leadership effectiveness, and sense of belonging for women and visible minorities. In 2024, our overall enterprise engagement score was 78%. Grocery Retail scored 79%, Drug Retail scored 82%, and Supply Chain scored 70%. It is worth noting that the average benchmark for employee engagement in the retail industry is 78%[60].



Colleague Relations

Approximately 80.5% of our corporate retail and supply chain colleagues are covered by collective bargaining agreements negotiated with local unions, often affiliated with national and international labour unions. We have more than 380 collective bargaining agreements.

Throughout each negotiation, we aim to achieve reasonable outcomes that offer competitive wages and quality healthcare and retirement benefits, while also ensuring that our businesses remain competitive.

In 2024, our full-time and part-time corporate store and distribution centre colleagues had an average hourly rate of $20.48. When including fringe benefits, the average hourly wage was $28.18. We are also pleased to note that 82.6% of in-store and distribution centre corporate colleagues earn more than the provincial minimum wage.

Access to Care

We aim to make high-quality healthcare more convenient and accessible to millions of Canadians every day through our network of pharmacies, stores and other healthcare businesses.



More than **150** Pharmacy Care Clinics to improve options for Canadians to access primary health care needs



Over **8,500** registered pharmacists

172 million total prescriptions filled

Over **17,000** pharmacy assistants, technicians, and registered nurses

3 million + prescribing services provided by our pharmacists



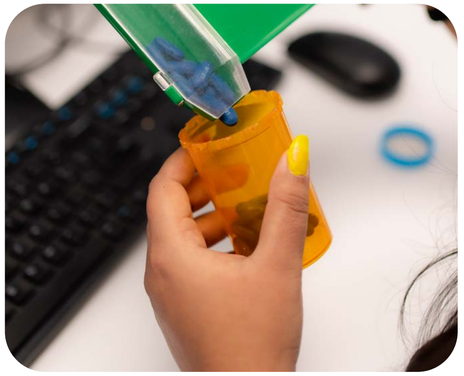


2 million + flu shots administered



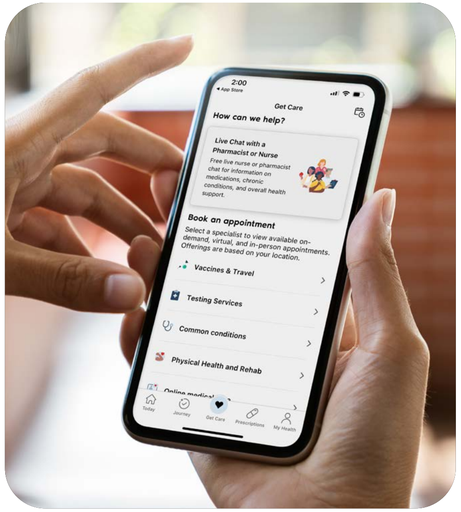
More than **1,820** retail pharmacies

14 million + period products donated through partnerships with Procter & Gamble and Kimberly-Clark



Opioids

Opioid abuse continues to devastate families and communities across Canada. To help fight the opioid crisis in our country, we continue to offer Naloxone training to customers to help prevent overdoses. Naloxone kits are made available free of charge by provincial governments. We are committed to fighting opioid abuse and misuse in our communities and offer confidential opioid dependence treatment.



Health™

PC Health™ app

Through our healthcare and pharmacy businesses and the PC Health™ app, we help customers get well and stay well. Through the PC Health™ app, we provide free virtual healthcare services through a network of care navigators, registered nurses, registered dietitians and pharmacists (in select provinces). With over 1.1 million Canadians having activated a PC Health™ account, we are revolutionizing healthcare management, offering a hassle-free way to manage prescriptions and access healthcare advice. These services are provided through Loblaw's own capabilities and professionals as well as external partners.

lifemark

Lifemark Health Group

With more than 5,900 highly trained clinicians, medical experts and team members working in over 360 locations coast to coast, Lifemark Health Group ("Lifemark") is a Canadian leader in community healthcare and medical assessment services. As one of Canada's largest physiotherapy companies, Lifemark offers multidisciplinary rehabilitation services including physiotherapy, massage therapy, occupational therapy and more, with more than 3.9 million patient visits annually.

mediSystem by SHOPPERS DRUG MART™

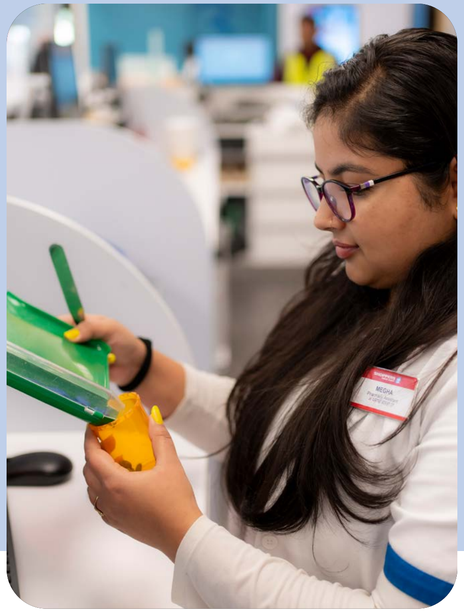
MediSystem by Shoppers Drug Mart™

MediSystem by Shoppers Drug Mart™ provides highly accessible, personalized pharmacy services for seniors in long-term care and retirement communities. We deliver medications daily to over 54,700 seniors in nursing and retirement homes from our 10 operating sites across the country.



Healthcare Services

To support the growing number of Canadians in need of access to care, we opened 78 Pharmacy Care Clinics in 2024, for a total of more than 150 clinics across the country. These clinics offer a range of healthcare services including assessment and treatment of common ailments, and chronic disease management. Services provided increases access to primary care in communities across Canada.



Optical Services

Through our more than 175 optical centres across Canada, our more than 375 opticians and optometrist partners offer a variety of services, including eye exams and fittings for glasses and contact lenses, and help Canadians with early detection and monitoring of eye conditions.



Medication Adherence

Our network of pharmacists play an essential role in supporting our patients with medication management for acute and chronic diseases through various programs to increase medication adherence and promote improved overall health outcomes. Medication non-adherence can lead to adverse health outcomes with negative impacts on our healthcare system.

Our network of registered pharmacists provide services such as vaccinations, medication reviews and chronic disease management, playing an important role in primary and preventative care.

In 2024, we conducted more than 2.4 million medication reviews, supporting improved patient health outcomes.

Our Digital Pharmacy, a prescription management platform, continues to support patient medication adherence through automatic refills and patient pickup notifications and we offer medication organizer options making it easier for patients and their caregivers to appropriately manage their care.

Investing in Our Communities

In 2024, with the help of our customers, colleagues, employees and business partners, we raised and donated (including donations in-kind) a record of $212 million to research, charities and non-profits across Canada.

Caring Company Certification
For the 33rd consecutive year, our community contributions have earned us Imagine Canada's Caring Company certification. Our various charitable activities make a positive impact in our communities – with a particular focus on the health of women, children, and the environment.

WWF-Canada
$363,000

Partial proceeds from reusable bag sales donated to support various environmental restoration and conservation programs.

President's Choice Children's Charity
Corporate contribution $4,000,000
Fundraising $18,522,000

After 35 years spent dedicated to nurturing Canadian children, President's Choice Children's Charity has an ambitious goal to feed 1 million kids annually by 2025. Together, through the generous contributions of our customers, colleagues, and vendors, we are working towards a Canada where kids go far - not hungry.

Give a Little Help a Lot®
$642,000

The Give a Little Help a Lot® campaign is a national in-store fundraiser, linking stores to local charities and giving customers the ease of making donations at check-out.

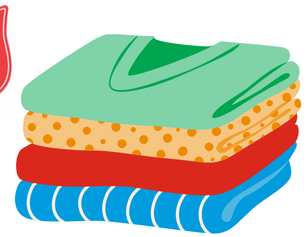
The Salvation Army
$3,902,000

Through the generosity of our customers, these funds raised in participating Loblaw stores went toward Salvation Army's Annual Christmas Kettle Campaign to help feed, clothe, and shelter those in need during the holidays and all year round.









Other Registered Charity Donations
$459,000

Our charitable giving is focused on national strategic initiatives that align with our Company purpose, to help Canadians Live Life Well®.

Other Community Investment
$1,436,000

We fundraise and provide in-kind donations to support events and projects that benefit the community.

Food Banks and Food Recovery Agencies
Corporate contribution $1,264,000
In-Kind donations $165,951,000[61]
Fundraising $3,002,000

This amount consists of corporate donations, fundraising through our national food drives and donations of products from our stores throughout the year to food banks and food recovery agencies to make food more accessible to those in need.

Disaster Relief and Humanitarian Response
Corporate contribution $75,000
Fundraising $174,000

This amount consists of annual corporate contributions and in-store fundraising campaigns to support response efforts by our partners during times of crisis both domestically and abroad. This includes funds raised and donated to communities affected by wildfires, through the Canadian Red Cross.

Shoppers Foundation for Women's Health™
Corporate contribution $1,000,000
Fundraising $11,573,000

Through the foundation, women's health charities are supported by donations, associate-owner led fundraising and events.

Community Engagement

President's Choice Children's Charity

President's Choice Children's Charity operates the nation's largest charitable direct-to-school food program. Students who participate in the Charity's Power Full Kids™ programs benefit from regular meals, snacks, and food education. In 2018, Loblaw committed to raise and donate $150 million by 2027, to support the Charity's mission to remove hunger as a barrier to education for Canadian students and empower them with the skills to grow and cook. Since making this commitment, we have activated our network of stores, vendors, colleagues, and customers to contribute more than $134 million. In 2024 we continued to demonstrate our support with the second annual Get to Give Days campaign, which resulted in $2 million in corporate donations made to President's Choice Children's Charity.

This support will help the Charity reach more than 997,000 students nationwide[62] this school year (2024/2025), in pursuit of their goal to feed one million children annually by 2025.



Feed More Families™

To underpin our commitment to advancing social equity, in 2022 we launched our new pledge through our Feed More Families™ program to donate one billion pounds of food to community-based food charities.

The Feed More Families™ program activities include regular awareness and fundraising campaigns for food banks and food recovery agencies, and a sustained effort to partner all stores in the Loblaw network that sell food with a local food charity that can put good food[63] to use, before it becomes waste.

Since the launch of this program in 2022, 120 million pounds of food have been provided to community-based food charities across Canada.

Shoppers Foundation for Women's Health™

For more than a decade, Shoppers Drug Mart® has been supporting women's health charities and organizations across Canada. In early 2023 we celebrated the rebrand of the LOVE YOU by Shoppers Drug Mart™ program to the Shoppers Foundation for Women's Health™, with a strengthened focus on supporting women's health equity. Shoppers Foundation for Women's Health™ is investing $50 million by 2026 to make care more equitable and accessible for all women in Canada.

In 2024, Shoppers Foundation for Women's Health™ raised more than $12.5 million in support of more than 380 partner health organizations across Canada. Through the 2024 Run for Women events, more than 27,000 participants helped to raise more than $3 million in donations to support Canadian organizations that work to improve women's access to mental health care and support programs.



Further Support for Communities

PC Bank continued their support of the Scarborough Health Network Foundation through a $50,000 contribution made toward the Love Scarborough campaign where contributions are used towards providing equitable and accessible health care to the community. This donation was made as part of PC Bank's larger pledge to donate $250,000 to the Foundation by 2025.

Shoppers Drug Mart® Academic Partnerships

Having committed a total of $16.5 million from 2020 to 2026, these partnerships are dedicated to catalyzing transformative changes in healthcare. It reinforces the intersection of education, research, and inclusive innovation. The partnerships champion the progression of pharmacy education, foster pioneering research to broaden pharmacist roles, and propel innovation in healthcare delivery. By allocating scholarships, bursaries, and research funding across vital domains like addiction medicine, primary care, environmental health, and workforce sustainability, these initiatives aim to forge a more inclusive, resilient, and visionary healthcare landscape. In 2024, donations in the amount of $2.2 million were made for a cumulative total of $16.2 million since 2020.



Supporting New Canadians

As a business and as a country, we are at our best when everyone can contribute to our collective goals and prosperity. This applies as much to Canadians as it does to newcomers to the country. With stores in virtually every community across the country, we are often among the first businesses that newcomers will interact with, meaning we are uniquely positioned to help them settle and thrive.

In this regard, we are proud to develop products and services that meet the unique demands of newcomers; proud to make our stores accessible through convenient locations, understanding that proximity plays a crucial role in the decision to adopt a "home" store; and proud to ensure the assortments in our stores match the local consumer base. For example, 118 No Frills® and Maxi[MD] stores have adopted tailored merchandising strategies, offering products that cater to the particular needs of the diverse communities in which they operate.

We also go the extra mile by offering healthcare services in a variety of languages in our Pharmacy Care Clinics, as we strive to become a trusted partner for newcomers as they navigate Canada's healthcare system.

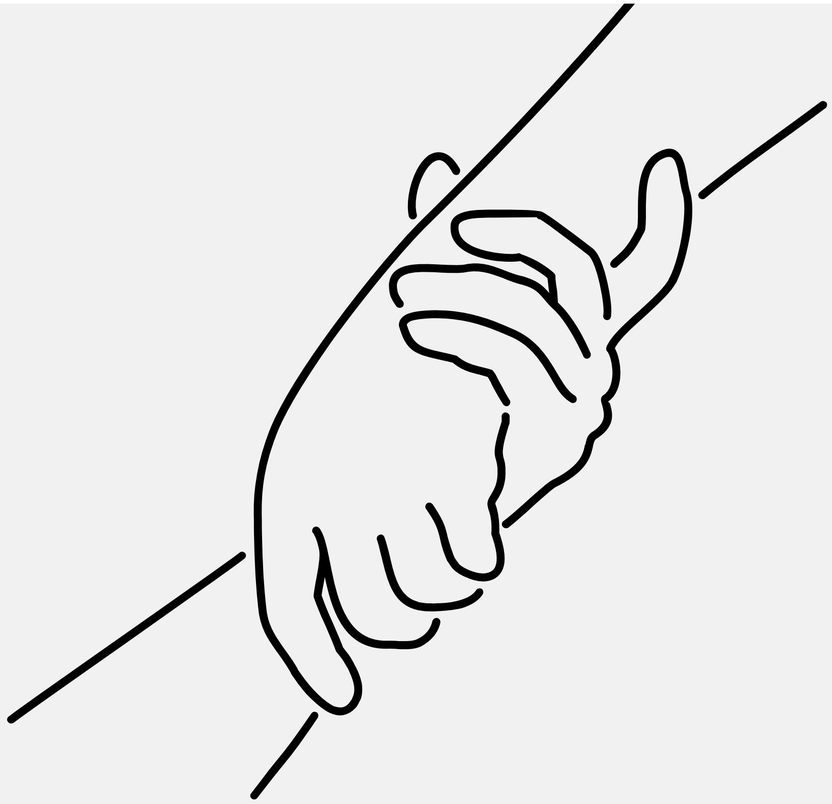
We remain committed to supporting new Canadians through a variety of targeted initiatives. Our marketing efforts include celebrating a diverse range of cultural holidays such as Lunar New Year, Ramadan, and Diwali through tailored advertising in multiple languages and across various media platforms. We provide support for important cultural events that matter to newcomer communities including the Vaisakhi parade in Surrey, BC and Diwali Festivals in Surrey, BC; Edmonton, AB; and Brampton, ON. And, in recognition of the importance of cricket to many newcomers in 2024, we announced a 2-year sponsorship of Cricket Canada as its Official Grocery Partner.

We also prioritize hiring store managers and franchise owners who reflect the local community, fostering a stronger sense of belonging for everyone.









Ask for Angela

In 2024 we were proud to expand the Ask for Angela program to over 500 stores across various banners in Toronto, Waterloo and other surrounding areas in Ontario. This program provides a discreet way for individuals feeling unsafe or threatened to seek immediate assistance from colleagues. Participants can approach colleagues in our stores and use the phrase “Ask for Angela,” signaling a need for help, leading to prompt and confidential support. To ensure a seamless implementation, Victims Services Toronto and Loblaw developed a concise and user-friendly online training tool accessible to all colleagues in participating stores.

Fostering Equity and Inclusion

2023 saw the launch of the Loblaw Community Grants program. This program is rooted in a centralized and coordinated approach to foster social equity in the communities we serve. Over four years Loblaw will provide $1 million to support five charitable organization partners, chosen by our employee resource groups. These selected organizations will channel the funding into programs that directly target critical areas aligned with their missions.

The 2023-2026 Loblaw Community Grants partners are:

- Holland Bloorview Kids Rehabilitation Hospital Foundation – Dear Everybody campaign and Room to Grow Fund
- Black Business and Professional Association – Rise Up competition
- Canadian Women’s Foundation – Ending Gender-Based Violence Program
- PRIDE at Work – THRIVE and FLOURISH leadership programs
- Canadian Council for Aboriginal Business (“CCAB”) – Indigenous Business Connect Tool and The Young Indigenous Business Connector Program

Holland Bloorview
Kids Rehabilitation Hospital Foundation

Black Business and Professional Association
Entreprise noire et Association Professionnelle

CANADIAN WOMEN'S FOUNDATION | FONDATION CANADIENNE DES FEMMES

PRIDE AT WORK CANADA | FIERTÉ AU TRAVAIL CANADA

A proud member of
Canadian Council for ABORIGINAL BUSINESS

PC Financial® Resilience Project Accelerator

In 2024, the Southern Institute of Technology, was awarded the PC Financial® Resilience Project Accelerator Best Project title at the Enactus Canada National Exposition in May. The winning project named UpSkill, aims to deliver financial literacy workshops to men in addiction recovery programs in partnership with Simon House – a licensed inpatient drug and alcohol addiction treatment centre in Calgary Alberta. Based on this success, PC Financial® continued its support of Enactus Canada with $25,000 to renew the PC Financial® Resilience Project Accelerator — which empowers entrepreneurial university students with the resources to build financial educational programs needed to address Canadian social issues. Six Enactus teams have been selected to participate in the PC Financial® Resilience Project Accelerator for the 2024-2025 academic year. The Enactus teams will complete a final report showcasing their community empowerment project and related impact, and one team will be recognized with the PC Financial® Resilience Project Accelerator ”Best Project” award at the Enactus Canada National Exposition in May 2025.

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Governance

17 PARTNERSHIPS FOR THE GOALS

Governance Overview

Our Board of Directors and executive management are dedicated to strong corporate governance practices designed to maintain high standards of oversight, accountability, integrity and ethics while promoting long-term growth and complying with the Canadian Securities Administrators' Corporate Governance Guidelines. Our governance practices are reflected in our application of policies and practices. Our corporate website sets out additional information and governance documents: Colleague and Supplier Codes of Conduct, Disclosure Policy, Majority Voting Policy, a position description for the President and Chief Executive Officer and the Chair of each of its Board committees and mandates of the Board and each of its Board committees. See here for more information on our corporate governance.

Our Approach to Environmental, Social, and Governance

Loblaw recognizes that strong governance practices are a key driver of Environmental, Social, and Governance success. We have embedded ESG responsibilities into all levels of the organization to facilitate decision-making that includes ESG considerations.











Board of Directors

Environmental, Social, and Governance matters have the potential to impact business operations, regulatory compliance, reputation, and financial outcomes, and are therefore an important area of focus for the Loblaw Board of Directors and its committees.

The Board provides leadership, diverse perspectives, and exceptional experience relevant to our operations and strategic objectives and oversees and monitors the Company's approach, policies, and practices related to Environmental, Social, and Governance matters. This includes overseeing the Company's enterprise risk management ("ERM") program, including its design and structure, and assessment of its effectiveness.

As of April 30, 2025, the Board was comprised of 13 directors. 11 directors are "independent" as defined by National Instrument 52-110 – Audit Committees. Galen G. Weston, who is not independent, serves as Chairman. Recognizing the importance of strong independent Board oversight, the Board appointed an independent director to serve as lead director. The lead director ensures that the Board operates independently of management and that the directors have an independent leadership contact. The Board's view on the effective role of an independent lead director has been endorsed by leading corporate governance organizations.

Among the Board's four committees is the Risk and Compliance Committee. The Board of Directors has delegated to this committee the day-to-day oversight of the Company's legal and regulatory compliance and ethics program, ERM program, Environmental, Social, and Governance, climate change, human rights initiatives, and matters relating to information technology (including cybersecurity), food safety, drug safety and environmental and occupational health and safety, as well as other matters.

In addition to the Risk and Compliance Committee, the Audit Committee is responsible for the oversight of the integrity of the Company's financial statements and related public disclosure, as well as Environmental, Social, and Governance disclosures. In doing so, the Audit Committee reviews management's administration of the Company's internal controls over financial reporting and disclosure controls including those with respect to ESG, the internal audit function, external assurance engagements and related party transactions. For more information relating to our governance practices, please refer to our Management Proxy Circular.

Responsibilities/ Outcomes	Governance Body		Key Activities
• Oversees and monitors the Company's strategy, policies and practices related to ESG matters. • Oversees the Company's ESG strategy, design and program, and progress against its ESG related goals. • Oversees the adequacy and effectiveness of applicable ESG controls and review of ESG disclosures prior to publication. • Oversees the design and achievement of the short-term incentive plan which includes an ESG component.	BOARD	**Board of Directors**	• Reviews ESG strategy and significant ESG projects • Approves significant ESG disclosures
		Risk and Compliance Committee	• Obtains reports on ESG progress against commitments and targets to ensure Management is executing on ESG priorities • Reviews significant ESG disclosures
		Audit Committee	• Obtains reports on the effectiveness of the ESG control environment • Reviews internal assurance ESG engagement results • Approves external assurance ESG engagements and reviews assurance results • Reviews significant ESG disclosures
		Governance Committee	• Reviews the design of the incentive plans • Obtains quarterly reports on the status of incentive plans to target including ESG • Reviews the incentive payouts
• Responsible for ensuring that ESG programs and activities are executed, and that progress is made towards established goals and targets. • Provides guidance to the Company and its colleagues on ESG programs and related matters, as well as strategic direction on ESG activities, priorities, internal metric tracking, and external disclosure frameworks.	EXECUTIVE LEVEL	**Management Board**	• Provides updates to the Board on progress of ESG commitments • Determines the capital plans required to support the ESG strategic priorities
		ESG Steering Committee	• Develops the ESG strategy and presents it to the Board of Directors • Obtains reports on the status of ESG strategic priorities for reporting to Management Board or the Board of Directors • Approves all ESG public disclosurwes • Promotes accountability at the Management level to drive progress and ensure the advancement of ESG within the organization • Ensures effective management of sustainability-related risks and opportunities
• Responsible for establishing and maintaining adequate internal controls over ESG disclosures and the implementation of a control environment which mirrors the Internal Controls over Financial Reporting ("ICFR") framework. • Ensures the relevance of ESG within the organization and aligns execution with overall strategy.	ESG INTEGRATION AND REPORTING	**ESG Integration and Reporting**	• Implements a thorough review and validation process to ensure the consistency, accuracy, completeness, and timeliness of all ESG disclosures • Implements a Three Lines of Defense model, which includes engaging Internal Audit to provide assurance over a risk-based subset of quantitative ESG information, and executes on an external assurance plan for ESG • Provides support to the Management level ESG committees • Provides oversight for the management of sustainability-related risks and opportunities
• Responsible for assessing and managing projects and programs associated with ESG priorities.	MANAGEMENT LEVEL	**ESG Committees:** **Carbon Reduction** **Plastics** **Food Waste** **Inclusion Council** **Community Investment**	• Executes projects and processes to support the achievement of ESG commitments • Updates the ESG Steering Committee and/or Management Board on ESG progress • Manages sustainability-related risks and opportunities • Advances ESG in business decision-making

Executive Steering Committee

Loblaw has an Environmental, Social, and Governance Steering Committee comprised of senior leaders who guide the Company and its colleagues on the Environmental, Social, and Governance program and related activities and is tasked with ensuring that the Company considers and adopts leading ESG practices and programs. Responsibilities include overseeing strategic business objectives for Environmental, Social, and Governance commitments and targets, as well as setting the "tone from the top" to foster an ESG-focused culture within the organization. The Steering Committee also has oversight for the various Management committees which are responsible for setting priorities and implementing and monitoring ESG-related initiatives across the organization. Our programs and practices are designed to align with industry-leading standards and to support the achievement of our business objectives, including our commitments and targets.

ESG Reflected in Compensation

We believe that social and environmental prosperity are not just the right things to strive for – they are essential for building a resilient business and a better Canada. To drive Environmental, Social, and Governance performance, Loblaw includes ESG as a criterion in the Company's short-term incentive program ("STIP"), linking performance on fighting climate change and advancing social equity activities to compensation for all permanent, non-unionized, corporate colleagues at all levels.

The ESG targets for 2024 were designed to focus colleagues on continuing to drive further sustainability and social impact progress across the business. Achievement of the ESG STIP metric was determined based in equal part on social and environmental initiatives. These targets make up 10% of the short-term incentive plan criteria. The design, weighting and payout of the ESG STIP metric is overseen by the Company's Governance Committee, with input from the Risk and Compliance Committee. For more information, please refer to the Management Proxy Circular.

Privacy and Cybersecurity

Through new technology and data, we are making better decisions and enhancing customer experiences. Trust is critical to sustaining participation in this new digital economy. We must consistently and carefully consider the legal, ethical, and societal expectations of our actions. Canadians must feel confident in our handling and management of their data. We are earning and maintaining the loyalty and trust of Canadians by vigilantly protecting the personal data and interests of our customers, patients, and colleagues/employees by using data responsibly.

Privacy

In many parts of our organization, we hold and manage the personal information (“PI”) and personal health information (“PHI”) of our customers, patients, and colleagues/employees. This information is core to our business and we understand the responsibility that comes with collecting, using, and sharing this information. The following principles guide our approach:

- We will be transparent about our privacy practices and how we handle personal information.
- We will use personal information to benefit and enhance the customer experience.
- We will protect personal information and handle it responsibly.

We are committed to being clear about how personal information is used and to ensuring details of our approach are easily accessible and understandable. To do this, we publish our privacy policies on our corporate website, where we describe the measures we take to protect personal information and outline how customers may initiate inquiries and raise concerns regarding their privacy. We are also committed to developing processes that enhance privacy and incorporate protections into our business strategy, culture, and ongoing operations.



Oversight

The Loblaw Data Trust Office undertakes formal programs to assess whether data handling practices are responsibly managed in compliance with privacy laws, and Loblaw’s corporate policies, standards, and procedures. We have implemented a review process for data-related initiatives, and work to evolve privacy and data management strategies and processes to account for technological advancements that may carry privacy implications. We oversee investigations into real or suspected privacy breaches, and we respond as appropriate. We also regularly review our privacy policies and protocols and update them to ensure relevance and consistency with evolving technologies, laws, and best practices, and dynamic expectations of our customers.

Additional Resources

Full Loblaw Privacy Policy
Loyalty Privacy Notice
Health Privacy Notice
Interest-Based Advertising and Media Notice
President’s Choice Financial® Privacy Notice
President’s Choice® Insurance Privacy Notice

Cyber Security

We safeguard our systems and information in many ways, including colleague and employee awareness and training, year-round information and monitoring of potential risks, testing and systems maintenance, contingency planning in anticipation of compromised systems or information, data protection, and account authentication to improve security and minimize the risk of unauthorized access. Our Cyber Security Policy and Acceptable Use Policy provide further internal guidance on data security management. We operate a vendor management program to monitor key suppliers that handle information or critical systems to assess their security programs and controls. Our cyber security program is reviewed and upgraded to reflect new technology, risks, and business needs. It is subject to internal, external, and regulatory audits, using industry best practices for the following: awareness and training, cyber security assessments, penetration testing, benchmarking, tracking cyber security control maturity, and Payment Card Industry Data Security Standard (“PCI DSS”) requirements.

Responsible Artificial Intelligence Use

We recognize the immense potential of Artificial Intelligence (“AI”) to drive positive outcomes. We leverage AI to enhance efficiency, optimize resource allocation, and develop innovative approaches to serve our customers. However, we are highly aware of the ethical considerations and risks surrounding AI and are committed to its responsible use. We mitigate potential risks in many ways, including by leveraging our privacy and security protocols when evaluating any potential AI projects; evaluating our contracts with technology vendors; and establishing AI working groups to manage the rapidly changing landscape. One of these working groups is the AI Governance Council, where senior leaders from across the enterprise come together to discuss key opportunities, issues, risks, and mitigations. We also created an AI/Large Language Model Tool Standard for colleagues to inform responsible use of approved AI tools. We will continue to adapt how we leverage and monitor our usage of AI as well as alignment with our ESG commitments, while fostering a culture of responsible innovation.

Supply Chain Accountability

We source with integrity. For years we have worked to increase the transparency and traceability of goods, partners, and practices within our supply chain. To preserve the trust of our stakeholders, we count on our network of suppliers to understand and uphold our high standards of integrity, values, and operating principles. Through various programs and policies, we hold our suppliers accountable and use environmental and social certifications to confirm our expectations and third-party validation that our sourcing standards are practiced consistently.



Supplier Code of Conduct

We recognize our responsibility to respect and protect the human rights of customers, colleagues and employees in our stores and facilities domestically, and workers — including migrant or temporary labourers — in our worldwide supply chain network. We expect our suppliers to uphold human rights within their operations, adhere to applicable employment and/or labour standards and provide safe working conditions for workers. Loblaw's supplier relationships are guided by our Supplier Code of Conduct, which sets out minimum expectations and guidelines for suppliers. We expect our suppliers to communicate the Supplier Code of Conduct with their contractors, agents, sub-contractors, and sub-agents, including any labour agencies engaged to assist with providing goods or performing services for Loblaw, and to monitor their adherence to the principles of the Supplier Code.

Our Supplier Code focuses on workers' rights and protections within the supply chain, with a particular emphasis on the importance of protecting their human rights and providing safe working conditions. This includes policies prohibiting child, forced and trafficked labour, as well as any discrimination, intimidation, abuse, harassment, or violence against workers. Further, it requires compliance with laws respecting workers' freedom of association and the right to collectively bargain their terms and conditions of employment, which include compensation and working hours.

Our Supplier Code requires that a grievance mechanism or complaint procedure exists to allow workers to report workplace concerns. Our Supplier Code is managed through our Compliance and Ethics department and is reviewed annually and updated as necessary.

Supplier Code violations are reported directly to our Supply Chain Compliance department and escalated to the Compliance and Ethics department as necessary. The severity of violations is evaluated to determine appropriate corrective action plans to address issues of non-compliance.

Integrity Action Line

The Company has an Integrity Action Line ("IAL") hosted by a third-party service provider. The tool can be used to submit confidential and anonymous reports of suspicious activity, unethical practices, discriminatory or disrespectful behaviour, non-compliance and suspected non-compliance with laws, regulations, our codes of conduct, and company policies and procedures. Our IAL is publicly accessible on the Loblaw.ca site to our colleagues and employees within our network, which includes our franchisee and associate-owner networks, all suppliers and related third-parties and their workers. Reports can be submitted online (www.integrityactionline.com) in English, French or Spanish, or by calling a toll-free number (1-800-525-7868) to submit a report in English, French, Mandarin, Cantonese, Punjabi, Spanish and Korean languages. Retaliation against anyone, including employees, colleagues, or workers, speaking up in good faith is strictly prohibited, reinforcing our commitment to a safe reporting environment.

Reports received via the IAL are managed by the Compliance and Ethics department and assigned for investigation as appropriate. Governance oversight of the IAL is provided by the Risk and Compliance Committee of the Board; the committee is informed of notable incidents or any emerging trends and themes requiring attention. These may inform changes to the organization's policies and processes.

The message is simple – speak up if you have a concern. We maintain an unwavering commitment to ethical and compliant conduct. Regular and targeted communications and campaigns across diverse channels within our organization are delivered to promote and emphasize the importance of speaking up. We have taken deliberate steps to demystify and simplify the reporting process, ensuring it is clear, straightforward, and accessible to all.



Human Rights

At Loblaw, we are deeply committed to respecting and protecting human rights throughout our global supply chain and providing transparency about our efforts in doing so. We maintain a zero-tolerance policy for abuse, discrimination, and harassment, and actively strive to create a safe and inclusive experience for our customers, colleagues, and the extensive workforce (including migrant and temporary workers) employed within our supply chain. This commitment is rooted in our unwavering belief in ethical conduct and is formalized through comprehensive policies, training, codes of conduct, and a robust governance framework designed to uphold the rights of all individuals connected to our business. This is a business priority for us and is addressed in Our Position on Human Rights.

Our human rights commitment extends to our 220,000 colleagues and employees, our customers, and our business partners and suppliers, including all workers within their supply chains. We expect our suppliers to adhere to the same high standards, complying with all applicable human rights and employment laws. Our policies and practices are informed by leading international standards, including the UN Guiding Principles on Business and Human Rights and International Labour Organization (“ILO”) conventions. To ensure effective implementation, we have established a comprehensive governance structure with senior executive oversight, encompassing our Compliance and Ethics Department, Sustainability, and Supply Chain Compliance Departments. Board-level oversight is provided by the Risk and Compliance Committee, further reinforcing our dedication to accountability and continuous improvement.

To enforce our commitments, we maintain robust Codes of Conduct for both colleagues and suppliers, emphasizing respect, integrity, and worker rights. Our Colleague Code of Conduct promotes diversity and inclusion, while our Supplier Code of Conduct focuses on protecting workers from exploitation, child labor, and unsafe working conditions. We actively monitor our global supply chain and take corrective action against any violations. We believe in collaboration and are committed to working with industry partners, civil society, and governments to drive widespread positive change and ensure human rights are respected globally.

Our human rights program continues to evolve, building on feedback and key learnings from our colleagues, customers, internal and external stakeholders, and investors. This enables us to continuously advance on our human rights journey.

Modern Slavery Report

In early 2025, we issued our 2024 Modern Slavery Report which sets out actions that Loblaw has taken during the 2024 fiscal year to prevent and reduce the risk of forced labour or child labour within our operations and supply chain.

Loblaw’s commitment to prevent and reduce the risk of forced and child labour applies to our network of stores and facilities nationwide, our business partners and our worldwide supply chain network.





Human Rights Due Diligence and Salient Human Rights Risks

Completing a human rights due diligence assessment within an organization is a key principle of the United Nations Guiding Principles ("UNGP") on Business and Human Rights to assess adverse human rights impacts.

In 2022, Loloblaw partnered with a third-party expert and leader in sustainability and supply chain services, ELEVATE, to conduct a Human Rights Due Diligence to evaluate our human rights and responsible sourcing procedures and policies against the UNGPs. In partnership with ELEVATE, a multi-step process (including, current state assessment, gap analysis, supply chain risk assessment and stakeholder engagement) was used to identify opportunities to strengthen policies and processes across the enterprise, including our international supply chain.

Through this process, management aligned to five (5) inherent Salient Risks – (1) forced labour; (2) child labour; (3) discrimination, harassment, and abuse; (4) livelihoods; and (5) occupational health and safety, which inform the ongoing work Loblaw will do on human rights and responsible sourcing. Salient risks are defined as those risks having the highest potential impact to people's human rights as a result of the Company's activities or business relationships. As per UNGPs guidance, salient risks do not factor in mitigating steps that we as a Company may be taking on specific issues; instead, they focus on issues likely to be encountered due to the nature of our business.

Below is a brief description of the five (5) inherent Salient Risks

1

Forced labour: Situations in which persons are coerced to work using violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers, or threats of denunciation to immigration authorities.

2

Child labour: Work that is mentally, physically, socially, or morally dangerous and harmful to children and/or interferes with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and difficult work. The International Labour Organization Convention establishes minimum age requirements for many jurisdictions, which varies by local regulations.

3

Discrimination, Harassment, and Abuse: Unequal treatment, directly or indirectly, on various grounds including race, ethnicity, sex, language, religion, political or other opinion, national or social origin, property, and birth or other status (such as sexual orientation or health status, for example having HIV/AIDS). Harassment and abuse include but are not limited to violence, corporal punishment, harsh or degrading treatment, sexual or physical harassment or mental, physical, verbal, or sexual abuse.

4

Livelihoods: This includes conditions related to maximum working hours, days off, fair wages, job security, social security, and benefits. The right to an adequate standard of living requires, at a minimum, that everyone shall enjoy the right to necessary subsistence, including the following: adequate food and nutrition, clothing, housing, and necessary conditions of care when required.

5

Occupational Health and Safety ("OHS"): The protection of workers from exposure to short- and long-term risks at work to reduce workplace injuries and illness and promote worker wellbeing.

We have assessed these salient risks as they relate to our business and have developed and will continue to implement fit-for-purpose risk mitigation strategies where applicable.

Human Rights Impact Assessment – Broccoli and Cauliflower

As Loblaw continues its human rights journey and work on salient risk mitigation strategies, it is committed to understanding risks in our supply chain and remediating those actions within our control, as well as collaborating with other industry partners, government and NGOs for actions that require larger industry engagement.

In October 2023, we engaged Ergon Associates (“Ergon”), a leading labour and human rights firm, to complete a Human Rights Impact Assessment (“HRIA”) in Loblaw’s broccoli and cauliflower supply chain originating from Mexico, the US, and Canada. These product categories were prioritized due to their close association with Loblaw’s salient human rights risks. It is important to highlight that an HRIA is a sector-wide study, and the process is not an audit or evaluation of specific suppliers or sub-suppliers.

The final HRIA report is now complete and provides details of the methodology, desktop research results, salient impact findings, root causes, and recommendations. Based on a mix of desk-based research, expert stakeholder interviews and site visits, Ergon identified salient human rights impacts related to forced labour, child labour, working conditions, occupational health and safety, gender-based violence and harassment, right to an effective remedy, freedom of association and collective bargaining, and employment discrimination. It is important to note that these risks are inherent to the agricultural industry as a whole and not all were identified during visits to suppliers within the Loblaw supply chain.

This assessment identified practical recommendations for Loblaw to prevent, mitigate, and address potential negative human rights impacts within its supply chain. The following recommendations focus on areas where Loblaw has direct influence and can effect change. The recommendations explore enhancements in the following areas:

- Policies, governance and capacity;
- Supplier selection, requirements and monitoring;
- Purchasing practices; and
- Collaboration.

Loblaw will use the recommendations to develop specific action plans that are applicable and relevant for its organization. Loblaw continues to prioritize understanding human rights risks within our supply chain.





Supply Chain Compliance and Factory Audits

For more than a decade, we have maintained a factory audit compliance program comprised of a combination of Loblaw colleagues and third-party audit compliance managers and production auditors on the ground in China, Bangladesh, Thailand, Vietnam, Cambodia, and India. The core Supply Chain Compliance team located in Toronto, Canada work in conjunction with the on the ground team to oversee Loblaw's Supply Chain Compliance programs ensuring that workplace condition assessments are conducted to our standards, and that our products are sourced from approved factories.

Our audits and audit compliance program are designed to confirm that suppliers providing goods to Loblaw uphold our Supplier Code. We continuously review the supplier monitoring program to determine if an expanded scope of the program is necessary; and, as we are made aware of new considerations as they relate to our supply chain. We will adjust the program as deemed necessary.

Prior to sourcing goods from a supplier, Loblaw has the factories, processing facilities, plants, packing or other facilities, which are located outside of Canada and the USA, audited for (1) control brand products sourced by Loblaw; or (2) products for which Loblaw is the Importer of Record.

Once sourcing has begun, Loblaw has processes in place to audit working conditions as well as fire, structural and safety assessments (if applicable). Facilities located in designated high-risk locations, such as Southeast Asia, require a fire, structural and safety assessment to be conducted prior to Loblaw beginning to source from the facility. Loblaw's audit program reinforces the following factors by assessing and confirming that they are adhered to:

- worker rights and safety;
- voluntary labour;
- workers are properly compensated;
- workers are not exploited;
- facilities comply with employment standards (including minimum age);
- working hours are consistent with local laws and standards; and,
- facilities meet health and safety laws and regulations.

Initial and annual facility compliance audits are typically conducted by third-party experts using a best-practice audit framework. In some cases, where suppliers provide us with facility compliance audits using an alternative acceptable global framework, the core team conducts an equivalency review to ensure the audit meets our standards. The in-market audit teams also provide in person follow-up with remediation audits, additional information audits and verification of corrective actions.

If an audit identifies a compliance issue, including but not limited to, child labour, forced or bonded labour, or life-threatening health and safety situations, Loblaw will suspend relationships with those facilities (and/or supplier). Loblaw will work with suppliers to determine whether satisfactory remediation of the compliance issue is possible and will terminate relationships with suppliers who are unable or unwilling to remediate non-compliance. For serious or repeated violations by a supplier, as determined by the Supply Chain Compliance audit program, Loblaw reserves the right to suspend or terminate the relationship before providing the supplier with an opportunity for resolution.

In accordance with Loblaw's Supply Chain Compliance audit program, in 2024, Loblaw completed more than 1,350 facility (factory) compliance audits[64] across 38 countries outside of Canada and the United Stated within our supply chain and delisted 7 facilities. The delisted factories included 1 from Bangladesh; 3 from China and 3 from Vietnam. These delistings spanned multiple product categories: 3 home and entertainment; 2 apparel; 1 food; and 1 goods not for resale (supplies). A record of these results are also maintained by our third-party compliance provider.

The following is a summary of the audit program results and we will continue to report on our progress annually. All infractions and temporary suspensions that did not result in a delisting were resolved, or are in the process of being resolved, to our satisfaction.

Metric	2024	2023	2022	2021
# of suppliers	~550	~600	~700	~800
# of facilities[65]	~1,200	~1,250	~1,400	~2,000
Audits conducted[64]	~1,350	~1,400	~1,200	~1,000
Permanent delistings	7[66]	6[67]	10[68]	3[69]



Collaboration and Continuous Improvement

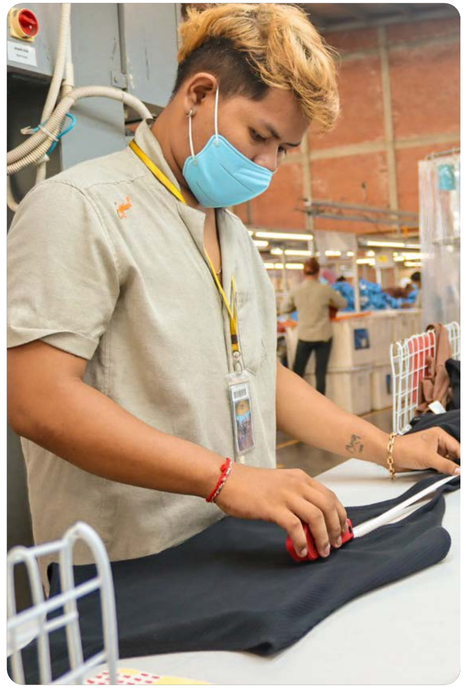
We have taken significant steps to improve transparency within our international supply chain, specifically as it relates to apparel manufacturing and materials procurement. We work with leading international apparel brands, NGOs and labour groups to improve industry working conditions, benefitting millions of garment workers globally.

In 2021, we expanded our transparency and disclosure by listing the Tier 1 factory locations on our website. We believe that by providing this information to consumers and our stakeholder partners, we can better coordinate our efforts in support of the apparel industry.

Support for The Accord

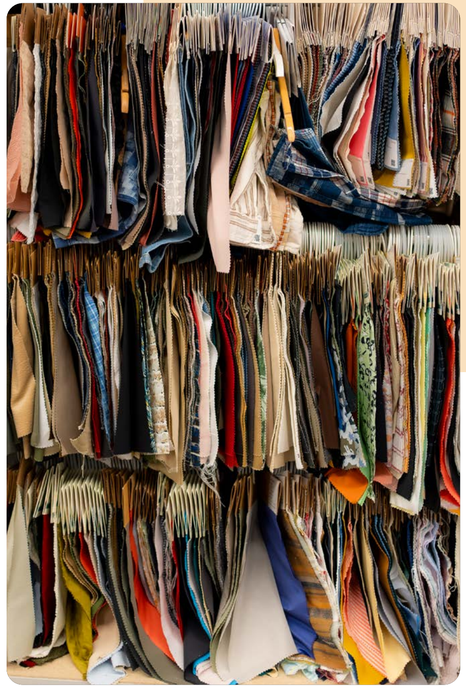
In 2013, we were a founding member of the Accord on Building and Fire Safety in Bangladesh ("The Accord"). In 2023, we renewed our support for The Accord, by signing the International Accord for Health and Safety in the Textile and Garment Industry ("The International Accord"), which includes the following key features:

- A commitment to focus on the health and safety program in Bangladesh, and on building a credible industry-wide compliance and accountability mechanism.
- A commitment to expand the work of The International Accord based on feasibility studies of other markets.
- An option to expand the scope of the agreement to address human rights due diligence.
- An optional streamlined arbitration process to enforce terms of The Accord.



Joe Fresh® Restricted Sourcing Regions

Our commitment to ethical sourcing practices is integral to our operations. Joe Fresh® prohibits and will not knowingly use cotton sourced from any region that is associated with forced or child labour such as Uzbekistan, Turkmenistan, and the Xinjiang Uyghur Autonomous Region ("XUAR") of China, including textile products using Uzbek, Turkmen and XUAR cotton in any form. All Joe Fresh® apparel and footwear vendors confirm annually that they do not source materials from these regions. This was completed in 2024.



Compliance and Ethics

At Loblaw, we are unwavering in our commitment to legal and regulatory compliance, recognizing it as fundamental to maintaining the trust of our stakeholders. We work to consistently meet all obligations required by the diverse laws and regulations governing our operations, as well as uphold the highest standards of conduct set by our Board. Our dedication to compliance ensures our colleagues are well-versed in the expectations and potential risks associated with their roles. Through robust policies, procedures, and comprehensive training, we cultivate a culture that fosters ethical and compliant behavior, empowering our colleagues to proactively identify and address concerns. To further enhance transparency and accountability, we provide our Integrity Action Line (IAL) to suppliers, customers, and colleagues, enabling them to confidently report any suspicious activity, unethical practices, instances of non-compliance, or suspected violations of laws and regulations.

Reliability of our ESG Disclosures

We recognize the importance of the accuracy and reliability of our ESG disclosures. That is why we have built a robust control environment to test and validate the accuracy of our ESG information which supports our commitment to transparency and accountability. Our sustainability and social impact reporting is part of our work to further mature our ESG program, and we continue to evolve and strengthen our control environment as necessary to ensure that the integrity and reliability of our disclosures meet the expectations of our stakeholders in an evolving landscape.

Control Environment

Management is responsible for establishing and maintaining adequate internal controls over ESG disclosures and has implemented a control environment which mirrors the Internal Controls over Financial Reporting ("ICFR") framework. To ensure consistency, accuracy, completeness, timeliness, relevance, and alignment with our overall strategy, we have established a rigorous process which is applied to all ESG disclosures. Effective as of 2021, our Finance team is involved in reviewing and verifying the quantitative information in our ESG disclosures using a financial assertions framework. The foundation of this control environment is the "Three Lines of Defense" model. The ESG Integration and Reporting team executes this program, to ensure information in our ESG disclosures is reliable and assurance ready. Similar to the ICFR framework, in designing such a control environment, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, may not prevent or detect misstatements.

Oversight

The Audit Committee of the Board of Directors oversees the adequacy and effectiveness of applicable ESG controls and reviews ESG disclosures prior to publication. In addition, the Audit Committee reviews the results of assurance engagements.

Assurance

As we continue to mature our ESG program, our goal is to obtain the appropriate level of assurance over our ESG disclosures. In 2024, our Internal Audit team was engaged to perform a review over a risk-based subset of quantitative information that we disclose. Additionally, PricewaterhouseCoopers LLP was engaged to perform limited assurance over select performance metrics for the current reporting year. The Limited Assurance report can be found in the Early Release of Priority 2024 ESG Disclosures (page 18). We will continue to assess and determine the appropriate level of assurance required for our key ESG disclosures.

About Forward-Looking Statements

This Environmental, Social and Governance Report (the “ESG Report”) may contain forward-looking information within the meaning of applicable securities legislation which reflects Loblaw Companies Limited’s (the “Company”) current expectations regarding future events, including environmental, social and governance (“ESG”) matters discussed in the ESG Report. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, assessing forward-looking ESG metrics and risks, and climate metrics and risks in particular, is more complex and longer-term in nature than traditional business metrics and risks. Many forward-looking methodologies are new and evolving, and there is limited guidance from methodology providers on the calculation or comparability of these measures. In particular, uncertainty around future climate-related policy can contribute to greater variation in transition pathway models. Future updates to factors such as changes in global emissions, available technologies or economic conditions may result in changes to the Company’s net-zero path, resulting in changes to the Company’s targets. A number of additional factors, including improvements to the coverage, quality, and availability of the Company’s data and methodologies, may also necessitate changes to the Company’s 2020 baseline or net-zero targets. The ESG Report is informed by the Global Reporting Initiative (“GRI”), the Sustainable Accounting Standards Board (“SASB”) and the International Sustainability Standards Board (“ISSB”). The Company regularly monitors the development of provincial and international ESG reporting regulations, standards and frameworks for their relevance and usability, as well as stakeholder expectations regarding these standards. The Company will periodically assess the comparability and appropriateness of its metrics and targets, and, where appropriate, incorporate new insights, data, models and tools into the Company’s ongoing assessment of ESG matters, including climate change. The Company expects its ESG disclosures to continue to evolve as reporting regulations, standards and frameworks mature.

The information in the ESG Report reflects what the Company believes is its best available data and, in the case of climate change disclosures, best available scenario projections, which are based on the most current emissions information available to the Company. Where appropriate, including in setting its greenhouse gas reduction targets and making climate disclosures, the Company has made reasonable and good faith approximations and assumptions. However, there are many factors that the Company may not foresee or that it may be unable to predict accurately. The Company’s ability to achieve its ESG goals, including ESG matter(s) discussed in the ESG Report, is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company’s control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information and may require the Company to adjust its ESG initiatives, activities or plans to reflect a changing landscape. Such risks and uncertainties include, but are not limited to, the Company’s ability to meet its greenhouse gas reductions targets; the availability, accessibility and suitability of comprehensive and high-quality data; the need for active and continued participation of the Company’s stakeholders; the development of consistent, robust and comparable ESG metrics and methodologies, in particular in respect of climate change; the development and deployment of new technologies and industry-specific solutions; international cooperation; the development of provincial, national and international laws, policies and regulations in respect of ESG matters; and the factors discussed in the Company’s current Annual Information Form and most recent Management, Discussion and Analysis. The forward-looking statements in the ESG Report are presented for the purpose of assisting investors and other stakeholders in understanding the Company’s ESG priorities, strategies and objectives, and may not be appropriate for other purposes. Undue reliance should not be placed on the forward-looking information in the ESG Report. The Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. All forward-looking statements contained in the ESG Report are made as of the date hereof and are qualified by these cautionary statements.

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Endnotes

1 Plan development and processes utilized to measure progress against our targets leverages and are in accordance with internationally recognized methodology including as set out in the Paris Agreement, which aims to limit global temperature rise to 1.5 degrees Celsius.

2 Loblaw's calculation is based in part on data reported by NIQ through its Syndicated database for the Total Universe for the latest 52 weeks period ending December 28th, 2024. Copyright © 2024, Nielsen Consumer LLC.

3 Includes corporate, franchise, associate-owned, and T&T® operations as well as corporate offices and distribution centres ("DCs").

4 Due to the complexity and variability of the capabilities of the municipal recycling systems across Canada, we define "recyclable or reusable" as being compliant with the Consumer Goods Forum's Golden Design Rules ("GDRs") with a focus on material conversions and the removal of problematic elements where we can drive change. As such, our compliance to the rules excludes: (a) for a subset of products, GDR 3 "headspace reduction"; (b) GDR 8 to "reduce virgin plastic in business-to-business packaging", which is not the scope of this control brand and in-store packaging project; and (c) GDR 9 "on pack recycling", which we do not endorse as it is the outcome of downstream stakeholders upgrading the capability of current municipal recycling systems.

5 Due to the complexity of the processes used to quantify weight and dollars, we have removed the 2028 date initially linked to this target. We remain committed to donating food and funds to our food charity partners and reporting on our progress.

6 Loblaw defines science-based targets ("SBT") as targets in accordance with the Intergovernmental Panel on Climate Change ("IPCC") guidance for achieving targets set out in the Paris Agreement aiming to limit global temperature rise to 1.5 degrees Celsius.

7 Short-haul, outbound, corporately owned, and operated fleet.

8 This represents total spend with Tier 1 suppliers possessing Science Based Targets ("SBTs") divided by total supplier spend. Loblaw defines an SBT as targets in accordance with the Intergovernmental Panel on Climate Change ("IPCC") guidance for achieving targets set out in the Paris Agreement aiming to limit global temperature rise to 1.5 degrees Celsius. Suppliers that published qualifying targets during fiscal 2024 are included. Supplier spend is defined as Accounts Payable payments cleared in fiscal 2024, excluding certain non-supplier payments (e.g., government, employee purchase card, union dues , and other amounts removed at Management's discretion) which account for 6.6% of total spend. The metric's scope mirrors our Scope 1 and Scope 2 reporting, encompassing spend from our entire enterprise operating footprint, including corporate, franchise, associate-owned, and T&T® operations, as well as corporate offices and distribution centers. We will continue to make additional refinements as more precise data becomes available.

9 Carbon dioxide (R744) has a global warming potential ("GWP") under 10 thus is considered ultra-low when compared to legacy synthetic hydrofluorocarbon ("HFC") refrigerants that have GWPs that are in the 2000-4000 range, newer synthetic HFC refrigerants are in the 1000-2000 range, and low GWP synthetic Hydrofluoroolefins ("HFO") refrigerants are in the 100-700 range.

10 This metric is the count of corporate owned and operated electric trucks that includes short-haul outbound day cabs and shunt trucks as at the end of the reporting period.

11 Conversions were from R507A, R404A, R438A, R22, and R134A which have higher global warming potentials to lower global warming potential refrigerants such as R449A and R513A.

12 A level of measurement uncertainty exists in these metrics due to the use of estimates for data points that are difficult to obtain. If actual data becomes available, we will adjust historical estimates where applicable and where material.

13 Emissions are calculated following the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and emission factors defined by the National Inventory Report ("NIR"), although, for Scope 1 and Scope 2 emission factors, Management used 2018 NIR for 2020 figures, 2019 NIR for 2021 figures, 2020 NIR for 2022 figures, 2021 NIR for 2023 figures and 2022 NIR for 2024 figures. Management has included emissions from HCFC refrigerant leaks in "Scope 1 emissions" and "Scope 1 by Greenhouse Gas Type – Other".

14 This symbol identifies that third-party limited assurance was obtained for this data point. Refer to pg 18 of the Early Release of Priority 2024 ESG disclosures for the Limited Assurance report.

15 Numbers in the GHG inventory table may fluctuate as more accurate information becomes available such as updates to the emission factors as defined by the NIR. Scope 1 values have changed from prior years' disclosed amounts due to a change in estimate related to franchise refrigerant leak data. The previous values for 2022, 2021, and 2020 were 623,613, 629,662, and 691,679, respectively.

16 Loblaw had contractual agreements for Clean Energy Credits in Ontario which represent approximately 7.9% and 5% of the overall electricity consumption for 2024 and 2023 respectively.

17 The total capital expenditure reported for Scope 1 and Scope 2 carbon reduction projects includes investments made in both projects that were completed in 2024 and projects that were in progress at the end of the reporting period. The calculation of this metric aligns with the capitalization policy for financial reporting purposes, as such, reported amounts include those which meet the criteria for capitalization within the reporting period. Items excluded from capital expenditure for this metric include, but are not limited to, regular maintenance and repairs, preventative measures (e.g. refrigeration leak inspections), and minor energy efficiency upgrades which are not capitalized. Refer to endnote 19 for details on what qualifies as a carbon reduction project.

18 This metric was not formally tracked in prior years, therefore data is not available to disclose for this time period.

19 This metric is the count of carbon reduction projects completed during the reporting period. Carbon reduction projects relate to the following activities: store refrigerant conversions, store lighting upgrades, franchise store recommissioning for efficiencies and calibrations of systems, automated refrigerant leak detection, DC retrofits including lighting and refrigeration, and fleet electrification. A project is defined at the individual site or fleet vehicle level.

20 This metric is the count of corporate owned and operated electric trucks that includes short-haul outbound day cabs and shunt trucks as at the end of the reporting period.

21 This metric is the number of corporate owned and operated electric trucks (refer to endnote 20) divided by the total number of short-haul outbound corporately owned and operated trucks as at the end of the reporting period. The number of short-haul outbound corporately owned and operated fleet includes day cabs and shunt trucks owned and operated by Loblaw, as well as trucks leased and operated by Loblaw that are recognized as Right-of-Use (ROU) assets on the balance sheet as at the end of the reporting period.

22 Due to the complexity and variability of the capabilities of the municipal recycling systems across Canada, we define “recyclable or reusable” as being compliant with the Consumer Goods Forum’s Golden Design Rules (“GDRs”) with a focus on material conversions and the removal of problematic elements where we can drive change. As such, our compliance to the rules excludes: (a) for a subset of products, GDR 3 “headspace reduction”; (b) GDR 8 to “reduce virgin plastic in business-to-business packaging”, which is not the scope of this control brand and in-store packaging project; and (c) GDR 9 “on pack recycling”, which we do not endorse as it is the outcome of downstream stakeholders upgrading the capability of current municipal recycling systems.

23 Excludes T&T®.
A level of measurement uncertainty exists in this metric due to the large volume of technical data to track, change, and consolidate over 11,000 individual SKUs.
Includes only plastic packaging that would leave the store with the customer and as such does not include business to business packaging or supplies used in-store. This is the percentage compliance to the in-scope Consumer Goods Forum’s Golden Design Rules.
Compliance is determined based on all new purchase orders placed for product in new compliant packaging. However, products in stores may reflect old packaging where excess inventory needs to be sold through or where temporary accommodations are made as a result of availability constraints for compliant packaging materials.

24 Excludes a small portion of SKUs (or a component of the packaging) which were approved as exemptions by Executive Management, namely products governed by Health Canada, safety seals, and products where the packaging is considered a functional part of the product itself.

25 Packaging acceptable for collection in participating municipal programs only. All packaging may not be accepted for recycling in all regions of Canada. Consumers would be required to check their local municipality for more information on acceptability of packaging in their community.

26 Second Harvest, The Avoidable Crisis of Food Waste: Updated (2024)

27 Includes corporate food retail operations only. The food waste diversion data reported in the Early Release of Priority 2024 ESG Disclosures was based on estimates for the fourth quarter, as actual data was not yet available. Following year-end, more complete and accurate data was received from our service providers, resulting in an adjustment of the food waste diversion data in the 2024 April ESG Report. In 2024, 80,212 metric tonnes of food waste was diverted (a -3% change from the estimate). These reported numbers are based on information received from third-party haulers and represent information available to date.

28 Includes food retail operations (including franchise) and eligible Shoppers Drug Mart®/Pharmaprix® associate-owned locations.

29 This includes in-kind donations as well as monetary donations. Pounds of food donated to community-based food charities are calculated by multiplying the total dollar value of monetary contributions by a conversion factor of 2 pounds per $1 donated. This conversion factor is based on information included in Food Banks Canada’s “meal metric” and aligned to with our food recovery partners. While the majority of donations are intended to support and enable food related initiatives, some funds may be allocated by the partners to other programs or operational needs, including research.

30 These reported numbers are based on information received from a third-party and is based on information available to date for more than 1,000 sites. To provide a conservative estimate of water use, water withdrawal is reported as water consumption. This approach assumes that no water is returned to its original source.

31 https://www.msc.org/en-us/what-we-are-doing/our-approach/what-is-sustainable-fishing

32 Excluding T&T®.

33 Forest Stewardship Council (FSC® C159214).

34 As defined in Canadian regulations.

35 Except those naturally occurring.

36 Free-run – shell eggs laid by hens in a free-run housing system. In this system, hens have access to the entire barn floor, but do not go outside. The hens can scratch, dust bathe, walk freely and lay their eggs in nesting boxes.

37 Free-range - shell eggs laid by hens in a free-range housing system. In this system, hens have access to the entire barn floor and it gives them the opportunity to roam outside when weather permits. The hens can scratch, dust bathe, walk freely and lay their eggs in nesting boxes.

38 Subject to available supply.

39 Enriched housing - enriched housing systems, while remaining in a wire mesh enclosure, hens are provided with perches, nest area, scratch area, and more head room compared to a conventional cage.

40 https://www.nfacc.ca/resources/codes-of-practice/pig/Pig_Scientists_Committee_report.pdf

41 Calculated in accordance with the EPA methodology by CSR Eco Solutions.

42 Based on calculation methodology provided by Primaloft®.

43 Cotton-rich products are defined as those where the majority of the fibres are cotton.

44 2024 responsible cotton calculation scope includes all directly manufactured products and select non-direct products.

45 A multiplier is used to calculate metric tonnes of material used to manufacture a product in order to account for losses during the apparel manufacturing value chain.

46 Under the Food and Drug Regulations, a drug establishment licence (“DEL”) is required to wholesale a prescription medication. A “wholesaler” is defined in the Food and Drug Regulations as a distributor who does not hold the DIN and who sells a prescription drug “other than at retail sale”. The term “sell” is broadly defined under the Food and Drugs Act and covers any distribution of a drug, regardless of whether the distribution is made for consideration. Based on detailed analysis we have determined that DEL is not required in these cases as Health Canada has not required pharmacies to obtain a DEL in these circumstances or sought to intervene in this established practice in the past.

47 Packaging acceptable for collection in participating municipal programs only. All packaging may not be accepted for recycling in all regions of Canada. Consumers would be required to check their local municipality for more information on acceptability of packaging in their community.

48 Organisation for Economic Co-operation and Development (“OECD”) Management of Pharmaceutical Household Waste.

49 T&T® executes similar programs for their own operations.

50 Loblaw uses “racialized groups/individuals” interchangeably with “visible minorities” as defined by the Employment Equity Act.

51 All Diversity and Inclusion metrics are as at year end 2024.

52 The Statistics Canada 2021 Census reports women representing 50% and members of visible minorities representing 26% of the Canadian population.

53 Self-identification data is collected through our Human Resources Information System throughout the year, with race/ethnicity information being collected on a voluntary basis. In 2024, 65% of management and 89% of executives voluntarily disclosed their race or ethnicity.

54 To ensure consistency in application of the definitions used, certain 2022 numbers have been adjusted.

55 Includes corporate workforce only.

56 Executive positions includes vice president level and above.

57 In 2024 for the purpose of representation reporting, management encompasses roles with direct leadership type responsibilities including managing operations and/or managing people. The roles defined as management include, but are not limited to, senior director, director, senior manager, manager, DC managers, store managers, and assistant store managers. The Company has made efforts to apply this definition consistently, however where job titles were unclear, certain roles which may possess some managerial responsibilities were classified as individual contributors. Going forward the 2028 goals will also include department managers to show a true reflection of management in our organization.

58 This metric is the cumulative number of colleagues that have completed Diversity, Equity and Inclusion training since 2020. Each count of an employee is based on their completion of either Even Better 3 (“EB3”) training or two Diversity, Equity and Inclusion e-learnings on “Being an Ally” and one edition of “Building a Culture of Inclusion”. These training courses cover fundamental Diversity, Equity and Inclusion topics, which includes one or more of Diversity, Equity and Inclusion, and Belonging, and are delivered in line with our Culture Principles (Be Authentic, Build Trust, Make Connection) and CORE values (Care, Ownership, Respect, Excellence).

59 Adjusted pay gap is the difference in pay between women and men after statistically controlling for legitimate, non-discriminatory factors that influence pay, such as tenure or location.

60 Based on Qualtrics database of employee engagement retail average from 2020-2022.

61 Due to data limitations, these in-kind amounts are based on reporting provided by Second Harvest, Food Banks Canada, and Banques Alimentaires du Québec. The in-kind valuation of pounds of food donated is calculated by multiplying the number of pounds donated by a conversion rate – both the pounds and the conversion rates are provided to us by our food recovery partners. This conversion rate is based on a basket valuation that supports the average retail value of 1lb of food which allows a monetary value to be assigned to the donated food.

62 The number of children reached is defined as the entire school population of children who have access to the daily food programs, offered universally, during the school year. The entire population of children is self-reported with attestations obtained from each of the schools.

63 Pounds of food donated to community-based food charities are calculated by multiplying the total dollar value of monetary contributions by a conversion factor of 2 pounds per $1 donated. This conversion factor is based on information included in Food Banks Canada’s “meal metric” and aligned to with our food recovery partners. While the majority of donations are intended to support and enable food related initiatives, some funds may be allocated by the partners to other programs or operational needs, including research.

64 The reported number of audits conducted is based on internal tracking systems. While reasonable efforts are taken to ensure accuracy, this metric may be subject to some degree of variation due to the volume of data and the potential for human error, including duplicate entries or omissions.

65 Facilities exclude those that had been inactive or blocked for a period of 3 years or more. The figures in the table above reflect this changed approach in 2022.

66 The delistings in 2024 were related to non-compliance with the Supplier Code in one or more of the following themes: attempted bribery, child labour, transparency (lack of access to perform required due diligence) and building structural/fire safety concerns. During 2024, 2 additional facilities were temporarily delisted. Following corrective actions, verified through on-site audits, both facilities were relisted.

67 The delistings in 2023 were due to one or more of unauthorized contracting, attempted bribery, suspected child labour, suspected discriminatory practices, and building structural/fire safety concerns.

68 Delistings in 2022 were due to one or more of suspected child labour, attempted bribery, and building structural/ fire safety concerns.

69 Delistings in 2021 were due to one or more of unauthorized contracting and/or attempted bribery.

ESG at Choice

Choice Properties REIT is a large and diversified owner, manager and developer of a high-quality real estate portfolio comprising over 700 properties.

Choice Properties aspires to develop healthy, resilient communities through its dedication to social, economic and environmental sustainability. Choice Properties is a leading Real Estate Investment Trust that creates enduring value through **places** where **people thrive**.

Choice Properties' commitment to ESG practices is aligned with its purpose of creating enduring value and places where people thrive through the ownership, operation and development of high-quality industrial, mixed-use, and residential properties. Choice Properties focuses its ESG program around two pillars where it can best create enduring value and which align with its stakeholders' interests: Fighting Climate Change and Strengthening Communities to Prosper. Choice Properties' 2024 ESG Report is included here and is also available on Choice Properties' website.



ChoiceProperties

2024 Environmental, Social and Governance Report



ChoiceProperties

Places People Thrive™

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About Choice Properties

Choice Properties is a leading Real Estate Investment Trust that creates enduring value through places where people thrive.

As one of Canada's largest owner, operator and developer of high-quality commercial and residential real estate, we create jobs, we invest in cities and towns, and we help develop communities across Canada. We believe in creating spaces that enhance how our tenants and communities come together to live, work, and connect. We have a responsibility to understand our stakeholders' needs and to manage our properties to be best in class. This includes our industry leadership in working to integrate environmental, social and economic sustainability practices into all aspects of our business. We are guided by a shared set of values grounded in Care, Ownership, Respect and Excellence. With our scale and reach, we strive to make a meaningful and positive difference in the lives of Canadians.

At Choice Properties, we embed best practices in everything we do, both big and small, by focusing on two areas where we can make a difference: Fighting Climate Change and Strengthening Communities to Prosper. At Choice Properties, these two areas encompass the following:

Fighting Climate Change. We believe that embedding environmentally sound practices wherever we can in our business is good for us, our tenants and the communities in which we operate. That includes completing asset-specific net-zero transition plans for all income-producing properties, implementing green leases with tenants to promote energy efficiency, using renewable energy and furthering low-carbon designs. Helping to preserve the environment reflects our goal of creating long-term, sustainable value through buildings that are more efficient to operate.

Strengthening Communities to Prosper. As one of Canada's largest property owners, we help to create strong and vibrant communities where our tenants and site visitors can prosper. We embed this in our work by ensuring that our properties reflect and add to the strength of the community where they are located, help support Canadian businesses wherever possible, and spur local and diverse economic development. Fostering and promoting a diverse workforce, deeply engaged in our mission, provides us with the benefit of different perspectives, experiences and skills, which we harness to create enduring value.

	Properties	Square Feet [i]	Occupancy
Retail	570	44.5M	97.6%
Industrial	124	20.9M	97.9%
Mixed-Use & Residential [ii]	11	1.8M	94.1%
Total [iii]	705	67.2M	97.6%
Development [iv]	20	1.1M	—

[i] Data in this table is as at December 31, 2024 and represents Choice Properties' ownership share only. Square feet or square footage in the report may also be referred to as Gross Leasable Area (GLA).
[ii] Occupancy represents retail and office portion of mixed-use properties; residential units are excluded. 1.8 million sq. ft. of GLA includes 0.7 million sq. ft. associated with Choice Properties' 923 residential units.
[iii] Includes 2.8 million sq. ft. that represents the building area on properties for which the Trust has leased the underlying sites to the tenants through ground leases.
[iv] Projects under active development.

Land Acknowledgment

Choice Properties is a company rooted in real estate and our work is intrinsically tied to the traditional territory of several Indigenous Nations across Turtle Island, also known as Canada. We honour this connection by respecting its history and working to support Indigenous Peoples in ways that are culturally relevant and respectful. We acknowledge that Indigenous Peoples are the traditional guardians of Canadian land, and we remain grateful for their ancestors who have taken care of this land for centuries. Through our ongoing work towards Reconciliation, we are committed to taking intentional steps to build meaningful relationships with Indigenous Peoples.



About This Report

At Choice Properties (or, "the Trust"), we strive to be an industry leader in environmental, social and economic sustainability practices in all aspects of our business. By integrating these considerations into our operations, we are better able to deliver on our purpose-driven strategy, as we help build more resilient and prosperous Canadian communities for generations to come.

Our 2024 Environmental, Social and Governance Report ("ESG Report") outlines our activities and accomplishments for the year ended December 31, 2024. Unless otherwise noted, data included in this report represents information as of December 31, 2024.

This report is provided solely as an update on Choice Properties' ESG initiatives and is not intended to promote any specific property or service.

For More Information

For more information about sustainability at Choice Properties, including this and our prior year ESG report, please visit our website at www.choicereit.ca or email sustainability@choicereit.ca.

Additional information has been filed electronically with various securities regulators in Canada through SEDAR+ at www.sedarplus.ca.

Reporting Scope, Boundary and Methodology

This report pertains to Choice Properties and its subsidiaries. Our ESG metrics represent data collected for the properties owned in full or in part by Choice Properties. Environmental metrics have been collected primarily from Choice Properties' utility data management system, which tracks electricity, heating fuel and water consumption.

Environmental data for energy and GHG emissions relates to Choice Properties' portfolio as of December 31, 2024 and includes comparative data for the baseline year 2019 and the prior year 2023. Environmental data for water and waste consumption relates to Choice Properties' portfolio as of December 31, 2024 and the prior year 2023. Previously reported 2019 and/or 2023 energy, water consumption, waste generation, and greenhouse gas ("GHG") emissions data are subject to restatement. Restatements occur due to greater data availability subsequent to prior year reporting, as well as changes to portfolio composition from the prior year reporting period due to acquisitions or dispositions. The data used is the best available data for estimating energy and emissions as at December 31, 2024.

Choice Properties' carbon emissions reporting is prepared under the Operational Consolidation Approach, as defined in the World Resources Institute and the World Business Council for Sustainable Development's "The Greenhouse Gas Protocol, Revised Edition".

Data presented in this report may be rounded for reading comprehension.

Definitions

The term "operational control" as used throughout this report aligns with the Greenhouse Gas Protocol's definition: an organization having the authority to introduce and implement operating policies at the operation. Within this report, an "organization" means Choice Properties and "operation" means a property. "Asset classes" refers to retail, industrial, mixed-use, and residential assets unless otherwise noted. "GLA" refers to gross leasable area. Where metrics are presented by "GLA at 100% share" , the total GLA of individual properties is applied.

Defining our Pillars and Purpose Statement

Choice Properties is committed to creating enduring value through our purpose statement: Places People Thrive™. Our purpose statement of "Places People Thrive™" means we believe in creating spaces that enhance how our tenants and communities come together to live, work, and connect.

"Fighting Climate Change" is Choice Properties' first pillar and it means working to help mitigate the environmental causes and effects of climate change through measures such as reducing CO_2 emissions and reaching our net-zero targets.

"Strengthening Communities to Prosper" is Choice Properties' second pillar and it refers to our external efforts to foster local economic development and social cohesion in the neighbourhoods where we operate, through measures such as installing public amenities and hosting free programming for local residents and shoppers alike. This pillar also refers to our commitment to continue to build a diverse and inclusive workforce internally at Choice Properties.

These focus areas are not chosen arbitrarily. We are committed to transparency and accountability, setting ambitious yet achievable targets based on rigorous analysis and internal roadmaps. We also understand the importance of being accountable for our commitments and the need to disclose both progress and challenges transparently.

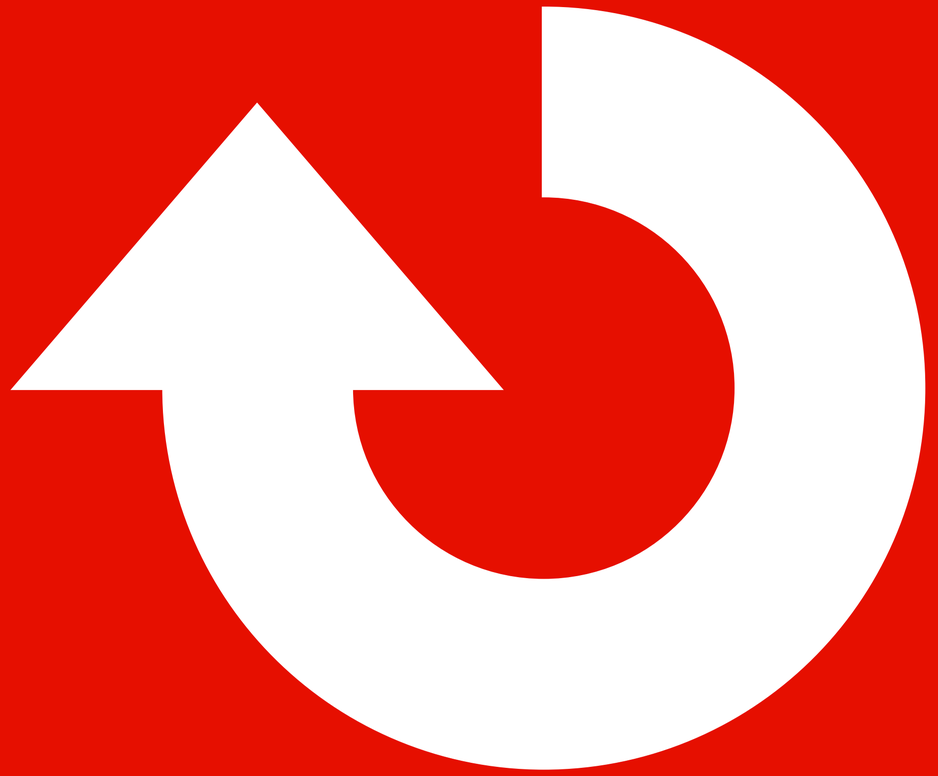
Forward-Looking Information

This ESG Report may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Trust's current expectations regarding future events. Although the Trust believes that the expectations reflected in such forward-looking information are reasonable, assessing forward-looking ESG metrics and risks, and climate metrics and risks in particular, is more complex and longer-term in nature than traditional business metrics and risks. Many forward-looking methodologies are new and evolving, and there is limited guidance from methodology providers on the calculation or comparability of these measures. In particular, uncertainty around future climate-related policy can contribute to greater variation in transition pathway models. Future updates to factors such as changes in global emissions, available technologies or economic conditions may lead to changes to the Trust's net-zero path, including changes to the Trust's GHG reduction targets. Additional factors such as improvements to the coverage, quality, and availability of the Trust's data and methodologies, may also necessitate changes to the Trust's 2019 baseline or net-zero targets. This ESG Report is informed by the Global Reporting Initiative ("GRI"), the Sustainability Accounting Standards Board ("SASB") standards, the United Nations Sustainable Development Goals ("SDGs"), the Task Force on Climate-Related Financial Disclosures ("TCFD"), and the International Sustainability Standards Board ("ISSB"). The Trust regularly monitors the development of provincial and international ESG reporting regulations, standards and frameworks for their relevance and usability, as well as stakeholder expectations regarding these standards. The Trust will periodically assess the comparability and appropriateness of its metrics and targets, and, where appropriate, incorporate new insights, data, models and tools into the Trust's ongoing assessment of ESG matters, including climate change. The Trust expects its ESG disclosures to continue to evolve as reporting regulations, standards and frameworks mature.

The information in this ESG Report reflects what the Trust believes is the best available data and, in the case of climate change disclosures, best available scenario projections. Where appropriate, including in setting GHG reduction targets and making climate disclosures, the Trust has made reasonable and good faith approximations and assumptions. However, there are many factors that the Trust may not foresee or that it may be unable to predict accurately. The Trust's ability to achieve its ESG goals is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Trust's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information and may require the Trust to adjust its ESG initiatives, activities or plans to reflect a changing landscape. Such risks and uncertainties include, but are not limited to, the Trust's ability to meet its GHG reductions targets; the availability, accessibility and suitability of comprehensive and high-quality data; the need for active and continued participation of the Trust's stakeholders; the development of consistent, robust and comparable ESG metrics and methodologies, in particular in respect of climate change; the development and deployment of new technologies and industry-specific solutions; international cooperation; the development of provincial, national and international laws, policies and regulations in respect of ESG matters; and additional factors and risks discussed in the Trust's current Annual Information Form and 2024 Annual Report to Unitholders.

The forward-looking statements in this ESG Report are presented for the purpose of assisting investors and other stakeholders in understanding the Trust's ESG priorities, strategies and objectives, and may not be appropriate for other purposes. Undue reliance should not be placed on the forward-looking information in this ESG Report. The Trust does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. All forward-looking statements contained in this ESG Report are made as of the date hereof and are qualified by these cautionary statements.

Highlights



Message from the President and CEO



Rael L. Diamond
President & CEO

Turning Commitment into Impact

At Choice Properties, we understand that long-term success is built on a foundation of responsible growth. As Canada's largest real estate investment trust[1], we seek to play a part in shaping the future of sustainable real estate. In 2024, we made tangible progress, advancing our environmental, social and governance strategy to create places where Canadian businesses and communities thrive.

Collective Action on the Transition to Net-Zero

To advance on our 2030 and 2050 decarbonization targets, we recognize that ESG principles must be integrated into all aspects of our business. In support of this, in 2024, each of our departments developed three-year environmental sustainability roadmaps with clear, actionable steps – demonstrating the company-wide commitment of our colleagues to do our part in creating net-zero buildings and a resilient business.

We continue to make strides in our pathway to net-zero. An example of our progress involves our property at Choice Coventry Hills, which in 2024 became Canada's first retail property to receive the Canada Green Building Council's Zero Carbon Building Design certification. Another example is our collaboration with the Royal Bank of Canada (RBC) to optimize and track energy consumption in leased spaces – showcasing how strong stakeholder engagement and aligned sustainability goals can drive long-term operational excellence.

[1] Based on total portfolio GLA, number of properties and market capitalization

Building with Community, For Community

Our national portfolio, primarily anchored by essential retail, allows us to engage with shoppers and local residents year-round. Throughout 2024, we operationalized our Social Impact Framework by offering public amenities and hosting free programming at four of our retail and mixed-use properties. We collaborated with local non-profits, businesses and municipalities on these pilot initiatives, with a goal of fostering local economic development and social cohesion in the communities we serve. These initiatives demonstrate how Choice Properties can transform underused spaces within our portfolio into vibrant community hubs that benefit both the neighbourhood and our tenants.

Our philanthropic program, Choice Cares, continues to foster a strong culture of giving across our organization. In 2024, our colleague-led fundraising and volunteer efforts contributed over $860,000 to Canadian charities and more than 1,100 hours of volunteer time. By encouraging civic engagement, our Choice Cares program plays a key role in advancing our Social Impact Framework. We look forward to building on this momentum in 2025 to further strengthen communities to prosper.

A Culture Focused on Sustainable Excellence

At Choice Properties, our culture and ESG strategy are deeply interconnected – each reinforcing the other to drive long-term success, build stakeholder trust, uphold strong governance, and deliver positive impact. Our ongoing focus on creating an inclusive and collaborative workplace earned us recognition as one of Greater Toronto's Top Employers by Mediacorp Canada Inc. for the third consecutive year, and one of Canada's Most Responsible Companies by Newsweek and Statista.

I am so proud of our colleagues who shape our culture and live out our CORE (Care, Ownership, Respect and Excellence) values every day.

Looking Ahead: Committed to Building for the Future

We remain focused on demonstrating leadership in the real estate industry. From decarbonizing our assets to expanding our social impact in the communities we operate, we will continue to challenge ourselves to go further. In 2025, we will again embed key ESG objectives into all our colleagues' annual compensation plans – reinforcing accountability at every level. At the same time, we will continue to enhance our ESG reporting to align with emerging national standards, ensuring that our stakeholders have a transparent view of our progress.

Choice Properties will continue to invest in sustainability as we move forward, creating long-term value through places where people thrive. Thank you to all our colleagues, tenants, business and community partners, and unitholders for your continued support on our journey to build a brighter future for Canadians.

Rael L. Diamond
President & CEO, Choice Properties

Insights from Leadership

At Choice Properties, ESG strategy and management are well embedded in how we operate our business. We asked three leaders at Choice Properties to share how ESG shows up in their work and drives long-term value across our portfolio.



Niall Collins
Chief Operating Officer & Executive Vice President, Development & Construction

How does Choice Properties integrate ESG principles into its development and construction strategy?

The real estate we build today will last well beyond our lifetimes, so we have a responsibility to get it right. ESG is critical to ensuring our developments are sustainable, resilient, and support long-term economic and social vibrancy.

By proactively investing in high-performance building materials, the electrification of heating systems, and smart building systems, we're avoiding higher costs down the road and we are keeping our portfolio competitive.

We also work closely with local municipalities, businesses and non-profits to ensure our buildings are thoughtfully integrated into their communities. Thoughtful design, collaborative planning and community engagement all play a role in ensuring our properties are not just functional, but thriving. At Choice, ESG isn't an add-on – it's how we reduce risk, manage costs, and deliver lasting value for our tenants, our communities, and our investors.



Orit Sarfaty
Vice President, Sustainability & Placemaking

Can you define placemaking and why it's important to Choice Properties' business operations?

ESG is fundamental to how we create long-term value, and placemaking is one of the most tangible ways we bring it to life. As Canada's largest landlord, with a transformational development pipeline, we have a responsibility to think beyond the built form and focus on creating spaces where people want to spend time, local businesses can thrive, and communities feel connected.

Placemaking is all about designing and activating spaces with people at the centre. At Choice, we take a three-pronged approach: enhancing our properties with public art and thoughtful amenities; welcoming cultural and community-minded events; and offering free programming co-designed with local non-profits, to bring people together and make our spaces more dynamic.

When done well, placemaking creates positive, lasting memories. It increases foot traffic in our retail centres, builds pride and belonging in our residential communities, and loyalty among our tenants. It takes time and persistence to build lasting community engagement – but when the local people and businesses succeed, so do we. That's why we're committed to transforming spaces into places people love – places where people thrive.



Claudia Nemi
Vice President, National Operations, Capital & Lease Administration

How do Choice Properties' sustainability investments impact tenant relations today?

As a long-term property owner, we're focused on the next decade, not just the next quarter. That means ensuring our properties are sustainable, efficient, and supporting tenant success. Tenants increasingly want spaces that reflect their values, meet their sustainability goals, and help them attract customers who care about those issues.

Energy efficiency is a great example – investments in dual-fuel rooftop units, LED lighting, solar panels, and electric vehicle charging help our tenants save money, meet their own sustainability targets, and stay competitive. By delivering on these expectations, we're building a more resilient and attractive portfolio for the future.

The same goes for the social side of ESG. A well-activated space, like community events or public art, drives foot traffic and creates a better experience for tenants and their customers. When people want to spend time in our spaces, businesses do better, and that's a win-win. We're focused on being a best-in-class landlord and partner for the long haul, and we know we'll be rewarded by making these investments.

Targets and Progress Update

Choice Properties looks forward to continuing to show commitment to our progress by disclosing refreshed commitments and/or targets in next year's report. Specifically, more information on targets and/or commitments related to social impact and placemaking initiatives will be shared in future years.

For a view of key metrics across E, S, and G, see the ESG Performance Scorecard Appendix

PILLAR	FOCUS AREA	TARGET[1]	2024 RESULTS
Environmental	Scopes 1 and 2 GHG Emissions	50% reduction in absolute Scopes 1 and 2 emissions by 2030 from a 2019 baseline year	38.96% reduction of market-based emissions[2]
		90% reduction in absolute Scopes 1 and 2 emissions by 2050 from a 2019 baseline year[4]	
	Scope 3 GHG Emissions	30% reduction in absolute Scope 3 emissions from purchased goods and services and downstream leased assets by 2030 from a 2019 baseline year	15.36% reduction of location-based emissions[3]
		90% reduction in absolute Scope 3 emissions from purchased goods and services and downstream leased assets by 2050 from a 2019 baseline year[4]	
	Site-Specific Measures	65% of GLA certified under LEED or BOMA BEST	66%
Social	Volunteerism[5]	Volunteer an average of four hours per year per colleague	4.3 hours
	Representation of Women[6]	Minimum of 40% of Board of Trustee members identify as women by year-end 2024	50.0% ✓
		Minimum of 45% of Executives[7] identify as women by year-end 2024	52.9% ✓
		Minimum of 50% of Senior Management[7] identify as women by year-end 2024	60.7% ✓
	Representation of Visible Minorities[6]	Minimum of 20% of Board of Trustee members identify as a visible minority by year-end 2024	20.0% ✓
		Minimum of 30% of Executives[7] identify as a visible minority by year-end 2024	17.7% ✓
		Minimum of 25% of Senior Management[7] identify as a visible minority by year-end 2024	26.2% ✓

1 For further details and definitions related to each target, refer to the Environmental section and the Social section further in this report.
2 Market-based emissions include the purchase of Green-e® certified renewable energy certificates.
3 Location-based emissions reflect the emissions intensity of the local power grids on which energy consumption occurs.
4 Our 2050 goals are aligned to the requirements of the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard v1.0. SBTi is the third-party framework that we use to guide our commitment and inform our targets. The SBTi Corporate Net-Zero Standard v1.0 defines net-zero as at least a 90% reduction in absolute emissions. The remaining 10% of emissions from the 2019 baseline year are expected to be mitigated using carbon offsets, which is permissible under the SBTi framework.
5 This metric is calculated using an annual average of active colleagues.
6 Metrics are calculated using all colleagues, including those on long-term leave.
7 The definitions of what constitutes an Executive versus Senior Management can be found in the Diversity, Equity, and Inclusion section of the report.

✓ This symbol identifies third-party limited assurance was obtained for the data point.

2024 Key Achievements

Environmental

Net-Zero
Built upon the asset-specific net-zero transition plans made in 2023 by creating three-year department-specific ESG roadmaps at the operational level for all income-producing properties and new developments in 2024.

Green Lease
Received Gold level certification from Green Lease Leaders, a program which provides guidance on leasing practices that encourage more sustainable communities.

Development
Completion and implementation of a Sustainable Development Framework for each asset class.

Green Buildings
Maintained our target to certify 65% of GLA[i] under LEED or BOMA BEST certifications, at 66% for 2024.

Social

Top Employer
Named one of Greater Toronto's Top Employers by Mediacorp Canada Inc., published in the *Globe and Mail*. Maintained this achievement for the third consecutive year in recognition of the programs that we offer.

Colleague Benefits
Rolled out enhanced medical coverage for colleagues including an increase to their coverage for mental health support and fertility treatments.

Giving
$860,000 and 1,147 hours of colleague time donated to Canadian charities in 2024. This contributes to a cumulative $3.2M donated since Choice Cares was established in 2019.

Social Impact and Placemaking
Delivered four community activations at four of our properties which supported local economic development and social cohesion within neighbourhoods.

Governance

Commitment
Integrated Environmental, Social, and Governance pursuit metrics into short-term incentive payments for all corporate colleagues.

Executed a whistleblower training course which was mandatory for all corporate colleagues.

Consistent Recognition
Received a "B" rating from the Carbon Disclosure Project (CDP) for the third year in a row, and a "low" risk rating from Sustainalytics for the fourth year in a row.

Cybersecurity, Data Privacy and Governance
Operationalized our data governance framework by implementing policies, processes, and role-based training, to promote data quality, privacy, and security.

Leadership
Embedded a sustainability subject matter expert into business operations and expanded our sustainability and social impact team.

[i] By GLA, at 100% share

Our Sustainability Journey

2018

Formed ESG governance structure, steering committee and guiding principles

2019

Released first sustainability report

Launched Choice Cares charitable volunteering and fundraising program

2020

Provided assurance for key performance metrics for the first time

Established gender and visible minority representation targets for the Board of Trustees and Senior Management team

2021

Achieved five-year reduction targets two years ahead of schedule for GHG emissions, energy, and water consumption

Surpassed $1M in cumulative donations supporting Canadian charities through Choice Cares program

2022

Net-zero GHG targets validated by Science Based Targets initiative (SBTi)

Inaugural Pathway to Net-Zero Report released

Achieved the Women Lead Here benchmark for the first time

The first time Choice Properties is recognized as one of Greater Toronto's Top Employers by Mediacorp Canada Inc. and published in the *Globe and Mail*

2023

Asset-specific transition planning completed for all income-producing properties

Developed a Social Impact Framework leveraging our assets and business operations to drive economic development and promote social cohesion at the neighbourhood level

Material Scope 3 emissions disclosed for the first time

2024

In 2024, Choice Properties was announced as one of Canada's Most Responsible Companies for 2025 by Newsweek and Statista, ranking #1 in its industry and placing in the top 10% overall

Developed a Sustainable Development Framework (SDF) for all new developments which incorporates requirements that align with our two ESG pillars

Piloted social impact and placemaking programs on our properties through community events and non-profit partnerships

Surpassed $3M in cumulative donations supporting Canadian charities through Choice Cares program

2025 and Beyond

Continue implementing asset-specific net-zero transition plans

Continue scaling social impact and placemaking initiatives in communities across Canada and formalizing the program structure

Continue evolving ESG disclosures to align with emerging reporting standards

Awards, Recognition, Associations and Memberships

Awards and Recognition

Choice Properties believes that its awards and achievements as well as commitment to and participation with esteemed industry organizations are an important part of our position as a leading Canadian real estate investment trust. The following lists are non-exhaustive.

66%

BOMA BEST or LEED

66% of our total GLA is certified under one of two green building certifications: BOMA is a certification program that evaluates and recognizes environmental performance of Canadian commercial buildings; LEED is a certification program for achieving minimum building sustainability standards based on the US Green Building Council.

"B" Rating

CDP

Our "B" rating indicates that we are actively managing our environmental impact and taking action on sustainability. CDP is an independent global carbon disclosure rating system.

Women Lead Here

Globe and Mail

Awarded based on the proportion of executive (or equivalent) roles that are filled by women.

Greater Toronto's Top Employer

Commissioned by Mediacorp Canada Inc., published in the Globe and Mail

Based on comparison of organizations in similar industries and regions, and similar in size, across eight selection criteria.

Gold

LEED

One of our industrial sites, in Surrey, BC, achieved LEED Gold Certification for its measures to reduce energy demand, GHG emissions, and demand for outdoor and indoor water use.

"A" Rating

Morgan Stanley Capital International (MSCI)

Our "A" rating indicates we have strong ESG practices. MSCI rating agency provides scoring based on exposure to industry-specific risks and how well they are managed.

Most Responsible REIT in Canada

Newsweek and Statista

An award for which scoring was based on 30 key performance indicators and a survey of over 4,000 Canadian consumers.

Gold

Rick Hansen Foundation Accessibility Certification (RHFAC)

The pre-construction project of Mount Pleasant Village in Brampton, ON, achieved RHFAC Gold, which is awarded when a company scores > 80% on RHFAC's rating survey.

Commitment Award 2023-2024

Rick Hansen Foundation Building Without Barriers Challenge

Recognized as one of the organizations with the most buildings or pre-construction plans that achieve Rick Hansen Foundation Accessibility Certification.

SBTi Certified

An independent validation by the Science Based Targets initiative that our greenhouse gas targets align with the latest climate science to limit global warming to 1.5°C.

Ranked 11th out of 333 REITs globally

Sustainalytics's low-carbon transition ranking

The ranking evaluates a company's readiness and efforts in transitioning to a low-carbon economy.

"Low" Risk Rating

Sustainalytics score

A "low" risk score implies we have minimal exposure to ESG risks due to effective management and mitigation strategies. The score is determined by an independent rating agency based on two factors – exposure and management.

Associations and Memberships

Accelerating Accessibility Coalition (AAC) Founding Member

A coalition of organizations that focuses on improving accessibility in residential real estate.

Canadian Green Building Council (CaGBC)

Promotes green building practices and standards.

Canadian Centre for Diversity and Inclusion (CCDI)

Aims to build a more inclusive Canada by fostering diversity, equity, inclusion, accessibility, and justice through education, training, and action.

Commercial Real Estate Women Network (CREW)

Focuses on ways to accelerate success for all women in the global commercial real estate industry.

Council of Tall Buildings and Urban Habitat (CTBUH)

Aims to advance knowledge and best practices to create smarter, more sustainable, and resilient vertical cities through research, education, and collaboration.

International Council of Shopping Centres (ICSC)

Has a mission to advance the shopping centre industry by serving its members, promoting the marketplace, and advocating for its interests with the public and governments.

International Leadership of Executives and Organizations (ILEO) CEO Partnership

A collaboration among CEOs of companies focused on advancing leadership and corporate responsibility.

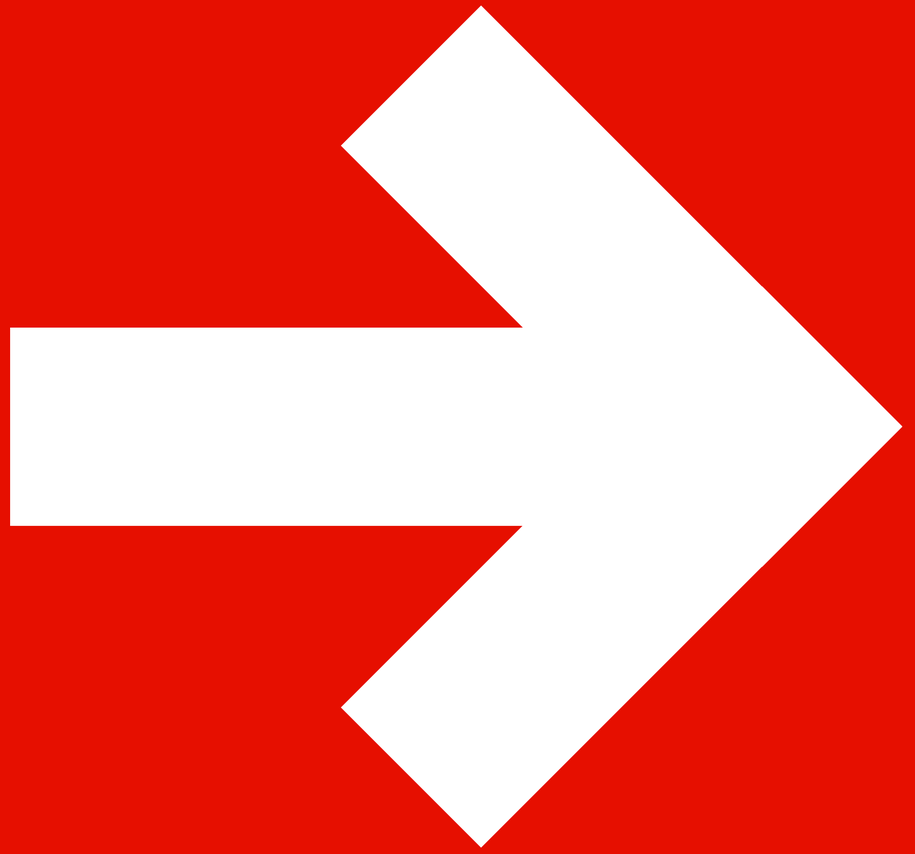
Real Property Association of Canada (REALPAC)

An organization that connects, supports, educates and advocates for real estate professionals.

Urban Land Institute (ULI)

Has a mission to shape the future of the built environment, focusing on creating a positive impact on communities globally.

Our Approach



Stakeholder Engagement

The Weston Group of Companies

Choice Properties is part of the Weston Group of Companies along with George Weston Limited ("Weston") and Loblaw Companies Limited ("Loblaw"). The three companies are collectively, the "Weston Group". The Weston Group has adopted ESG principles that help guide each company's approach to ESG, the details of which are included in Weston's Environmental, Social and Governance reports available here. More information on the ESG programs at Loblaw and Weston are available here and here, respectively. The George Weston and Loblaw Environmental Social and Governance reports are not incorporated by reference in this document.

Aligning Priorities

Our stakeholders include unitholders, organizations, and communities that intersect with our business operations. We use engagement channels with our major stakeholders in order to understand their key issues, and use this feedback to develop and advance our ESG programs further.

For a full list of stakeholder engagement channels, see the Stakeholder Engagement Appendix



International Council of Shopping Centres Canada Conference, Toronto, ON

Materiality

Gathering Stakeholder Opinions

In 2022, we engaged a third-party consultant to undertake a double materiality assessment. Double materiality assessments identify ESG topics that may have a material impact on Choice Properties as well as the impact that Choice Properties has on the environment and society. This allows us to understand topics deemed material to internal stakeholders as well as how the outside world is impacted by Choice Properties. Feedback was gathered from a wide variety of stakeholders including Choice Properties' Board of Trustees, industry professionals, business partners, and tenants.

Topics identified through **Double Materiality** have the potential to impact our business performance. By addressing them Choice Properties has an opportunity to make a measurable impact on society and the environment.

The results of this assessment reinforced our view that our approach to ESG addresses the broad topics that our stakeholders identified as most impactful. The feedback from this assessment enables us to build programs and allocate resources accordingly, while also identifying areas that are emerging and may increase in importance over time.

Choice Properties reviews its materiality assessment annually and will update it as necessary to capture material shifts in stakeholder sentiment as well as financial materiality. We plan to refresh our materiality assessment in 2025.



This materiality assessment reflects the input of a range of stakeholders and may not match the risk assessments of management. It was compiled by engaging with the stakeholders listed in the Stakeholder Engagement Appendix, although not all stakeholders listed responded to the survey.

Our Two Pillars

We recognize that all strong communities are built on the same foundation: their people. That is why we incorporate our purpose statement – Places People Thrive™ – in everything we do. Our aim is to create places where people want to visit and spend time together. Alongside this purpose is our dual pillar approach: Fighting Climate Change and Strengthening Communities to Prosper.

PILLAR

Fighting Climate Change

As Canada's largest real estate investment trust with over 700 properties across Canada, Choice Properties has an opportunity to make a meaningful difference in the carbon transition of the built environment. We are committed to an SBTi-aligned net-zero world by 2050, and we take pride in the different ways that we are executing our strategy to realize this commitment.

We cannot do it alone – our tenants are key partners in the carbon transition. We are working to help educate and motivate our tenants and communities to address climate change. Tenant collaboration allows Choice Properties to continue sharing lessons learned from our decarbonization journey with our tenants.

PILLAR

Strengthening Communities to Prosper

In this pillar, we aspire to develop healthy and resilient communities by dedicating ourselves to social sustainability initiatives. Through our recruitment and retention practices within our organization, we are creating development opportunities and eliminating barriers for equity-deserving groups. At our properties, we are leveraging our assets as Canada's largest REIT to enhance local economic development and social cohesion in the communities in which we operate. We bring communities together and provide local economic opportunities by establishing and activating community spaces on our sites and supporting the work of partner community organizations more broadly.

Environmental



Our Environmental Programs

Aligned to our ESG pillar of **Fighting Climate Change**, we undertake a wide range of environmental programs throughout our operating properties and development projects. We discuss these programs within this section.

Emissions Overview

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Our Net-Zero Targets and Emissions

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875 Highland Rd. W, Kitchener, ON

Defining Emissions and Emission Scopes

What are Scopes 1, 2, and 3 emissions?

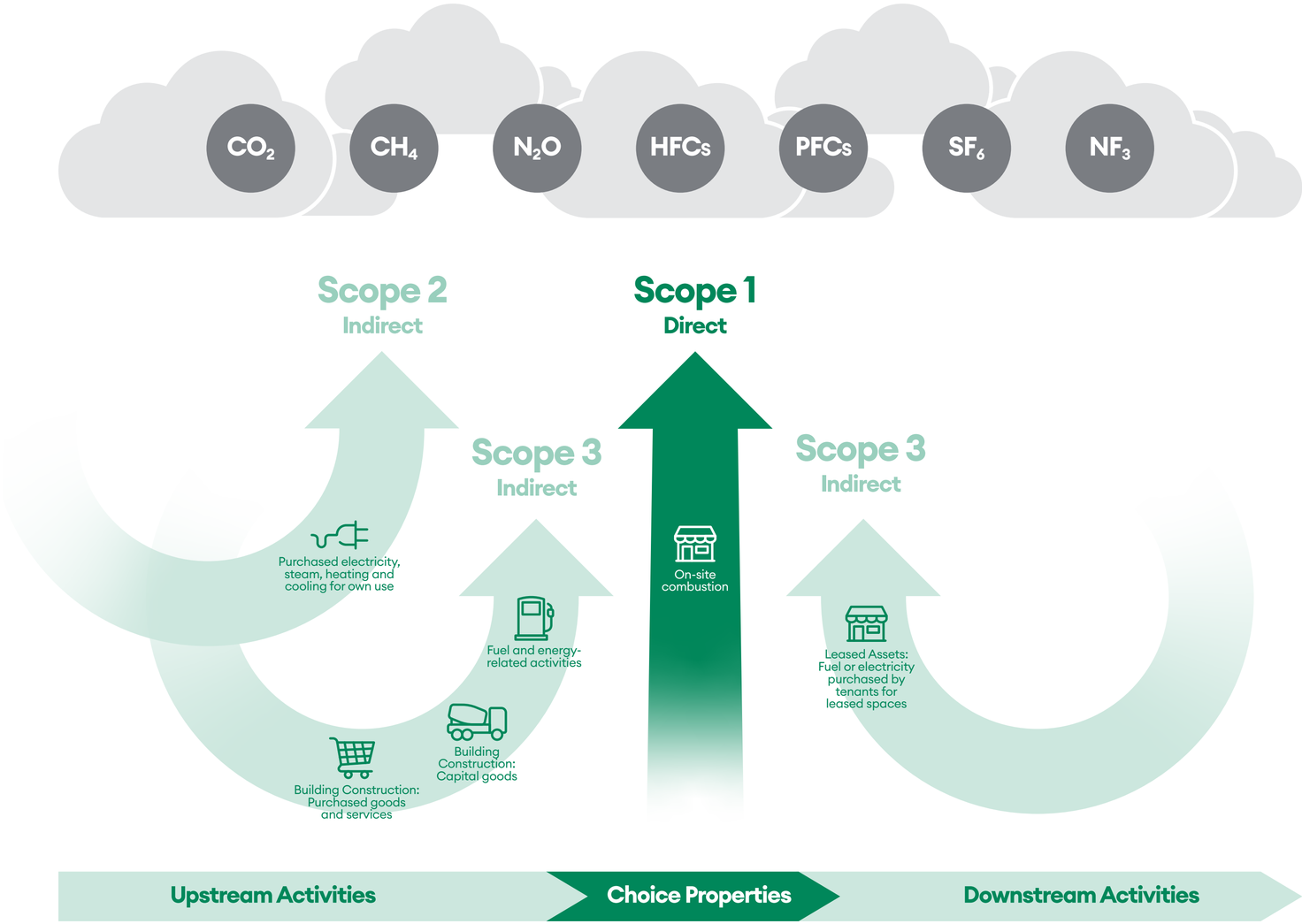
Throughout this report, we refer to Scopes 1, 2 and 3 emissions. Each of these represents a different category of greenhouse gas emissions that together comprise our overall carbon footprint. To define each scope, we use the guidance co-developed by the World Resources Institute and World Business Council for Sustainable Development called the Greenhouse Gas Protocol (the "GHG Protocol"), the most widely used greenhouse gas accounting standard globally.

Scope 1 emissions are direct emissions (i.e., greenhouse gases released into the atmosphere from our sites) that are generated from sources owned and controlled by Choice Properties. Typically, these include fuel combustion for space heating or hot water heating using equipment managed by Choice Properties.

Scope 2 emissions are indirect emissions predominantly associated with the purchase of electricity for spaces owned and controlled by Choice Properties.

Scope 3 emissions are indirect emissions not directly controlled by Choice Properties but related to activities that are upstream or downstream from our operations (see image at right). For Choice Properties, upstream emissions are mainly generated during building construction, including the manufacturing of building materials. Choice Properties' downstream emissions largely consist of fuel or electricity purchased by tenants for their leased spaces.

Material Emission Sources at Choice Properties



The above illustration represents Choice Properties' largest GHG emission categories and is not meant to be a complete list. There are immaterial GHG emissions from other sources.

Emissions Across Our Value Chain

The vast majority of Choice Properties' emissions fall within Scope 3, which means that the emissions are generated from a collection of activities in our value chain beyond our direct operational control. Of those Scope 3 emissions, almost all of them are derived from either tenants (i.e., when a tenant leases space in one of our buildings but maintains operational control over their own energy use), or from building development activities related mostly to the manufacturing of materials used in construction and renovations.

Standard practice in reporting Scope 3 emissions allows for a portion of these emissions to be estimated where directly measured data is unavailable. We continue to improve the quality of Scope 3 data over time as we improve our processes and gain access to more tenant and supplier data. As the data quality improves, our emissions baseline may change slightly over time and will be restated as necessary in our reporting.

For full emissions data and calculation methodology, see the Environmental Data Appendix

Choice Properties' Greenhouse Gas Emissions Profile

Scope 1
Direct emissions from activities controlled by Choice Properties
1%

Scope 2
Indirect emissions associated with Choice Properties' consumption of purchased energy
1%

Scope 3
Indirect emissions generated from activities upstream to or downstream from our business operations
98%

98%*
Downstream Leased Assets and Purchased Goods and Services

*Emissions from 'Downstream Leased Assets' are derived mainly from the energy purchased by our tenants for use in their leased spaces. Emissions from 'Purchased Goods and Services' are derived primarily from the manufacturing of building materials used in our developments. Refer to the Environmental Data Appendix for further detail.

Data included above reflects Choice Properties' portfolio as of December 31, 2024.

Our Net-Zero Targets and Emissions

Choice Properties commits to achieving net-zero greenhouse gas emissions across the value chain by 2050 from a 2019 baseline year, having established near- and long-term targets as part of this commitment. Those targets and our performance against them are outlined on this page.

For full emissions data and calculation methodology, see the Environmental Data Appendix

FOCUS AREA	TARGET	2024 RESULTS
Scopes 1 and 2 GHG Emissions	50% reduction in absolute Scopes 1 and 2 emissions by 2030 from a 2019 baseline year (mostly emissions related to natural gas and electricity purchased by Choice Properties)	**38.96%** reduction of market-based emissions[1]
	90% reduction in absolute Scopes 1 and 2 emissions by 2050 from a 2019 baseline year[4]	
Scope 3 GHG Emissions	30% reduction in absolute Scope 3 emissions from purchased goods and services and downstream leased assets by 2030 from a 2019 baseline year	**15.36%** reduction of location-based emissions[2,3]
	90% reduction in absolute Scope 3 emissions from purchased goods and services and downstream leased assets by 2050 from a 2019 baseline year[4]	

1 Market-based emissions include the purchase of Green-e® certified renewable energy certificates.
2 Location-based emissions reflect the emissions intensity of the local power grids on which energy consumption occurs.
3 Scope 3 GHG Emissions include reductions due to fewer new construction closeouts in 2024 compared with 2019. Refer to Appendix A for the full breakdown of emission changes in contributing categories.
4 Our 2050 goals are aligned to the requirements of the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard v1.0. SBTi is the third-party framework that we use to guide our commitment and inform our targets. The SBTi Corporate Net-Zero Standard v1.0 defines net-zero as at least a 90% reduction in absolute emissions. The remaining 10% of emissions from the 2019 baseline year are expected to be mitigated using carbon offsets, which is permissible under the SBTi framework.

Informed by Climate Science

We are committed to taking action to avoid the worst impacts of climate change by doing our part to limit the rise in global temperatures to 1.5°C, the recognized target of the Paris Agreement, the international treaty on climate change ratified by Canada along with over 100 countries globally.

The Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard v1.0 is the third-party framework that we use to guide our commitment and inform our targets. The Corporate Net-Zero Standard ("the Standard") sets requirements for net-zero targets and maintains the requirements in line with what climate scientists deem to be necessary to avoid the worst impacts of climate change (hence, "science-based targets"). The SBTi also provides independent third-party validation of corporate GHG reduction targets to confirm that they are aligned with the requirements of the Standard.

Our targets align with the requirements of the Standard – they are ambitious and necessary to meaningfully contribute to our pillar of Fighting Climate Change. These targets have been validated by the SBTi and apply to our entire value chain across our portfolio including wholly- or partially-owned properties. The targets will be addressed first and foremost by implementing steep reductions to Scopes 1, 2 and 3 GHG emissions.

Achieving these targets will not only involve collaboration with our tenants and suppliers, but also contributions from our colleagues. Our progress-to-date is discussed throughout this report and our plans to achieve net-zero emissions are detailed in our Pathway to Net-Zero Report.

Emissions and Energy

Our Approach to Emissions and Energy

Reducing energy consumption and emissions in our operations is the fundamental focus of our environmental pillar of Fighting Climate Change. Our programs are highlighted over the next two pages. More detailed information about our decarbonization pathway can be explored in our Pathway to Net-Zero Report.

Transition Planning

In 2023, we created asset-specific net-zero plans. To build on these, in 2024, all departments were required to develop a three-year (2025-2027) ESG roadmap to support our 2030 commitment to decarbonize our existing assets and new developments by 50% from a 2019 baseline for Scopes 1 and 2 and by 30% for Scope 3 emissions. The roadmap provides a clear and structured framework to guide our operations teams on how to decarbonize our assets and meet Choice Properties' 2030 target. The roadmap incorporates six key strategies and action plans for each department, with a clear assignment of responsibilities to be undertaken and major milestones to be achieved each year.

In 2024, we rolled out our Sustainable Development Framework (SDF), which outlines minimum requirements for building new developments to minimize carbon emissions. Choice Properties recognizes that we can put our net-zero commitment into practice by finding opportunities to reduce embodied carbon emissions as well as minimize operational carbon emissions across retail, industrial, mixed-use and residential developments. The framework includes targets for greenhouse gas emissions for all new developments in different regions.

Renewable Energy

Choice Properties, in collaboration with Loblaw, has 49 active solar photovoltaic installations across our portfolio. Since 2019, these panels have generated over 90 GWh of renewable electricity – that's enough to cover the electricity usage of 7,845 homes in Canada for a whole year[1]. As a component of our pathway to net-zero emissions, we are exploring opportunities to develop new on-site solar projects to reduce emissions which are cost-effective for us and our tenants. It is also worth noting that renewable energy can have the added benefit of enhancing building resilience in the event of power grid interruptions.

EV Charging Infrastructure

We envision a future where increasing numbers of tenants and their customers travel to our sites in zero-emission vehicles. To date, we have 17 properties with electric vehicle (EV) charging stations on site. Choice Properties intends to further explore opportunities to add EV charging infrastructure at properties that are well-positioned to support it.

Efficiency Programs

Energy is a vital resource for Choice Properties. Because energy use is inherent in building operations, improving energy efficiency is a crucial element of emissions reductions. To this end, we implement asset-specific capital upgrade plans to guide improvements at our properties.

Heating

During the year, we continued to replace standard natural gas-fired rooftop units with dual-fuel models at several properties. Dual-fuel rooftop units are equipped with a heat pump that operates on all but the coldest days, reducing the amount of natural gas consumed by the units. In most provinces, these dual-fuel units also reduce energy costs, creating a win-win scenario for our tenants and for the planet.

Lighting

Choice Properties has completed LED upgrades throughout the vast majority of our exterior spaces and parking lots. Our focus this past year has been on upgrading interior lighting in leased and vacant units, and we intend to undertake further upgrades to energy-efficient lighting on a rolling basis.



The Weston Centre, Toronto, ON



86 Boul. Brien, Repentigny, QC

[1] Calculated using Natural Resources Canada's Energy Equivalencies Calculator.

Emissions and Energy (continued)

Green Lease Clauses

In 2024, we continued to roll out our revised retail lease agreements that encourage the sharing of energy and water use related data with our tenants and enable us to implement upgrades to our properties, such as LED lighting, HVAC controls and building envelopes.

We are now expanding to include these provisions in our industrial leases and roll out more sustainability clauses with several of our industrial tenants. For our efforts in this area, Choice Properties achieved Green Lease Leaders Gold recognition in 2024. Under the auspices of the United States Department of Energy's Better Building Alliance and the Institute for Market Transformation, Green Lease Leaders sets a benchmark for green leasing best practices. To achieve Gold recognition, foundational best practices in green leasing must be demonstrated, while incorporating sustainability clauses into the lease agreements. Evidence of implementation, such as executed green lease clauses or policies, must be provided.

ACHIEVED

Gold

Green Lease Leader Gold

Tenant Engagement

We work closely with our tenants to achieve their resource efficiency goals. Our Leasing, Property Management, and Construction teams work with tenants to improve energy efficiency within leased spaces by deploying high-performance equipment and lighting. Choice Properties encourages sustainable development with a proprietary retail fit-out guide that supplies information on sustainable design and operations.

We also provide tenants with an ESG guidebook and news flashes that offer tips and resources for reducing energy consumption.

SPOTLIGHT

Green Lease Partnership with RBC

Choice Properties and RBC joined forces on an initiative focused on energy efficiency and sustainability in RBC's leased spaces through innovative lease terms. By working together to track and optimize energy use, the partnership aims to generate actionable insights for reducing environmental impact. A focus on transitioning heating systems to electric will also help reduce reliance on fossil fuels.

"I am thrilled by our collaboration with Choice Properties which aims to reduce operational emissions through electrification of our leased spaces. This initiative underscores our mutual dedication and long-term commitment to a successful landlord-tenant relationship."

Jon Douglas
Director, Global Climate & Sustainability
RBC



Erin Ridge Shopping Centre, St. Albert, AB

The location represented in this photo is not one of the RBC locations selected for decarbonization.

Water and Waste

Our Approach to Water

Water efficiency preserves natural resources and reduces carbon emissions associated with wastewater treatment as well as tenant costs. Our water efficiency program encompasses:

Xeriscaping and Drought-Tolerant Plants: Choice Properties chooses plants that are naturally adapted to their climate, as well as those with lower watering needs – a natural way to reduce water consumption while enhancing biodiversity.

Climate Controlled Water Management: Select sites deploy smart watering systems which limit the amount of water used for outdoor irrigation to only what is required by considering factors such as soil moisture, plant type, and weather data.

Grey Water Recycling: At West Block, located on Lake Shore Boulevard West in Toronto, we collect rainwater to fill the toilet tanks throughout the property.

For energy, emissions, water and waste consumption data, see the Environmental Data Appendix

Our Approach to Waste

Our waste management approach focuses on minimizing landfill waste. To accomplish this, we prioritize strategies such as at-source separation, contamination reduction, and recycling. We aim to lessen our environmental impact, reduce greenhouse gas emissions, and support a circular economy by diverting residual waste back into the value chain.

Our waste generation data is reported where waste management is in our operational control. In 2024, Choice Properties increased the number of properties with waste generation data, increasing the waste data coverage by 17.33% as compared to 2023. Waste data presented in this report represents 30.63% of our portfolio by GLA (at 100% share).

Multi-Stakeholder Engagement: In a multi-stakeholder environment, we are dedicated to aligning our stakeholders with our waste reduction and management goals. By promoting open communication and collaboration, we ensure that all partners, tenants, and stakeholders are fully engaged in supporting our sustainability initiatives. Together, we work towards shared objectives of reducing waste, increasing recycling, and minimizing environmental impact, ultimately fostering a more sustainable future.

WASTE BY THE NUMBERS

44%

Total waste diverted in 2024
(as a percentage of the total waste generated)



Accessible residential unit at Uniti, Brampton, ON

Low-Carbon Developments

Planning Ahead

Choice Properties' pipeline of commercial and mixed-use developments consists of medium- and long-term projects that progress with our sustainability goals in mind. Our Development and Construction and Sustainability teams have developed a Sustainable Development Framework to operationalize our environmental and social priorities for future developments.

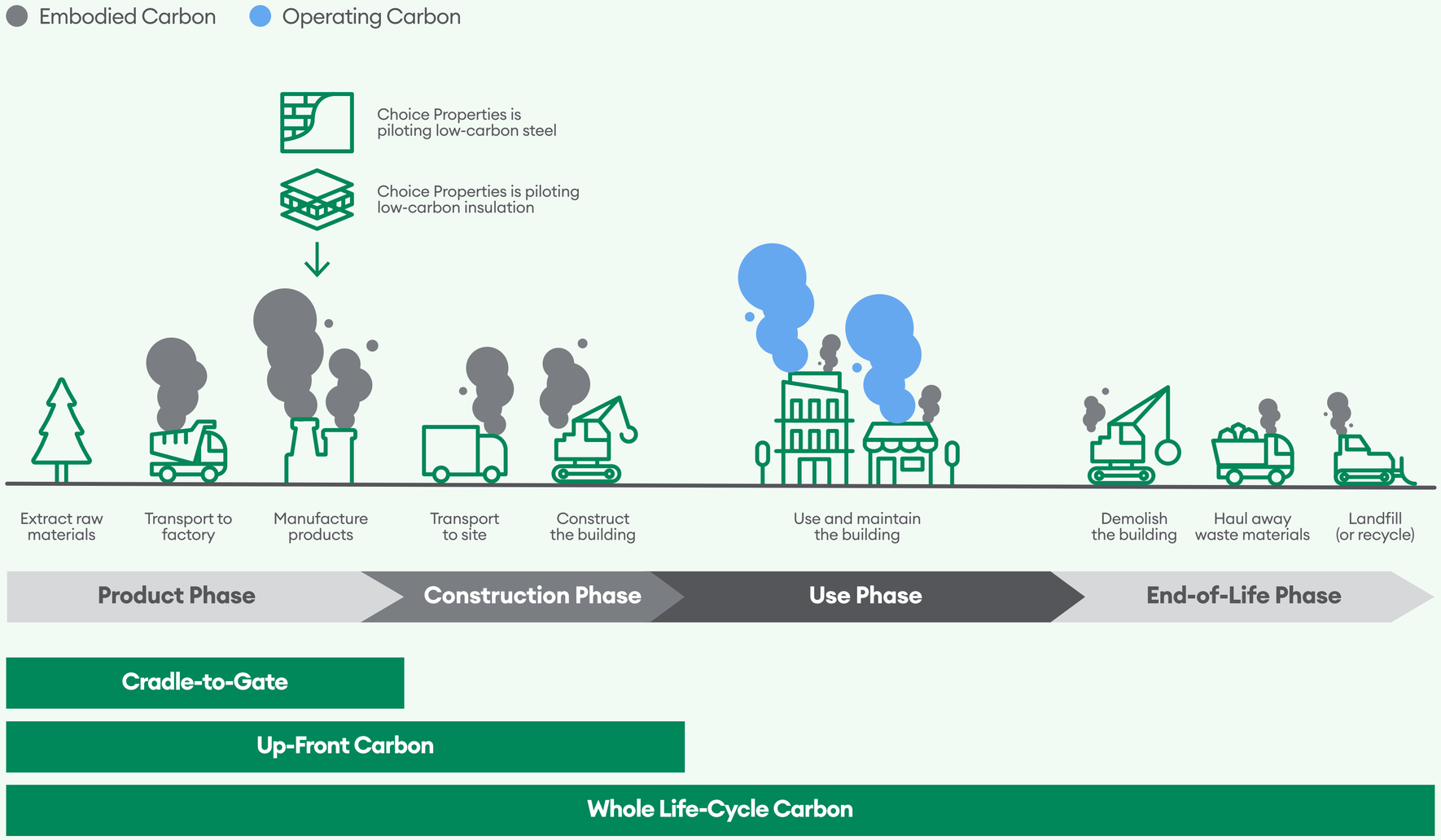
Reducing Embodied Carbon

Property development is a key component of Choice Properties' business, and it is well understood that the initial construction of a building represents much of the emissions that a building will produce in its lifetime.

Embodied carbon refers to the total greenhouse gas emissions generated over the entire life cycle of our buildings. The bulk of embodied carbon emissions derive from construction activities such as the use of on-site equipment and energy, as well as the materials that are used to construct new buildings such as cement and steel.

To understand the impact of embodied carbon on our developments, we undertake life cycle analyses of all industrial and mixed-use projects and incorporate low-carbon materials into their design, where possible. Emissions from embodied carbon are included within our net-zero target boundary.

Our new Sustainable Development Framework includes requirements for operational and embodied carbon for our assets. Find out more on the next page.



Note: the above graphic is for illustration purposes only and is not to scale. It is not meant to provide a complete and accurate property life cycle assessment.

Low-Carbon Developments (continued)

SPOTLIGHT

Sustainable Development Framework

We have created a Sustainable Development Framework (SDF) to focus on what our new developments can do to advance our two pillars: Fighting Climate Change and Strengthening Communities to Prosper.

Choice Properties recognizes that we can support our commitment to the net-zero transition by reducing operational carbon and embodied carbon emissions in our developments. The SDF also bridges and translates what our Social Impact Framework means for our new developments: supporting diverse mobility and accessibility needs, enabling community activation, and supporting local artists and vendors.

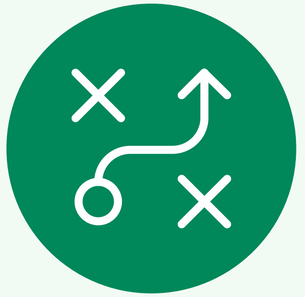
The SDF outlines objectives, or development goals, specific to retail, industrial, mixed-use and residential projects. It is supported by targets, development strategies, and actions that serve as actionable guidance to Development Managers.

The SDF goals were distilled from the ESG materiality assessment and current priorities, with the potential to add goals in future iterations.

The SDF is intended to be an outcome-based design standard that uses performance metrics to encourage design teams to integrate the ESG pillars into our projects. The SDF highlights pathways toward achieving goals and targets, allowing flexibility so that strategies can be implemented to align optimally with the specific site conditions of each project.



Targets are quantitative and/or qualitative, representing the minimum requirements for achieving the development goals



Development Strategies encompass measures that need to be taken to achieve the targets while also anticipating upcoming regulatory policies or building codes



Actions serve as a checklist of specific tasks at each stage of the development process to support Development Managers in effectively meeting the targets and reaching the development goals, as well as the associated deliverables expected from design teams

Low-Carbon Developments (continued)

SPOTLIGHT

Decarbonizing New Retail Developments

Choice Coventry Hills Project in Calgary
In our retail asset class, a new development in Calgary became the first retail property in Canada to achieve the Canada Green Building Council's (CaGBC) Zero Carbon Building Design Certification. This project piloted various measures to study how we can best operationalize low-carbon retail projects.

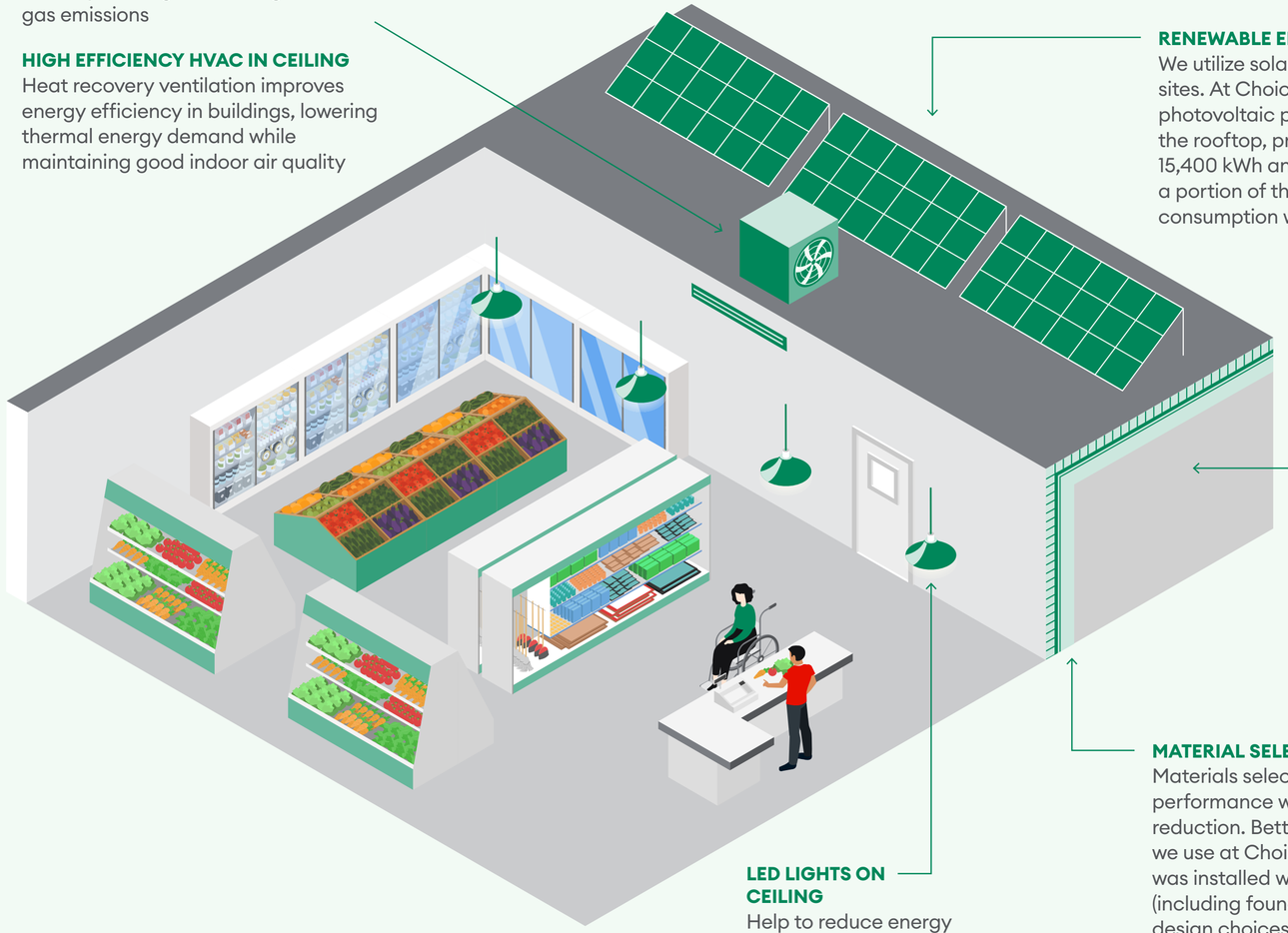
The project focused on enhancing the building envelope performance and electrifying the mechanical system, while also generating renewable energy on site with solar panels.

This illustration outlines the various ways low-carbon technology can be utilized for retail developments.

ZERO CARBON BUILDING STANDARD
Canada Green Building Council®

ALL-ELECTRIC OR DUAL-FUEL ROOFTOP UNITS
Electrify heating to reduce greenhouse gas emissions

HIGH EFFICIENCY HVAC IN CEILING
Heat recovery ventilation improves energy efficiency in buildings, lowering thermal energy demand while maintaining good indoor air quality



RENEWABLE ENERGY ELECTRICITY
We utilize solar panels on select sites. At Choice Coventry Hills, solar photovoltaic panels are installed on the rooftop, projected to generate 15,400 kWh annually, which offsets a portion of the building's energy consumption with renewable power

BUILDING ENVELOPE IMPROVEMENT
Better-performing walls and roofs, improved glazing and insulated doors help to minimize heat loss from thermal bridging

MATERIAL SELECTION
Materials selected to contribute to high thermal performance while achieving embodied carbon reduction. Better insulation reduces how much energy we use at Choice Coventry Hills. Low-carbon insulation was installed within the flooring, roofing and walls (including foundation walls). The different materials and design choices utilized in this build-out allowed us to reduce its embodied carbon by approximately 25% as compared to a regular build-out

LED LIGHTS ON CEILING
Help to reduce energy consumption

Low-Carbon Developments (continued)

Focus on Emissions and Energy

Informed by our Sustainable Development Framework, we deploy emission reduction technologies specific to new developments across all asset classes such as a high-performance building envelope, space heating equipment paired with dual-fuel heat pump units or electric heating, heat recovery and demand control ventilation systems, and LED lighting.

We also assess district energy system options in new master planned communities for the potential to reduce operational carbon and to leverage economies of scale for efficient energy delivery.

Improving Urban Biodiversity

We encourage our teams to identify opportunities to take advantage of underutilized physical space to support natural biodiversity. For example, we have a thriving green wall on the exterior of a grocery store in Vancouver, and a green roof at a mixed-use property in Toronto. Green roofs benefit local wildlife that share our urban ecosystem and reduce the cooling load of a building.

In 2024, Choice Properties was proud to continue supporting our “smallest” tenants – our two beehives located on rooftops in Toronto. These hives are tended to by urban beekeepers who send us updates throughout the year as the hives build up honey and wax, which are crafted into products during harvest season. In 2024, 200 jars of honey were produced from our beehives.

Honeybees are excellent urban pollinators, benefiting local flowers, fruit trees and vegetable gardens. By supporting plant diversity, honeybees enhance the overall resilience of urban ecosystems against the impact of environmental stressors such as habitat loss.



Beehive at West Block, Toronto, ON

Building Certifications

Building certifications represent independent, third-party validation that we have successfully implemented green building design and/or management best practices. BOMA BEST and LEED are two certifications focused on sustainability-related practices.

Our BOMA BEST and LEED certified GLA is 46 million square feet, or 66% of our entire portfolio (at 100% share). In 2024 we maintained our target of at least 65% of GLA (at 100% share) certified under BOMA BEST or LEED. We are proud to have achieved our target in 2023 after having started from only 6.6% in 2019. We continue to pursue green building certifications across our asset classes to ensure consistent focus on this certification commitment.

ACHIEVED

66%

Achieved our target to certify 65% of our portfolio under LEED or BOMA BEST by the end of 2023, and maintained this through 2024

GOLD

LEED

Our new industrial development, Choice Industrial Centre, in Surrey, BC, achieved LEEDv4 Core and Shell: Gold certification in 2024



Choice Industrial Centre, Surrey, BC

Physical Resilience

In 2021, Choice Properties undertook a physical climate risk assessment for its portfolio of income-producing assets and active developments in order to identify properties with heightened exposure to extreme weather today and in the future. We partnered with a market-leading climate data provider to understand the physical climate risks facing our properties based on their location and globally recognized climate-related data projections.

The assessment results indicated that the most common physical climate-related risks facing our properties stem from flooding events and extreme storms. In response to these findings, we assessed how robust our existing operational programs are to protect against these events and then identified areas where we need to build additional resilience.

Choice Properties plans to carry out an updated climate risk assessment in 2025 and 2026 to continue monitoring evolving risks.

Click here for our complete TCFD Disclosure



5041 Ellerslie Rd. SW, Edmonton, AB

Environmental and Occupational Health and Safety

Management

As an owner of real estate in Canada, Choice Properties is subject to federal, provincial, territorial and municipal laws relating to environmental as well as health and safety matters. Choice Properties uses an Environmental and Occupational Health and Safety Management System (“EOHMS”) that incorporates policies, procedures and training to manage compliance with these laws and monitor the performance of our portfolio. Our Environmental and Occupational Health and Safety (“EOHS”) team oversees environmental and occupational health and safety due diligence for leasing, transactions and developments, and undertakes ongoing site investigations, monitoring/assessment programs and remediations.

Remediation

Throughout our portfolio, we conduct environmental assessments to evaluate potential environmental contamination for internal monitoring purposes, as well as due diligence assessments prior to the acquisition, disposition or development of properties. If contamination is identified, we liaise with the vendor or purchaser to determine the potential for remediating the site or to develop a remediation/monitoring plan. Our EOHS and Legal teams track remediation activities and report on them regularly to Senior Management. Our Development team also works to remediate sites or develop remediation plans prior to development.

For Health and Safety metrics, see the Social Data Appendix

Health and Safety

Choice Properties is committed to a safe and healthy work environment by providing mandatory health and safety training for all colleagues. Our property managers and operators undergo specialized training on a variety of health and safety topics, which, depending on the nature of their job activities, may include asbestos awareness, designated substances and hazardous materials management, working from heights, confined space, equipment lockout procedures, and the Workplace Hazardous Materials Information System. We work with a third-party assessor who evaluates whether contractors who work on our sites have adequate health and safety certifications and procedures.

Environmental training is required for specific colleagues, including our property managers and operators, who receive specialized training on a variety of environmental topics such as the management of spills, halocarbons and certain other chemicals in the workplace. Further, our national spill reporting tool gathers and communicates relevant information surrounding a spill within our properties, to ensure an effective response and quick resolution.

Where applicable, Choice Properties workplaces are supported by either a Joint Health and Safety Committee or Representative responsible for performing office inspections. The committee meets regularly to discuss health and safety concerns and ensure matters of concern are raised with management. The committee is empowered to ensure that the organization is keeping the health and safety of colleagues at the forefront.

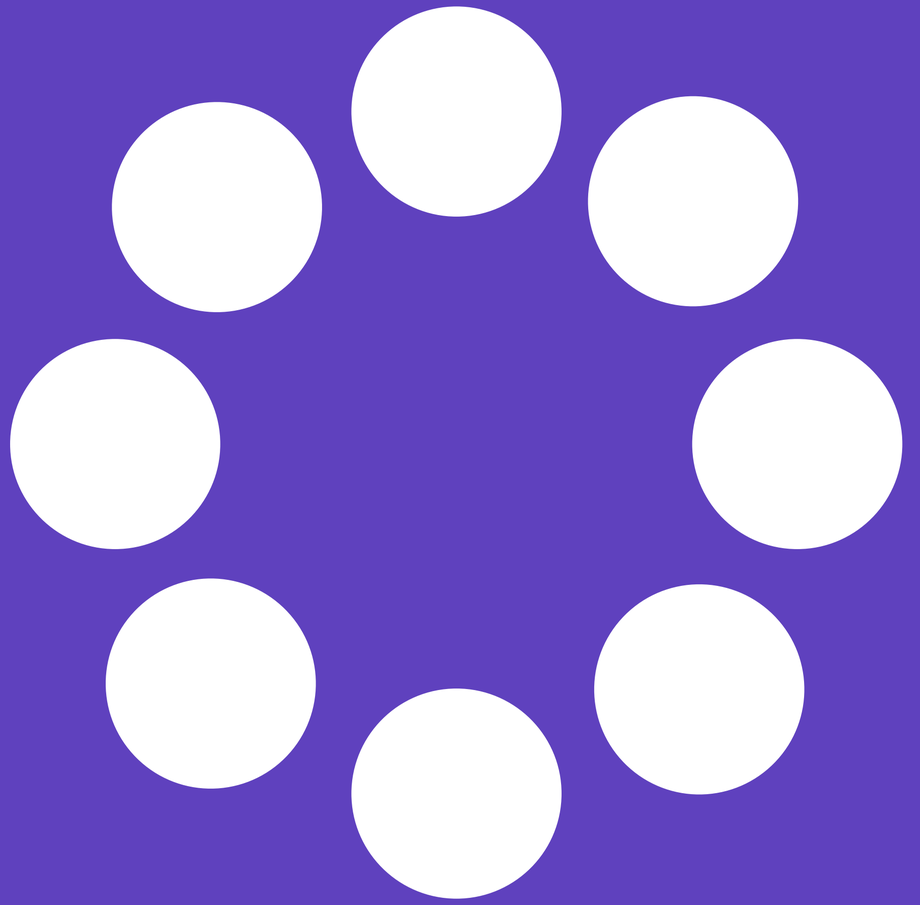
Hazardous Materials Management

We conduct hazardous materials assessments and surveys annually where necessary and as required to identify and monitor the presence of hazardous materials in Choice Properties-managed buildings. The results inform the EOHS, Property Management, and Development and Construction teams on the appropriate handling of hazardous materials in ongoing property management and upcoming projects. We also proactively conduct hazardous materials assessments and surveys of vacant units to help attract prospective tenants and facilitate an efficient and expeditious leasing process.



Groundbreaking Ceremony at Choice Caledon Business Park, Caledon, ON

Social



Our Social Programs

Social Programs

We develop and carry out a wide range of social sustainability programs. A foundational focus is our social pillar **Strengthening Communities to Prosper**. In this pillar, we strive for a workplace culture that makes Choice Properties a great place to work. Our recruitment and retention practices help us create development opportunities and eliminate barriers for equity-deserving groups.

In the communities where we are present, we aspire to develop healthy, resilient communities through our dedication to social, economic, and environmental sustainability. To further advance the pillar to Strengthen Communities to Prosper, our efforts are guided by our Social Impact Framework which will be introduced in this section, along with a number of other thoughtful social topics and initiatives that are important to us.

Our Workplace

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Community Impact

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Welcome Home Ceremony, Brampton, ON

A Great Place to Work

CORE Values

At Choice Properties, we have developed a strong culture that encourages our colleagues to bring their whole selves to work. Our culture is defined by our CORE Values – Care, Ownership, Respect and Excellence. These values have become a common thread that extends throughout our organization and the Weston Group. They come to life with our culture principles: Be Authentic, Build Trust, and Make Connections.

Our CORE values support our corporate culture and underpin the programs we have built to support our colleagues. Choice Properties is proud to have been named one of Greater Toronto's Top Employers, in early 2025, for the third year in a row. This is an accolade that recognizes our ongoing efforts to create the best working environment for our colleagues.

RECOGNIZED AS ONE OF

GREATER TORONTO'S TOP 2025 EMPLOYERS

Greater Toronto's Top Employers

2023, 2024 and 2025

Engagement

Colleague engagement is measured through our "Tell It As It Is" survey, conducted by an independent service provider. The survey asks questions relating to colleague engagement, leadership effectiveness, culture, change support, well-being, inclusion, and intention to stay with the organization. In 2024, our overall engagement rating was 84%. In the survey, colleague engagement is defined as colleagues' opinions about their workplace, including whether they would suggest it as a great place to work, whether their work makes them feel accomplished, and whether they are satisfied with their job. Following each survey, we build an action plan for each department that helps us target opportunities to further increase engagement.

ENGAGEMENT RATING

84%

Engagement Rating from our employee "Tell It As It Is" survey



Colleague Summer Social, Toronto, ON

A Great Place to Work (continued)

Culture Day

2024 concluded with Culture Day, a biennial event that brings together all Choice Properties colleagues from across the country for a day of team building and engagement.

The day consisted of activities and learning opportunities, where colleagues had the opportunity to practise their soft skills by role playing scenarios that encourage empathy and effective communication with one another. The day also included a bike building team activity where colleagues worked together to build 26 bikes, which were later donated to children through CultureLink, an organization dedicated to helping newcomers to settle into Canada. Further into the day, two external facilitators motivated the crowd on topics such as re-framing challenges, accountability, and building resilience.

We rounded out the day with a leadership panel with Choice Properties Executives, who shared candid stories to highlight how they overcame setbacks in their careers and in their lives. With over 250 colleagues in attendance, we were able to connect with one another, re-energize, reflect on our achievements in the year and get into a team mindset to move forward toward our shared purpose in the new year.



2024 National Colleague Culture Day, Toronto, ON

> **Culture Day was an inspiring experience that not only allowed me to connect with colleagues across different departments, but also strengthened the sense of teamwork and culture I truly appreciate; with a dynamic lineup of speakers and activities, it turned the day into an engaging celebration that left me feeling valued as an employee."**
>
> **Allison Miller**
> Senior Manager, Asset Management



2024 National Colleague Culture Day, Toronto, ON

A Great Place to Work (continued)

Benefits and Perks

Choice Properties provides a comprehensive package of employment benefits and numerous programs to attract and retain top talent and support colleagues in advancing their careers. Some of the benefits include:

- **Competitive compensation** that includes a short-term bonus incentive program for all permanent colleagues, based on achieving key financial and non-financial targets, including ESG targets.
- **Long-term incentives** that encompass a national pension plan, group RRSP, employee unit purchase plan, and long-term incentive grants for eligible colleagues.
- **Hybrid work model** allowing colleagues the flexibility to work from home as well as in the office, according to the needs of their roles and departments.
- Active colleague-led committees such as our **Social, Health and Wellness, Diversity, Equity and Inclusion ("DEI"), and Choice Cares committees**, which organize colleague events.
- **Competitive vacation policy** designed to provide a greater amount of time off for our colleagues earlier in their careers.

Colleague Health and Wellness

Our CORE values promote and support the overall health and well-being of our colleagues and their families through various wellness programs, including:

- **Enhanced medical coverage** that supplements provincial healthcare coverage. We offer customizable medical benefit plans for colleagues and their families covering a range of services such as vision, dental, paramedical, prescription drugs, and fertility. We regularly review our benefits programs and strive to ensure that they are sustainable and offer meaningful benefits to our colleagues. In 2024, we expanded medical coverage to include fertility treatments, as well as gender affirmation coverage.
- **Mental health coverage:** We improved our colleagues' access to mental health support by increasing their coverage by up to four times to a maximum of $3,500 per year.
- **Pregnancy and Parental Leave** top-up on employment insurance benefits provides up to 75% for the first 17 weeks for birth parents and the first 10 weeks for non-birthing parents.
- **Health and wellness subsidy** to reimburse colleagues for expenses related to their overall wellness.
- **Mental health programming** delivered through a comprehensive Employee and Family Assistance Program, and a digital mental health platform, as well as guest speakers.

Colleague Mentorship Program

Choice Properties' HR team leads an annual Mentorship Program that combines 15 pairs of mentors and mentees across the organization. This national program is a nine-month commitment that connects colleagues with experienced leaders to support them in augmenting their leadership and knowledge capacity through dedicated mentorship relationships. The program aims to facilitate opportunities for mentees and mentors to network, participate in mutual learning experiences, and share knowledge, and for mentees to garner advice to accelerate their personal and professional growth. Throughout the term, colleagues are provided with 1:1 support, training and tools/resources, and engage in social events to connect with their mentor/mentee.

Teaming Up to Support Terry Fox

In 2024, our Health and Wellness Committee organized colleagues in Toronto, Vancouver, Calgary, and Halifax to "Team Up for Terry" by participating in a national run and fundraising event for the Terry Fox Foundation. Choice Properties colleagues walked or ran up to 10 km and together raised over $6,100 for charity!



Colleague Halloween Contest, Toronto, ON

A Great Place to Work (continued)

Training and Development

In 2024, we focused on training our colleagues and people leaders on topics including DEI, talent mapping and succession planning. Colleagues were also trained to understand and act in accordance with our Code of Conduct, with a focus on whistleblowing.

At Choice Properties, we strive for excellence and encourage the development of all colleagues through a variety of programs:

- **Tuition reimbursement** that assists colleagues in formal training related to their field with tuition costs, seminars, conferences and professional membership fees. In 2024, $27,000 was granted to colleagues through this program.
- Access to an **enterprise-wide learning platform** offering courses on a variety of topics, such as leadership, coaching, and health and safety.
- **DEI training** provided all colleagues with the opportunity to gain foundational knowledge and learn about microaggressions and anti-racism.
- **Revitalized Blue Culture Training** delivered to all new colleagues. Blue Culture focuses on interpersonal and organizational skills featuring engaging and relatable learning topics. Blue Culture is also built upon our CORE values.

Creating Pathways to Meaningful Employment

Choice Properties is always seeking ways to support workforce development and to help create pathways to meaningful employment for underserved groups.

In 2024, for the third consecutive year, we supported Law in Action Within Schools (“LAWS”) an organization focused on the education and engagement of high school students facing barriers to postsecondary access. Choice Properties hired one summer student from the LAWS program.

In our current relationship with Woodgreen as a charity partner, we participated in the Homeward Bound program, hiring two participants for one-year full-time positions. This program is an innovative four-year education and employment program that enables homeless or inadequately housed single mothers to earn college diplomas, start careers, and achieve financial self-sufficiency. Unique in Canada, this program provides intensive services that eliminate the barriers single mothers face in trying to move out of poverty.

For workforce metrics, including training and development metrics, see the Social Data Appendix



ILEO Entrepreneur at Scarborough Proud Event, Golden Mile Plaza, Scarborough, ON

Diversity, Equity and Inclusion (DEI)

Within our social pillar, we are committed to providing a workplace culture that makes Choice Properties a great place to work, for everyone. As part of this commitment, we strive to promote inclusive behaviours and eliminate barriers for equity-deserving groups. We believe there is great value in building a diverse and inclusive workforce, which ultimately supports our social impact objectives as described in the next section of this report.

Our Inclusive Culture

At Choice Properties, our culture principles encourage everyone to be their authentic selves. In 2024, we were proud to support our colleague-led DEI Committee. The role of the committee is to implement initiatives throughout the year that promote inclusion and authenticity, and foster meaningful relationships among colleagues. Our DEI Committee held numerous events in 2024 aimed at providing education and networking opportunities, and to acknowledge key cultural celebrations. Some of our 2024 initiatives were:

- Guest speakers and interviews
- Dialogue and information sharing in small group "Listening Circles"
- Sharing cultural information and supporting local businesses in celebration of:
  - Asian Heritage Month
  - Black History Month
  - International Women's Day
  - Jewish Heritage Month
  - Latin Heritage Month
  - National Indigenous History Month
  - Pride Month

ACHIEVED THE

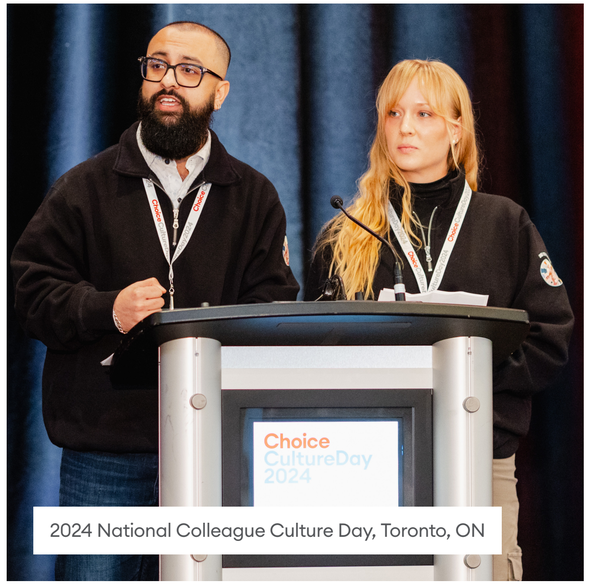
Women Lead Here Benchmark

in 2022 and 2024

The *Globe and Mail* methodology defines women leaders as those in an Executive or Senior Vice President (or equivalent) position and above.

The *Globe and Mail's Report on Business* evaluates the top three tiers of executive leadership for women representation across approximately 500 publicly traded companies in Canada. For the second time, Choice Properties was recognized in 2024 for achieving a gender diversity benchmark for women in leadership positions. In addition, 63.5% of our colleagues identify as women.

On our Diversity, Equity and Inclusion journey, representation and opportunity are key performance drivers at Choice Properties.



2024 National Colleague Culture Day, Toronto, ON


2024 National Colleague Culture Day, Toronto, ON

Diversity, Equity and Inclusion (DEI) (continued)

DEI Training for People Leaders and Colleagues

Choice Properties remains committed to all colleagues undertaking a minimum of two hours of learning pertaining to DEI topics in 2024. We believe it is crucial to maintain a culture of learning and dialogue to move forward within the constantly evolving societal DEI landscape, while continuing to foster an inclusive workplace grounded in our values of ownership and respect.

A total of 708 hours was completed towards DEI training in 2024. For people leaders, Indigenous Cultural Awareness training was developed and facilitated by an Indigenous-owned organization. For colleagues, DEI training consisted of topics such as understanding microaggressions and supporting anti-racism.

ACHIEVED

708 hours

completed towards DEI training in 2024

Truth and Reconciliation

Choice Properties' DEI Committee organized several events in 2024 to raise awareness for Indigenous communities – events such as hosting an Indigenous vendor market at our head office and one of our property sites. In recognition of National Indigenous History Month, Choice Properties was honoured to have a traditional Knowledge Keeper and assistant guide colleagues through a smudging ceremony at our head office. This provided an opportunity for cleansing, mindfulness and reverence, as well as learning more about traditional Indigenous culture, elements and sacred plants.

In recognition of National Day for Truth and Reconciliation (NDTR), we reflected throughout September leading up to NDTR, with a series of initiatives:

- Purchased shirts from the Orange Shirt Society
- Lunch & Learn webinars
- Educational virtual tours of the former Mohawk Institute Residential School at the Woodland Cultural Centre
- Half-day Indigenous cultural awareness training course for all Senior Leadership members, facilitated by an Indigenous-owned company
- Indigenous vendor markets at our properties
- Hosting an office "watch party" of Indigenous programming

The time taken to collectively learn and reflect together contributes meaningfully to each person's journey towards truth and reconciliation.



Indigenous Vendor Market, The Weston Centre, Toronto, ON

Diversity, Equity and Inclusion (DEI) (continued)

Diversity Targets

Choice Properties' representation goals are driven by our belief that a diverse workforce is a stronger workforce. We are dedicated to creating teams that accurately reflect the unique Canadian communities we serve. We know that this commitment to representation enables us to be more innovative, make better business decisions, and truly embody Canadian values in everything we do.

We are committed to expanding the diversity of members of our Board and leadership teams to reflect our stakeholders and the communities in which we operate. Our diversity targets are comprehensive in measuring the diversity of the entire workforce, not just the diversity of new hires. Taking this approach, we intend to focus efforts beyond talent attraction to encompass retention and promotion of a diverse workforce.

Choice Properties collects information from all colleagues through self-identification to help determine the representation of women and visible minorities. We encourage our Board and colleagues, including the Executive and Senior Management teams, to disclose voluntarily and confidentially whether they identify as belonging to one or more designated groups – gender, visible minorities (defined as non-Caucasian), Indigenous peoples and persons with disabilities. As we continually encourage our colleagues to self-identify to improve our colleague demographic data, we gain a more accurate understanding of such representation to help us track against diversity targets and ensure that our future programs and initiatives are as inclusive as possible.

2024 is the year that our diversity targets came due. We are proud of our diverse workforce. While we missed our target of visible minorities representation for Executives, we have performed an analysis to understand where our expectations were not achieved and have used it to inform our new diversity targets, provided here.

For complete social data, see the Social Data Appendix

Representation of Women[1]

GROUP	2024[2]	2024 TARGET
Board of Trustees	50.0%	Maintain at or above 40%
Executive[3]	52.9%	Maintain at or above 45%
Senior Management[4]	60.7%	Maintain at or above 50%
Colleagues[5]	63.5%	No target set

Representation of Visible Minorities[1]

GROUP	2024[2]	2024 TARGET
Board of Trustees	20.0%	Maintain at or above 20%
Executive[3]	17.7%[6]	Improve to 30%
Senior Management[4]	26.2%[7]	Maintain at or above 25%
Colleagues[5]	37.7%[8]	No target set

This symbol identifies third-party limited assurance of the current year data.

1 Metrics are calculated using all colleagues, including those on long-term leave.
2 All of the above metrics are as at December 31, 2024.
3 Executive is defined as colleagues with the title of Vice President or higher.
4 Senior Management is defined as colleagues with the title of Senior Manager, Director, Senior Director, or Associate Vice President.
5 Within these tables, colleagues refer to employees who are not defined as Executive or Senior Management.
6 5.9% of Executives did not disclose this value in 2024; results reflect the full population size and were not adjusted to exclude those who did not disclose.
7 21.4% of Senior Management did not disclose this value in 2024; results reflect the full population size and were not adjusted to exclude those who did not disclose.
8 21.2% of colleagues did not disclose this value in 2024; results reflect the full population size and were not adjusted to exclude those who did not disclose.

2025 Diversity Targets

As we look to the next four years, we have reset our targets to be both ambitious and realistic based on the size and scope of our organization. We have increased the Visible Minority target for Senior Managers to 30% and set the Visible Minority Executive target to 25%.

Representation of Women

GROUP	NEW: 2028 TARGET
Board of Trustees	Maintain at or above 40%
Executive[3]	Maintain at or above 45%
Senior Management[4]	Maintain at or above 45%

Representation of Visible Minorities

GROUP	NEW: 2028 TARGET
Board of Trustees	Maintain at or above 20%
Executive[3]	Maintain at or above 25%
Senior Management[4]	Maintain at or above 30%

Social Impact Framework

In 2024, we further implemented our Social Impact Framework to embed social sustainability practices across our operations. The framework outlines how we can leverage our assets, business, and non-profit partnerships across the country to promote local economic development and social cohesion at the neighbourhood level. We believe that by better aligning our social impact efforts with our core business, we will be best positioned to **Strengthen Communities to Prosper**.

Our Social Impact Framework is comprised of two focus areas: Local Economic Development and Social Cohesion.

We aspire to advance local economic development by creating job opportunities for emerging entrepreneurs and independent contractors who reside in the neighbourhoods in which we operate and build. We also give back to the communities where we operate through our Choice Cares program, by raising funds and donating time to local charitable organizations which support local economic development in their communities.

To support social cohesion, we plan activations at our properties in collaboration with local non-profits to provide shared, meaningful experiences among community members. We intend to enable a built environment where people want to visit again and again to spend time together. Focusing on these two areas allows us to leverage our spaces, foot traffic, purchasing power, network, and colleagues and expertise to drive positive impact today and for generations to come.

Our Framework in Action

In 2024, we piloted new social impact initiatives. We are excited to build on the insights that we obtained through these pilot initiatives to further deliver on our Social Impact Framework over the coming years.

The following pages showcase examples of our initiatives.



Indigenous Vendor Market, West Block, Toronto, ON

Scarborough Proud

As a landowner in Toronto's Golden Mile area, Choice Properties is proud to be a Corporate Charter signatory of the Inclusive Local Economic Opportunity initiative ("ILEO"). ILEO brings together the private, public and community sectors to discover innovative ways to reduce gaps in economic prosperity at the neighbourhood level. The Greater Golden Mile is the first neighbourhood to take part in this initiative. In partnership with several local non-profit organizations and businesses that serve Scarborough, Choice Properties hosted a six-week activation series at our Golden Mile Plaza. During the activation, we transformed a portion of our parking lot into a free, vibrant gathering place for the local community to meet, play, and celebrate their attachment to and pride in their Scarborough neighbourhood. We co-designed free, weekly programming that featured group fitness classes and live music/open mic shows from local artists. Community members were also invited to meet their local charities to learn more about the services on offer to support their well-being.

On weekends, our ILEO pop-up shop showcased a diverse array of products offered by emerging entrepreneurs from the Greater Golden Mile. All entrepreneurs were graduates of the ILEO Storefront Starter Program – a free three-phase program to help aspiring local business owners launch their business idea.

PROGRAM HIGHLIGHTS

7

Scarborough non-profit programming partners

5

participating entrepreneurs in the ILEO pop-up shop

$212,000+

goods and services purchased from Scarborough businesses and non-profit organizations

3

Scarborough residents hired by Choice Properties, including youth

12

performing artists hired across the event series



> **"As a small business owner, I am grateful for the opportunity to be part of Scarborough Proud this summer. The support from Choice Properties allowed First Step Yoga to engage with our local community in a meaningful way, fostering a sense of connection and belonging among participants. It was truly rewarding to see so many people come together in a shared space, enjoying movement and mindfulness in the heart of Scarborough. Choice Properties' commitment to supporting local businesses and promoting community well-being is truly appreciated."**
>
> **Emma Rockett**
> First Step Yoga

Scarborough Proud Launch, Golden Mile Plaza, Scarborough, ON

Bradford Patio

In May 2024, we unveiled Bradford Patio, our first placemaking initiative situated within our Bradford West Gwillimbury retail centre. A previously underutilized area at the centre's entrance was revitalized to become a vibrant three-season patio, featuring outdoor dining accommodations, permanent pergola shading, colourful seating, and beautifully landscaped surroundings.

In August, we hosted a free community event and were honoured to welcome Mayor James Leduc, Deputy Mayor Raj Sandhu, and firefighters from a local fire station, who made the day even more special for the families in attendance.

Through placemaking, we aim not only to add value to our site by providing additional amenities and enhancing tenant satisfaction, but also to foster stronger connections with the community, thereby building a stronger sense of feeling 'at home' at our properties. Bradford Patio serves as a springboard for future social impact initiatives, aligning with our goal of fostering local economic development and social cohesion.



Bradford Patio, 500 Holland St. W, Bradford West Gwillimbury, ON

Community-Focused Development

Community Building

As community-focused developers, we see our developments as opportunities for positive social impact and placemaking. For residential and mixed-used properties, we strive to enhance existing communities by focusing on:

- Developing hubs that encourage walkability and multi-modal transportation through proximity to public transit and reducing underutilized parking
- Building essential services and food offerings closer to community members and residents
- Collaborating with local community groups and current tenants on business improvement areas throughout the redevelopment process
- Incorporating design elements that celebrate the community fabric, including art pieces made by local artists

Livable Spaces

Our residential developments incorporate design elements that emphasize lifestyle and accessibility. We strive to create spaces that are comfortable and livable by offering:

- Accessible suites and common areas designed to accommodate various stages of life and lifestyles
- A variety of suite sizes and layouts including two- and three-bedroom units
- Integration of nature and natural features that enhance biodiversity such as green roofs, greenery, new trees, and parks
- Amenities catering to a variety of needs and interests including gyms, exercise studios, co-working areas, culinary spaces, and dog runs



SPOTLIGHT

Community-Focused Tenancy

In 2024, Choice Properties supported a local French theatre not-for-profit that needed an indoor space to practise for performances. We were happy to support this local community group with a temporary pop-up space at a reduced rental fee. In this way, Choice Properties was able to encourage arts in the community.

Choice Properties also supported the Toronto Star Children's Charities at its Golden Mile property by providing two vacant units for use to store Christmas gifts for disadvantaged children. The space we provided allowed the Children's Charities to deliver 4,500 of their total 50,000 boxes more seamlessly.

Tenant Welcome Event, 985 Woodbine Ave., Toronto, ON

This photo was taken in early 2025

Community-Focused Development (continued)

Advancing Accessibility

Accessibility is fundamental to our purpose of creating places where people thrive. At Choice Properties, we believe that everyone should be able to fully participate in their communities, regardless of their abilities. Choice Properties is proud to continue to be a part of the Accelerating Accessibility Coalition (AAC) as one of its founding members. The AAC is a first-of-its-kind community of real estate development and accessibility leaders that aims to create a more accessible Canada.

In 2024, Choice Properties was one of the recipients of the 2023-2024 Rick Hansen Foundation's Buildings Without Barriers Challenge, in the Commitment Award category. This award serves to identify and recognize organizations with the greatest number of sites rated through the Rick Hansen Foundation Accessibility Certification (RHFAC) program. Nominees of this particular award demonstrate leadership and commitment to a more accessible and inclusive future. By achieving RHFAC Certification™ for 13 of our sites, we are setting a new standard for the industry and reaffirming our commitment to removing barriers and enhancing the experience for everyone who interacts with our spaces.

Supporting Social Cohesion

In collaboration with the BlackNorth Initiative, the Artist in Residence Program at Uniti is designed to provide a local Black artist with a rental subsidy in exchange for their participation in hosting programming for the tenants. This innovative initiative includes 96 hours of social impact exchange programming annually (eight hours monthly), featuring curated experiences for tenants led by an artist-in-residence.

Choice Properties, in partnership with Daniels Corporation, developed a 26-storey residential rental tower in the Mount Pleasant Village in Brampton. Situated on the doorstep of Mount Pleasant GO station, Uniti is focused on creating affordable and accessible housing, supporting social cohesion, and investing in local economic development.

Affordable and Accessible Housing

Our mixed-use development known as Uniti secured $1.2M in funding from the Region of Peel's Affordable Housing Incentives Pilot Program (AHIPP), which enabled a local charitable organization to sign a head lease for 12 units at Uniti. The lease includes one-, two-, and three-bedroom units, two of which are Accessibility Designed Program (ADP) units.

Moreover, Uniti achieved a Gold rating in the Rick Hansen Foundation Accessibility Certification (RHFAC), a system that measures and certifies the meaningful accessibility of buildings and sites.

Local Economic Development

To celebrate the growing Mount Pleasant neighbourhood in Brampton, Choice Properties and Daniels invested $75,000 in placemaking through a collaborative mural project with STEPS Public Art and a local Brampton artist group, Fueled by Coffee Collective. Located on the northeast corner of its premises, the mural serves as a prominent landmark for Uniti tenants, Brampton residents, and GO Station commuters.

Additionally, seven art pieces were procured from emerging and mid-career artists, representing an investment of $80,000 in local artists. To welcome the first tenants to each unit, custom tote bags and books were sourced from local businesses such as Knowledge Bookstore, an independent Black-owned bookstore in Brampton. Together, Choice Properties and Daniels procured $12,000 for Uniti tenants' welcome gifts.

SPOTLIGHT

Uniti at Mount Pleasant Village

At Uniti, Choice Properties and Daniels Gateway Communities bring social impact to life. With affordable, accessible housing certified by the Rick Hansen Foundation, socially procured art, and programs like Artist in Residence, Uniti fosters local economic growth and inclusion, showcasing the transformative power of community-focused development.



Uniti, Brampton, ON

Choice Cares

About Choice Cares

Through our community involvement program, Choice Cares, colleagues raise funds and volunteer their time to support the work of local charitable organizations. The program's mission is to create a culture of giving among our colleagues to deliver positive impact in the communities in which we live and work.

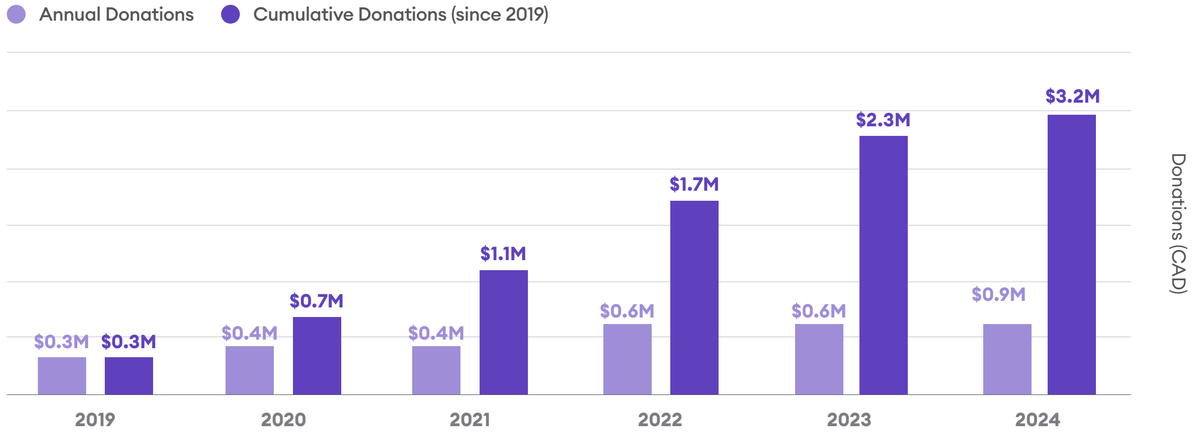
Our colleague-led approach encourages our people to take ownership of our Choice Cares program. Colleagues across the country are invited to join a national committee of Choice Cares Champions, who lead philanthropic activities and assume responsibility for the success of their respective region's campaign.

Fundraising

We are committed to engaging our colleagues and business partners in the crucial work undertaken by local charitable organizations. In 2024, 18 colleagues volunteered to form our Choice Cares Committee, which organized several engaging fundraising activities, including a pickleball tournament, a school supply drive, and a walkathon.

In 2024, we hosted our 9th Annual Golf Classic tournament. It was a sold-out event with over 50 of our business partners participating in and/or sponsoring the tournament. Together, we grossed $830,000 – the highest amount we have ever raised at this event – and a significant contribution to the total $860,000 that Choice Cares raised in 2024. Choice covers 100% of the expenses of Choice Cares, resulting in 100% of our sponsors' contributions going directly to charity. We are immensely grateful to our business partners who return each year to help us invest in the communities where we all live and work. Because of their contributions, our charity partners can go on delivering impactful programming that provides food security, children's summer camps, training and employment services, arts and culture programs, and much more to Canadians in need.

Choice Cares Fundraising Achievements



For volunteering and fundraising metrics, see the Social Data Appendix

CHARITIES WE SUPPORTED

Brown Bagging for Calgary's Kids · hopeblooms · Moorelands Kids · Ronald McDonald House Charities British Columbia & Yukon · second harvest · Jeunesse au Soleil Son Youth · United Way Greater Toronto · WOODGREEN

Choice Cares (continued)

GreenDrop® Partnership

In 2024, Choice Properties expanded its partnership with GreenDrop® by adding a second trailer in Etobicoke, Ontario. The GreenDrop® donation centre is a mobile trailer parked on Choice Properties' sites that invites community members to donate household goods (clothing and small items). GreenDrop® serves as a supplier of goods to second-hand retailers like Value Village. In addition to keeping reusable items out of landfills, part of the centre's profits from second-hand merchandise is invested in the community through monetary donations to their charity partners.

Rental revenue from our license agreement with GreenDrop® helps fund Choice Properties' future social impact initiatives. We look forward to exploring similar sustainability-focused partnerships that can act as a sustainable funding model for our social impact work.

Volunteering

We are committed to our target to volunteer an average of four hours per year per colleague. Choice Properties offers colleagues up to one paid day per year to volunteer with our charity partners. In 2024, we worked closely with our charity partners to offer these volunteer opportunities:

- Cooking and serving meals to families at Ronald McDonald House BC & Yukon, giving families a day off from preparing meals
- Tending to Hope Blooms' expanded gardens to grow produce for equity-deserving youth in Halifax
- Helping coordinate Sun Youth's Back to School Campaign, which distributes backpacks full of school essentials to elementary and high school students in Montreal
- Preparing healthy lunches for children with Brown Bagging for Calgary's Kids
- Supporting kids with homework and other school projects at Moorelands Kids' after-school programs in Toronto
- Sorting children's toys in support of WoodGreen's Homeward Bound Program in Toronto

TARGETS ACHIEVED

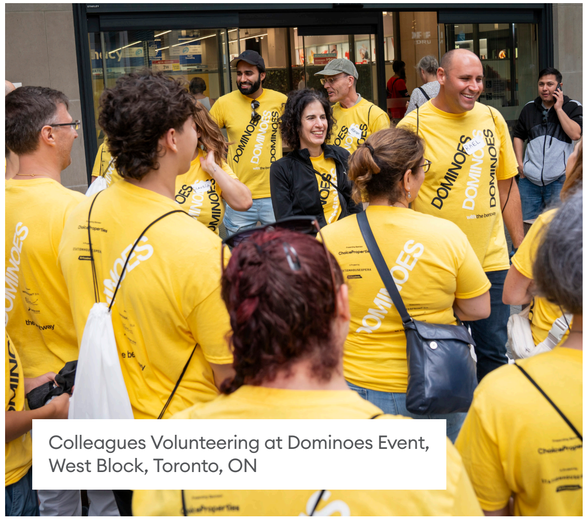
4.3 hrs

Target: Volunteer an average of 4 paid hours per colleague per year[1]

1,147 hrs

Total paid hours volunteered by Choice Properties colleagues in 2024

[1] This metric is calculated using an annual average of active colleagues.



Colleagues Volunteering at Dominoes Event, West Block, Toronto, ON



Colleagues Volunteering at a Holiday Gift Distribution Initiative, Calgary, AB

Tenant and Supplier Engagement

Tenant Engagement

We actively engage with our tenants to create welcoming and sustainable shopping centres, industrial facilities, and workplaces. We regularly meet with our largest tenant, Loblaw, to coordinate on sustainability initiatives, such as the installation of LED lighting, solar panels, battery energy storage systems, and electric vehicle charging stations. In addition, we provide resources such as our Tenant Sustainability Guide and Environmental News Flashes for retail, industrial, mixed-used and residential tenants to encourage environmentally friendly programs.

Tenant satisfaction surveys are conducted throughout our retail, industrial, mixed-use and residential properties from time to time. Tenants are also surveyed through our Work Order platform for updates on their sustainability initiative plans.

C3 Portal

At Choice Properties, we are committed to providing our tenants with best-in-class service. We work diligently to continuously improve our tenant services program with the help of our Choice Properties Customer Connection (“C3”) portal, which is available to all tenants. The C3 portal enables our tenants to submit service requests, track the progress of those requests, and access resources online. Our C3 service also includes a 24/7 phone line to keep us informed as we strive to consistently meet the needs of our tenants and manage our properties to the highest standards.

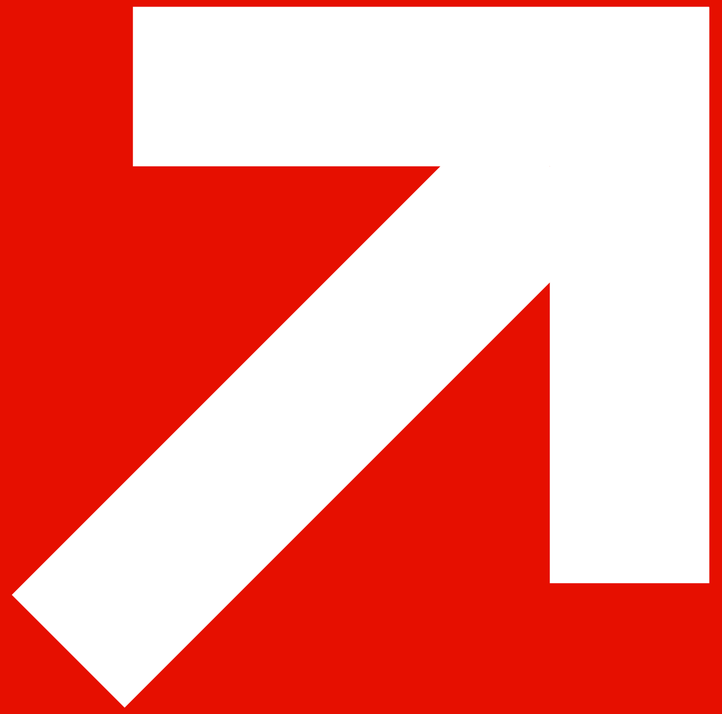
Suppliers

In the course of our business, we rely on our supply chain for services ranging from the design and construction of new assets through to providing uniforms for our building operations colleagues. We actively engage with suppliers and have a range of policies and processes in place to support our supply chain. Our Supplier Code of Conduct defines the minimum standards that we expect from suppliers. We use an e-tendering platform to award contracts, which enables Choice Properties and our suppliers to exchange information transparently, securely and efficiently. We also work with a third-party assessor who evaluates whether contractors who work on our sites have adequate health and safety certifications and procedures. These procurement policies and tools enable us to strengthen transparency in our supply chain.



22441 Dewdney Trunk Rd., Maple Ridge, BC

Governance



Our Governance Programs

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Redway Dog Run Launch, Toronto, ON

Governance Overview

Governance Overview

Choice Properties recognizes that strong governance practices are a key driver of ESG success. We have embedded ESG responsibilities into all levels of the organization to facilitate decision-making where ESG considerations are involved.

Choice Properties' Board of Trustees and Management are dedicated to strong governance practices designed to maintain high standards of oversight, accountability, integrity and ethics while promoting long-term growth and complying with the Canadian Securities Administrators' Corporate Governance Guidelines.

The resources within "Where to Find More Information" on this page provide detailed descriptions of Choice Properties' governance program, including oversight of matters such as leadership, compensation, internal controls, risk management, and audit.

Our website features additional information and governance documents, such as Disclosure Policy, Majority Voting Policy, and a position description for the Chair of the Board of Trustees and each of its committees.

Board of Trustees

The Board is responsible for the overall stewardship and governance of the Trust. It oversees the management of the business and affairs of the Trust, both directly and through its committees. This responsibility encompasses overseeing Choice Properties' enterprise risk management program, its commitment to ESG, as well as other topics and themes reflected in this report. The Board of Trustees regularly reviews Choice Properties' corporate governance practices to ensure they reflect evolving best practices in a rapidly changing environment. The Board carries out its responsibilities directly and through the Audit Committee and Governance, Compensation and Nominating Committee ("Governance Committee").

Board Independence

As of December 31, 2024, the Board was comprised of ten Trustees, seven of whom were "independent" as defined by National Instrument 52-110. The Board has appointed a Chair who is not independent. Recognizing the importance of strong independent board oversight, the Board has appointed an independent trustee to serve as Lead Trustee, who ensures that the Board operates independently of Management and that the Trustees have an independent leadership contact. The Board's assessment of the effective role of an independent Lead Trustee has been endorsed by leading corporate governance organizations.

Management Oversight

Choice Properties' Board of Trustees delegates the management of the day-to-day affairs of the Trust to Choice Properties' Management team. Management prepares the business and operating plans and budgets for the Trust, which take into account the opportunities and risks of the business, including sustainability and climate risks. Management is also responsible for preparing regular reports to the Board of Trustees on the operating and financial results of the Trust and on matters such as ESG, pension, tax, compliance, treasury and legal matters.

WHERE TO FIND MORE INFORMATION

- 2025 Management Proxy Circular
- 2024 Annual Report
- 2024 Annual Information Form
- Governance Information, including Board and Committee Mandates
- 2024 Code of Conduct
- Supplier Code of Conduct
- Leadership and Trustee Profiles
- Integrity Action Line/Whistleblower
- Human Rights Statement
- Declaration of Trust
- Privacy Policy

ESG Program Governance

Integrated ESG Program

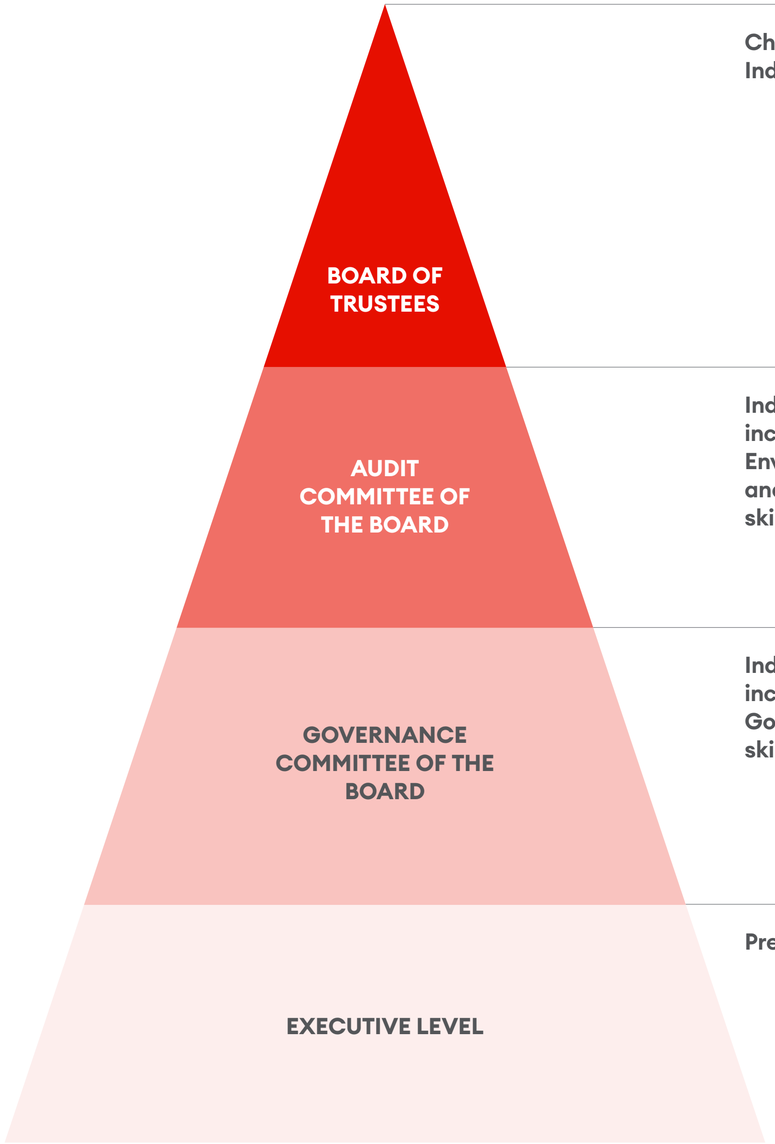
Choice Properties executes ESG programming by integrating specific initiatives into business functions and embedding oversight within established governance structures. The image at the right explains the groups and individuals that have responsibilities related to the oversight of the ESG program.

ESG Performance and Compensation

At Choice Properties, colleagues' financial benefits related to performance targets are assessed partially through the Short-Term Incentive Program ("STIP"). The STIP is available to all full-time colleagues, including Choice Properties' Senior Management team.

The STIP incentivizes colleagues to meet annual financial and operating performance targets, which are referred to as pursuit measures and designed to focus on the key drivers of the business and value creation over both the short and long term. Within the 2024 STIP, 10% of the incentive was tied to ESG-related pursuit measures, which included operationalizing the retail Green Lease, completing a minimum number of energy audits and feasibility studies, DEI training for all colleagues, as well as advancing Choice Properties' Social Impact Framework.

For more information, please refer to Choice Properties' Management Proxy Circular



Lead Responsible Party	ESG Function
Chair of the Board and Independent Lead Trustee	As incorporated within its Mandate, the role of the Board of Trustees involves stewardship and governance of the Trust. Responsibilities include oversight of the ESG program and review and approval of the ESG Report. **ESG-related skills and competencies:** Choice Properties' Management Proxy Circular identifies the key skills of each Trustee. Four of Choice Properties' Trustees have Environmental and Social skillsets; five have Governance-related skillsets. **Frequency of ESG-related updates:** Annually at minimum
Independent Trustees including those with Environmental, Social, and Governance-related skillsets	As incorporated within its Mandate, the Audit Committee's duties include oversight of the adequacy and effectiveness of ESG disclosure controls and review of ESG disclosures prior to publication. This also involves reviewing internal and external assurance results. **Frequency of ESG-related updates:** Annually at minimum
Independent Trustees including those with Governance-related skillsets	In accordance with its Mandate, the Governance Committee reviews and approves the total compensation and benefits of Choice Properties' senior executives. The Trust's incentive programs include ESG-related targets within the short-term incentive plan. Duties also involve identification of Trustee nominees in accordance with Choice Properties' Board Diversity Policy. **Frequency of ESG-related updates:** Annually at minimum
President and CEO	Executive Sponsor of ESG program. Reviews and approves the ESG-related targets in Choice Properties' 2024 organization-wide short-term incentive plan. **Frequency of ESG-related updates:** Quarterly

ESG Program Management

Strategy Integration

Choice Properties has an ESG Steering Committee comprised of Senior Management who collaborate to integrate ESG objectives into Choice Properties' overall strategy. Their responsibilities include overseeing strategic business objectives for ESG commitments and targets, as well as establishing an ESG-focused culture from the highest level of management.

The VP, Sustainability and Placemaking, a member of the Senior Management team reporting directly to the President and CEO, chairs the ESG Steering Committee. They identify opportunities and risks related to Choice Properties' ongoing operations and advocate for the inclusion of ESG-related considerations into management planning. If necessary, the risks and opportunities are incorporated into the ongoing work of the related business departments, which is facilitated by collaboration with the ESG teams. The partnership between departments and the ESG teams is paramount to addressing the identified risk or opportunity. The business departments ensure that ongoing operational factors are considered while the ESG team corroborates that the outcome addresses the identified risk or opportunity and monitors the outcome as per specific metrics and targets.

The following groups have specific responsibilities related to the management and execution of ESG-related risks and opportunities:

	Team	Function
ESG STEERING COMMITTEE	**President and CEO, Senior Management, and subject matter experts from relevant business functions**	Cross-functional committee championing ESG programs across the organization, as well as advising and overseeing the ESG teams. **Chaired by:** VP, Sustainability and Placemaking **Sponsored by:** President and CEO **Frequency:** Quarterly
ESG TEAMS	**A group of dedicated full-time colleagues focused on sustainability, social impact, and placemaking, led by the VP, Sustainability and Placemaking**	Management of ESG program including: • Coordinating activities contributing to the ESG program, including environmental and social impact initiatives • Establishing targets and measuring impact • Public reporting and benchmarking • Providing updates to the Board on the progress of ESG commitments • Climate and sustainability-related risk identification and strategy integration, including resource identification **ESG-related skills and competencies:** Each ESG team member has education and/or practical work experience related to their specific function, such as urban planning, building science, climate change, social impact and philanthropy.
ENTERPRISE RISK MANAGEMENT ("ERM") PROGRAM	**A group of dedicated full-time colleagues who assist all areas of the business in managing risks by bringing a systematic approach and methodology for evaluating, measuring and monitoring key risks**	Identifies and manages risks relevant to Choice Properties, including climate and sustainability risks. **ESG-related skills and competencies:** Working knowledge of ESG-related disclosure and regulatory environments; access to industry expertise on ESG-related risk mitigation. **Frequency:** ERM program results communicated to the Board quarterly

ESG Data Validation

Roles and Responsibilities

We recognize the importance of ensuring the accuracy and reliability of our ESG disclosures. Management is responsible for establishing and maintaining adequate internal controls over ESG disclosures in order to provide confidence regarding the reliability of ESG reporting and the preparation of ESG reports for external purposes. That is why we have built a robust control environment to test and validate the accuracy of our ESG information which supports our commitment to transparency and accountability.

The following groups participate in the preparation of the Trust's ESG disclosures:

Board of Trustees

The Board oversees Choice Properties' ESG program and reviews the ESG Report on an annual basis. The Board receives periodic reports from Management on the ESG program and performance against ESG targets.

Audit Committee of the Board

The Audit Committee oversees the adequacy and effectiveness of controls related to the Trust's ESG disclosures.

ESG Report Disclosure Committee

Comprised of members of Senior Management from all areas of the business who have oversight of the programs discussed in this annual ESG report.

Dedicated ESG Team

This team maintains and oversees the reporting systems from which environmental and certain social data presented within the annual ESG report are collected. This team also collects information from other departments such as Human Resources, Development, and Operations, which is included with ESG disclosures.

Internal Controls Compliance

This team evaluates the design and tests the operating effectiveness of ESG controls regarding the preparation of the ESG report for external purposes. The results are reported to the Audit Committee of the Board.

Independent Assurance

PricewaterhouseCoopers LLP has provided assurance of select Choice Properties 2024 ESG performance metrics to a limited level of assurance in accordance with the requirements of the Canadian Standard on Assurance Engagements ("CSAE") 3000, Attestation Engagements Other Than Audits or Reviews of Historical Financial Information and CSAE 3410, Assurance Engagements on Greenhouse Gas Statements, as well as the International Standards on Assurance Engagements ("ISAE") 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagements on Greenhouse Gas Statements.

For more information, please refer to Appendix H for the Independent Practitioner's Limited Assurance report

Internal Controls Over ESG Reporting

Choice Properties' President and CEO and Chief Financial Officer have stipulated that the effectiveness of the internal controls over ESG reporting be evaluated using the framework established by 'Internal Control – Integrated Framework (2013, COSO Framework)' of The Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on that evaluation, they have concluded that the design and operation of the Trust's internal controls over ESG reporting were effective as at December 31, 2024.

In designing such a control environment, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, may not prevent or detect misstatements. Projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Additionally, Management is required to use judgment in evaluating controls and procedures.

There were no changes in the Trust's internal controls over ESG reporting in 2024 that materially affected or are reasonably likely to materially affect the Trust's internal control over ESG reporting.



1632 Lonsdale Ave., North Vancouver, BC

Ethics and Compliance

Code of Conduct

Choice Properties has adopted a Code of Conduct ("the Code") that reflects the Trust's commitment to high standards of ethical conduct and business practices.

The Code clearly outlines the expectations we have for all colleagues to treat each other fairly and with respect, behave ethically and honestly, ensure there is zero tolerance for violence, harassment and discrimination, and speak up when something doesn't feel right.

The Code also outlines our zero tolerance for fraud, bribery, corruption, and money laundering. These expectations also apply externally, as conducting our business with integrity means that our stakeholders can trust that we do things the right way. All colleagues are required to annually acknowledge that they have read and understand the Code.

During 2024, all colleagues completed training on certain sections of the Code, with a focus on our SpeakUP! Program and the importance of whistleblowing.

The Code of Conduct is available here.

Supplier Code of Conduct

We recognize our responsibility to ensure fair and ethical business practices and compliance with laws and regulations, and we expect those with whom we do business to do the same.

To support this endeavour, Choice Properties has a Supplier Code of Conduct (the "Supplier Code") setting out the minimum standards we expect from suppliers. The Supplier Code outlines our expectations around key business principles including ethical and lawful conduct, adherence to employment and labour standards, safe working conditions and compliance with environmental laws, among other topics.

Human Rights

Choice Properties is committed to respecting human rights. Our commitment applies to our colleagues, our business partners, and our vendors. We expect our business partners and suppliers to uphold the same commitment within their operations and adhere to applicable human rights and employment standards laws.

Our policies and practices are informed by the United Nations' Universal Declaration of Human Rights, and human rights and employment laws and regulations applicable in the regions in which we operate. Navigate to our Human Rights Statement here.

Dedicated Compliance Team

Compliance is an integral component of Choice Properties' business. We have a dedicated Compliance Program, overseen by the Director, Compliance, which is focused on taking a proactive approach to compliance for all aspects of our business. The Audit Committee of the Board receives updates regarding the Compliance Program on a quarterly basis.

SpeakUP!

At Choice Properties, change starts with a voice. If colleagues see something they are not comfortable with, they have a responsibility to report it. A report can be made to a manager, to Human Resources or to Compliance. We also have an Integrity Action Line (or "whistleblower" line) which is an independent externally managed online form and toll-free number, for colleagues or Trustees to anonymously report potential noncompliance with the Code of Conduct or with applicable laws and regulations. The Code of Conduct summarizes the SpeakUP! Program, our prohibition on retaliation and the implications for any colleagues who are found to have retaliated against a whistleblower. Our prohibition on retaliation is also set out in our Accounting, Auditing, and Internal Controls Complaints Procedures.

Each quarter, the Director, Compliance provides the Audit Committee with a summary of any incidents that are reported.

Internal Control Compliance and Internal Audit

These teams report quarterly updates to the Audit Committee regarding the Trust's Internal Control Compliance program, as well as the Trust's Internal Audit function.

Compliance and Ethics Audits

The Internal Controls Compliance team tests the compliance and ethics program on an annual basis to confirm that Choice Properties' SpeakUP! process is operational, that compliance updates are provided to the Audit Committee each quarter, and that there is 100% completion by colleagues of the mandatory Code of Conduct training and policy acknowledgment.

The Compliance and Ethics team performs testing and monitoring of our regulatory compliance programs to ensure they are operating as expected.

Conflicts of Interest

Our colleagues are required to disclose any actual, potential, or perceived conflicts of interest as they become aware of them. All colleagues are required to attest annually that they have disclosed any conflicts of interest.

Cybersecurity, Data Privacy and Governance

Our Fair Information Principles

We are committed to safeguarding the personal information of our tenants and colleagues through physical, procedural and technological controls and by incorporating these protections into our culture and ongoing operations.

Annual Privacy Training

It is important that we understand the responsibility that comes with collecting, using, and sharing personal information. All colleagues are required to complete annual privacy training. This training helps reduce the risk of loss, misuse, unauthorized access, and disclosure or modification of personal information.

Our Privacy Policy

In our Privacy Policy we describe the measures that we take to protect personal information and how individuals may initiate inquiries or raise concerns regarding the collection, sharing, and use of their personal information. Navigate to our Privacy Policy here.

Data Governance

Our data governance program fosters a culture of data literacy and business ownership to enable strategic decision-making. This year, we operationalized our data governance framework by implementing policies, processes, and role-based training to promote data quality, privacy, and security.

Our Cybersecurity Team

Our cybersecurity strategy is overseen by the VP, Information Security and Data Governance, who presents updates to the Audit Committee on a quarterly basis. Our security team keeps up-to-date with the latest physical and cyber threats and devises solutions that help keep Choice Properties, our data, network, colleagues and tenants secure.

Security Awareness Program

We have developed an awareness strategy program to raise the security awareness level of the organization. All colleagues are required to complete mandatory cybersecurity awareness training at onboarding and thereafter on an annual basis.

In addition, we provide resources to all colleagues so that they can report a security issue (e.g., loss, phishing, fraud, social engineering attempts, and other security issues). In the event that a colleague notices something suspicious, we have a clear escalation and incident response process to ensure that issues are managed appropriately and in accordance with our policies.

Business Continuity and Crisis Management Program

Our operations have business continuity and crisis management plans in place that are tested at minimum on an annual basis to support resilience and preparedness in our recovery capabilities.

Vendor Security Assessments

We work closely with our vendors and service providers to manage risk. All third-party technology providers must complete an information security and privacy assessment that is reviewed and approved by the information security team and the business.



Cybersecurity Team, Toronto, ON

Appendices & Data



Appendix A: ESG Performance Scorecard

For all appendices, data for the current year, prior year, and baseline year are included for emissions-related data. Data for the current year and prior year are included for all other data types. Below data represents metrics for which Choice Properties owns and manages the emissions and metrics only.

	2024	2023	2019 Baseline	UN SDGs	SASB	TCFD
ENVIRONMENTAL PERFORMANCE						
GREENHOUSE GAS ("GHG") EMISSIONS						
TOTAL						
Scope 1 GHG Emissions – (thousands tCO_2e)	✓ 5.15	5.41	4.74			Metrics and Targets
Scope 2 GHG Emissions – Location Based – (thousands tCO_2e)	✓ 5.28	5.14	5.68			Metrics and Targets
Scope 2 GHG Emissions - Market Based – (thousands tCO_2e)	✓ 1.21	1.00	-			Metrics and Targets
Total Scope 3 GHG Emissions – (thousands tCO_2e)	422.83	447.65	499.54	Target 13.2		
Total GHG Emissions – Location Based – (thousands tCO_2e)	433.26	458.20	509.96	Target 13.2		Metrics and Targets
Total GHG Emissions – Market Based – (thousands tCO_2e)	429.19	454.06	-	Target 13.2		Metrics and Targets
ENERGY						
TOTAL						
Landlord-Controlled (eGWh)	✓ 70.57	73.92	69.30			Metrics and Targets
Tenant-Controlled (eGWh)	2,432.41	2,435.41	2,491.26			Metrics and Targets
Total (eGWh)	2,502.98	2,509.33	2,560.56			Metrics and Targets
RENEWABLE ENERGY						
SOLAR INSTALLATIONS DETAILS – TOTAL						
# of Properties	49	49	-	Target 7.2, Target 7.3		Metrics and Targets
Panel Capacity (kW DC)	14,160.00	14,160.00	-	Target 7.2, Target 7.3		Metrics and Targets
Operating Capacity (kW DC)	10,200.00	10,200.00	-	Target 7.2, Target 7.3		Metrics and Targets
ON-SITE ENERGY GENERATION FROM SOLAR PHOTOVOLTAIC INSTALLATIONS						
Total (GWh)	15.30	14.82	-	Target 7.2, Target 7.3		Metrics and Targets
WATER						
Total (thousand m^3)	✓ 1,150.77	1,184.88	-		IF-RE-140a.2	Metrics and Targets

✓ This symbol identifies third-party limited assurance of the current year data.

Appendix A: ESG Performance Scorecard (continued)

For all appendices, data for the current year, prior year, and baseline year are included for emissions-related data. Data for the current year and prior year are included for all other data types. Below data represents metrics for which Choice Properties owns and manages the emissions and metrics only.

	2024	2023	2019 Baseline	UN SDGs	SASB	TCFD
ENVIRONMENTAL PERFORMANCE (CONTINUED)						
WASTE						
TOTAL						
Landfill (tonnes)	7,403.63	2,734.24	-			Metrics and Targets
Recycle (tonnes)	5,817.59	3,480.80	-	Target 12.5		Metrics and Targets
Total (tonnes)	13,221.22	6,215.04	-			Metrics and Targets
Diversion (%)	44.00%	56.01%	-			Metrics and Targets

This symbol identifies third-party limited assurance of the current year data.

Appendix A: ESG Performance Scorecard (continued)

	2024 Target	2024	2023	UN SDGs
SOCIAL PERFORMANCE				
REPRESENTATION OF WOMEN[1]				
Board of Trustees	40%	50.0%	45.5%	Target 5.5
Executive	45%	52.9%	52.6%	Target 5.5
Senior Management	50%	60.7%	57.1%	Target 5.5
Colleagues	No target set	63.5%	64.6%	Target 5.5
REPRESENTATION OF VISIBLE MINORITIES[1]				
Board of Trustees	20%	20.0%	18.2%	
Executive	30%	17.7%	26.3%	
Senior Management	25%	26.2%	28.6%	
Colleagues	No target set	37.7%	39.2%	

This symbol identifies third-party limited assurance of the current year data.

[1] Metrics are calculated using all colleagues, including those on long-term leave.

Appendix A: ESG Performance Scorecard (continued)

	2024	2023	UN SDGs
SOCIAL PERFORMANCE (CONTINUED)			
WORKFORCE TRAINING AND DEVELOPMENT METRICS[1]			
Average Training and Development Hours per Colleague	6.2	9.6	
FTE Participation in Individual Development Plan Program	100%	100%	
Spend on Colleague Training and Development ($ thousands CAD)	70	323	
WORKFORCE METRICS[1]			
Number of Active FTE Permanent Employees	250	280	
Number of FTE Contract Employees	11	20	
Number of Part Time Employees	0	1	
FTE Permanent Positions Filled by Internal Candidates	20.7%	16.9%	
Participation in Employee Engagement Survey	90%	89%	
Engagement Rating	84%	86%	
Percent Voluntary Turnover	12.9%	13.6%	
Average Cost per New Hire ($ thousands)	25.3	18.9	
WORKFORCE DETAILS: EMPLOYMENT AGE DIVERSITY[1]			
All Employees – Under 30	38	44	
All Employees – Between 30 and 50	152	177	
All Employees – Over 50	71	80	

[1] Metrics are calculated using active colleagues. Active colleagues do not include those on long-term leave.

Appendix A: ESG Performance Scorecard (continued)

	2024	2023	UN SDGs
SOCIAL PERFORMANCE (CONTINUED)			
EMPLOYMENT CATEGORY[1]			
Men – Executive	8	9	
Women – Executive	9	10	Target 5.5
All Employees – Executive	17	19	
Men – Senior Management	34	39	
Women – Senior Management	50	49	Target 5.5
All Employees – Senior Management	84	88	
Men – Colleagues	60	72	
Women – Colleagues	100	122	Target 5.5
All Employees – Colleagues	160	194	
HEALTH AND SAFETY METRICS (PER ONE MILLION HOURS WORKED)			
Lost-time injury frequency rate for employees	0.4	0.4	
Occupational illness frequency rate for employees	0	0	
Number of work-related fatalities for employees and contractors	0	0	
FUNDRAISING AND VOLUNTEERING			
Amount Donated ($ CAD)	860,000	610,000	
Hours Volunteered	1,147	1,435	
Average Volunteer Hours per Colleague [2]	4.3	5.1	

[1] Metrics are calculated using active colleagues. Active colleagues do not include those on long-term leave.
[2] This metric is calculated using an annual average of active colleagues.

Appendix A: ESG Performance Scorecard (continued)

	2024	2023
GOVERNANCE PERFORMANCE		
BOARD COMPOSITION		
Independent Trustees (%)	70%	64%
Non-Independent Trustees (%)	30%	36%
Chair and CEO are separate	Yes	Yes
Average Board Tenure (Years)	3.9	3.3
Representation of Women (%)	50.0%	45.5%
Average Age of All Trustees	63	63
Board Oversight of ESG measures	Yes	Yes
Number of Board Members with Skills Related to ESG and/or Climate Change	45%	46%
MEETING ATTENDANCE		
Average Annual Board attendance (%)	99%	99%
Full Board (Number of Meetings)	5	5
Audit Committee (Number of Meetings)	4	4
Governance Committee (Number of Meetings)	4	4

This symbol identifies third-party limited assurance of the current year data.

Appendix B: Environmental Data

Choice Properties is committed to transparency with respect to environmental data. Here we present details of our emissions, energy, water, and waste consumption, which are used to assess climate-related risks and opportunities. Performance against established environmental targets used by the Trust is described in the Climate Change Targets section of this report.

Understanding Emissions and Energy Data

The energy and emissions data presented within this report reflect Choice Properties' portfolio as of December 31, 2024, and includes comparative data for the baseline year, 2019, and the prior year, 2023. Where emissions factors are sourced from Canada's Greenhouse Gas Inventory 1990-2021, they are accessed from the 2024 National Inventory Report, published in April 2024.

Except where indicated as market-based, the consumption information presented within the emissions and energy data of this report represent 100% grid electricity across all property asset classes. Market-based figures include the purchase of Green-e® certified renewable energy certificates.

The data presented in this report only represent consumption within Choice Properties' operational control in specific areas. The data also only represent complete building data in specific areas. The most common energy-related scenarios are presented here:

Landlord-Controlled Energy/Scopes 1 and 2 Emissions

Retail and Industrial: Data represent only the portions of the building that are within Choice Properties' operational control such as parking lot lighting, common area spaces, vacant units, etc. This information is directly measured except for vacant units, where consumption is estimated based on climate zones sourced from the United States' Energy Information Administration's Commercial Building Energy Consumption Survey ("CBECS") (2018 Edition).

Mixed-Use and Residential: The energy data presented here is typically complete energy data from properties that Choice Properties owns and manages (i.e., it represents the complete energy consumption of that building). Data is typically sourced from a small number of utility meters (often a single electricity and single natural gas meter) which includes all tenant uses.

Tenant-Controlled Energy/Scope 3 – Downstream Leased Assets (Category 13) Emissions

Retail and Industrial: Data represent portions of the building that are outside of Choice Properties' operational control such as leased tenant areas. Where available, this information is directly measured, and where unavailable, it is estimated.

Mixed-Use and Residential: Residential properties are managed by third parties and are outside of Choice Properties' operational control. The energy data presented here is representative of the whole building and is estimated.

Also included here are office properties owned by Choice Properties that are managed by tenants. This data is representative of the whole building and is directly measured.

In line with the guidance from the Corporate Net-Zero Standard v1.0 from the Science Based Targets initiative, we track and report more than 90% of our Scope 3 GHG emissions. The categories that are excluded are either not applicable to our business, or estimated to represent less than 10% of our Scope 3 emissions, as per a GHG emissions screening completed in 2021. More information on Scope 3 emissions methodology can be found within the Scope 3 Emissions Methodology and Data Sources table on the next page.

Quantitative metrics presented within this appendix are absolute unless otherwise stated.

Scope 3 Emissions Methodology and Data Sources

This table (continued on the next page) outlines the methodology and data sources for disclosed Scope 3 emissions categories. We completed a GHG emissions screening in 2021, where we evaluated the 15 Scope 3 categories outlined in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In that screening, we found that emissions from categories other than 1 and 13 represented less than 10% of our Scope 3 emissions. No material changes to those categories have occurred since the screening.

SCOPE 3	SCOPE 3 CATEGORY NAME	METHODOLOGY	ACTIVITY DATA SOURCE	EMISSION FACTOR DATA SOURCE(S)
1	Purchased goods and services	Our purchased goods and services can be categorized into four major groups: 1. Development 2. Maintenance (primarily repairs to roofing and pavement) 3. Water 4. Corporate products and services Methodology: 1. Development: We work with third-party consultants to calculate the embodied carbon emissions of certain projects. Choice Properties retains a library of emission intensity factors for available projects and applies the emission intensity factor of the most similar project to each completed project at year end. The following process stages are included in third-party life cycle assessment ("LCA") emissions factors: A1-A3: Product Stage A4: Transport to Construction Site[i] B4-B5: Replacement and Refurbishment C1-C4: End-of-Life 2. Maintenance: Material quantities are collected from contractors and multiplied by database-supplied product emissions factors. 3. Water: Primary data from Choice Properties-paid water metres is multiplied by a product emission factor. 4. Corporate Products and Services: Choice Properties' procurement spend is multiplied by a spend-based emission factor. Emissions from developments, maintenance, and corporate products and services are not captured at the asset class level. They are represented at "Portfolio" level within the emission data tables. [i] A5: Construction Process is intermittently captured and not a requirement of the LEED LCA reporting process (the basis of most LCA studies). It is excluded here, but may be included in future.	Development: primary data (developed gross leasable area and asset class) from Choice Properties Maintenance: primary procurement data (quantity and material type) from Choice Properties Water: primary procurement data (water consumption) from Choice Properties-paid utility bills Corporate Products and Services: primary procurement data (office expense and amortized IT expense) from Choice Properties	Developments: Third-party building life cycle assessment ("LCA") reports, as available. If not available, Choice Properties will use LCA values for similar projects Maintenance: Academic research Water: Academic research and Canada's Greenhouse Gas Inventory 1990-2021 Corporate Products and Services: United States Environmental Protection Agency Supply Chain GHG Emissions Factors for US Commodities and Industries

Scope 3 Emissions Methodology and Data Sources – Continued

This table outlines the methodology and data sources for disclosed Scope 3 emissions categories. We completed a GHG emissions screening in 2021, where we evaluated the 15 Scope 3 categories outlined in the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. In that screening, we found that emissions from categories other than 1 and 13 represented less than 10% of our Scope 3 emissions. No material changes to those categories have occurred since the screening.

SCOPE 3	SCOPE 3 CATEGORY NAME	METHODOLOGY	ACTIVITY DATA SOURCE	EMISSION FACTOR DATA SOURCE(S)
13	Downstream leased assets	Primary data from tenant-controlled energy meters is collected where it has been made available. When there is no primary data made available by tenants, emissions are calculated by multiplying the gross leasable area by an appropriate energy use benchmark and emissions factor. Refrigerants from equipment under the control of tenants for their own operations are excluded.	Primary data: tenants' energy consumption Estimated data: Energy use intensity based on asset class and climate zone sourced from the United States' Energy Information Administration's CBECS (2018 Edition)	Canada's Greenhouse Gas Inventory 1990-2021

Emissions and Energy Data Coverage

Landlord-controlled energy and Scopes 1 and 2 emissions data presented in this report represent 100% of the areas in our portfolio where we have operational control.

Data is either directly measured from utility bills, accrued based on the daily average consumption at the account level based on all available historical utility bill information, or estimated as shown in the data sources table to the right.

Tenant-controlled energy data presented here represents 100% of the areas in our portfolio where we do not have operational control. Of the properties represented, data is either directly sourced from tenant utility trackers, where provided to Choice Properties, or estimated as shown in the data sources table to the right.

Landlord-Controlled Energy

	2024	2023	2019
Directly Measured	64.26%	70.69%	70.74%
Accrued	9.38%	6.35%	4.69%
Estimated	26.36%	22.96%	24.57%

Tenant-Controlled Energy

	2024	2023	2019
Directly Measured	70.64%	70.51%	71.90%
Estimated	29.36%	29.49%	28.10%

Emissions

GHG Emissions (thousand tCO_2e)

Our emissions are influenced by factors including tenant operations, building occupancy, weather conditions, equipment retrofits and newly-developed properties. We intend to continue reducing emissions to meet our climate targets, including through ongoing efficiency projects, tenant engagement, and the implementation of renewable energy sources. These initiatives are detailed in the Environmental section of this report.

Data included reflect Choice Properties' portfolio as of December 31, 2024. Previously reported emissions for the baseline year, 2019, and the prior year, 2023, are restated to account for greater data availability subsequent to previous reporting as well as changes to the portfolio composition from the previous reporting period due to acquisitions or dispositions, if applicable.

ASSET CLASS	2024								2023								2019					
	Scope 1 Emissions	**Scope 2** Emissions – Location Based	**Scope 2** Emissions – Market Based	**Scope 3** Category 1	**Scope 3** Category 13	**Scope 3** Total	**Total** Emissions – Location Based	**Total** Emissions – Market Based	**Scope 1** Emissions	**Scope 2** Emissions – Location Based	**Scope 2** Emissions – Market Based	**Scope 3** Category 1	**Scope 3** Category 13	**Scope 3** Total	**Total** Emissions – Location Based	**Total** Emissions – Market Based	**Scope 1** Emissions	**Scope 2** Emissions – Location Based	**Scope 3** Category 1	**Scope 3** Category 13	**Scope 3** Total	**Total** Emissions – Location Based
Retail	2.73	3.55	0.79	0.14	346.69	346.83	353.11	350.35	2.80	3.46	0.68	0.14	351.22	351.36	357.62	354.84	2.59	3.87	0.14	384.74	384.88	391.34
Industrial	0.76	1.33	0.02	0.07	57.36	57.43	59.52	58.21	0.69	1.37	0.01	0.08	58.32	58.40	60.46	59.10	0.93	1.55	0.08	64.48	64.56	67.04
Mixed-Use & Residential	1.66	0.40	0.40	0.00	4.75	4.75	6.81	6.81	1.92	0.31	0.31	0.00	5.09	5.09	7.32	7.32	1.22	0.26	0.00	4.31	4.31	5.79
Portfolio	-	-	-	13.82	-	13.82	13.82	13.82	-	-	-	32.80	-	32.80	32.80	32.80	-	-	45.79	-	45.79	45.79
Total	5.15 ✓	5.28 ✓	1.21 ✓	14.03	408.80	422.83	433.26	429.19	5.41	5.14	1.00	33.02	414.63	447.65	458.20	454.06	4.74	5.68	46.01	453.53	499.54	509.96

✓ This symbol identifies third-party limited assurance of the current year data.

Energy

Total Energy Consumption (eGWh)

Our energy is influenced by factors including tenant operations, building occupancy, weather conditions, equipment retrofits and newly-developed properties. We intend to continue reducing energy consumption to meet our climate targets, through ongoing efficiency projects, tenant engagement, and the implementation of renewable energy sources, among other means. These initiatives are detailed in the Environmental section of this report.

Data included reflect Choice Properties' portfolio as of December 31, 2024. Previously reported emissions for the baseline year, 2019, and the prior year, 2023, are restated to account for greater data availability subsequent to previous reporting as well as changes to the portfolio composition from the previous reporting period due to acquisitions or dispositions, if applicable.

ASSET CLASS	2024			2023			2019		
	Landlord Controlled	Tenant Controlled	Total	Landlord Controlled	Tenant Controlled	Total	Landlord Controlled	Tenant Controlled	Total
Retail	43.27	2,071.34	2,114.61	46.08	2,082.69	2,128.77	45.77	2,141.19	2,186.96
Industrial	7.09	324.25	331.34	6.33	313.78	320.11	8.22	321.97	330.19
Mixed-use & Residential	20.21	36.82	57.03	21.51	38.94	60.45	15.31	28.10	43.41
Total	70.57	2,432.41	2,502.98	73.92	2,435.41	2,509.33	69.30	2,491.26	2,560.56

This symbol identifies third-party limited assurance of the current year data.

Renewable Energy

Choice Properties has equipped some sites with rooftop solar panels. We do not claim the carbon offsets generated by these assets as credits in our carbon accounting (the renewable energy credits are retained by third parties).

The consumption information presented within the emissions and energy data of this report represent 100% grid electricity across all property subsectors except where indicated as market-based. Market-based figures include the purchase of Green-e® certified renewable energy credits.

Solar Installation Details

	# OF PROPERTIES	PANEL CAPACITY (kW DC)	OPERATING CAPACITY (kW AC)
Retail	47	13,160.00	9,600.00
Industrial	1	850.00	500.00
Mixed-Use & Residential	1	150.00	100.00
Total	49	14,160.00	10,200.00

On-Site Energy Generation from Solar Photovoltaic Installations (GWh)

	2024	2023
Retail	14.30	13.82
Industrial	0.83	0.83
Mixed-Use & Residential	0.17	0.17
Total	15.30	14.82

Understanding Water Data

The water data presented within this report relate to Choice Properties' portfolio as of December 31, 2024 and includes comparative data for 2023.

The data represent water consumption within our operational control and represents complete building data only in specific areas. The most common scenarios are presented below:

1. Water use for single-tenant properties, including office, retail and industrial properties, is largely not reflected in the water data at the right, as the utilities bill tenants directly.
2. For multi-tenant office properties, the water data presented here is complete.
3. For multi-tenant retail and industrial properties, the water data presented here is sometimes incomplete (i.e., represents only the portions of the building that are within Choice Properties' control, like irrigation for a multi-tenant retail location) and sometimes complete (i.e., represents the complete water consumption of that property). The details are property-specific and depend on whether the local water utility has installed a single water meter for the entire property or multiple water meters (typically one for each tenant).
4. Water use for residential properties is not reflected in the water data below as residential properties are managed by third parties.
5. Although some industry benchmarks encourage presenting complete building water data, we have chosen to present only data within Choice Properties' operational control at this time. This is in line with "The Greenhouse Gas Protocol, Revised Edition", and although it is written for greenhouse gas data, the intent of the guidance can be applied to water consumption.

Water Data Coverage

Water data presented in this report represent 100% of the consumption where we have operational control. Data is either directly measured from utility bills or accrued based on historical utility bill information. Data from water utility bills constitute approximately 78.04% of 2024 totals, and 88.34% of 2023 totals. The remainder was accrued. It is typical for water data coverage to be lower within the reporting year (2024) due to low billing frequency by utility providers. Accruals made in place of unavailable data at time of reporting are corrected in future years.

Water

Our water consumption is influenced by factors including tenant operations, building occupancy, weather conditions, equipment retrofits and newly-developed properties. We intend to continue reducing water consumption through ongoing upgrades and monitoring. These initiatives are detailed in the Environmental section of this report.

Total Water Consumption (thousand m^3)

ASSET CLASS	2024	2023
Retail	934.48	935.12
Industrial	144.29	150.66
Mixed-Use & Residential	72.00	99.10
Total	1,150.77	1,184.88

This symbol identifies third-party limited assurance of the current year data.

Data included here reflect Choice Properties' portfolio as of December 31, 2024. Previously reported 2023 water consumption is restated to account for greater data availability subsequent to those previous reporting periods, as well any changes to the portfolio composition from the previous reporting period due to acquisitions or dispositions.

Understanding Waste Data

The waste data presented within this report relates to Choice Properties' portfolio as of December 31, 2024 and includes comparative data for the prior year, 2023.

The data represents the waste generation within Choice Properties' operational control and only represents complete building data in specific areas. The most common scenarios are presented below:

1. Waste generation for single-tenant properties, including office, retail and industrial properties, is generally not reflected in the waste data as the waste haulers bill tenants directly.
2. For multi-tenant office properties, the waste data presented here is typically complete waste data (i.e., represents the complete waste generation of that building). Data is typically sourced from a small number of waste haulers (often a single landfill and single recycling hauler, though occasionally one hauler is responsible for all waste), which includes all tenant uses.
3. For multi-tenant retail and industrial properties, the waste data presented here is typically incomplete (i.e., it represents only the portions of the building that are within Choice Properties' control, such as multi-tenant retail locations where a common waste storage area is used, as opposed to individual tenants with individual bin locations). Retail and industrial tenants are typically responsible for their own waste disposal, where available.

Waste Data Coverage

In 2024, Choice Properties increased the properties with waste generation data under operational control, increasing the waste data coverage compared to prior years. Waste data presented in this report represents 30.63% of our portfolio by GLA (at 100% share). By asset class this represents: 40.37% of our retail portfolio, 6.52% of our industrial portfolio, and 39.76% of our mixed-use and residential portfolio. In 2024, 96.45% of data represented is directly measured from waste bills with 3.55% of data accrued. This data only represents waste where collection is the responsibility of Choice Properties. Some estimation has been used in the preparation of the waste bills by waste haulers; the data presented is as billed. Choice Properties' regional offices are located within Choice Properties owned/operated buildings. As such, waste associated with Choice Properties' operations is included within the information captured. Choice Properties' ability to capture and report waste data continues to increase over time.

In the limited instances where tenants produce hazardous waste under the terms of our standard lease requirements, we are made aware of the type and approximate quantities of hazardous waste; however, Choice Properties does not collect data pertaining to the quantity of hazardous waste generated, as these operations are the responsibility of tenants.

Waste

Our waste generation is influenced by factors including tenant operations and building occupancy.

Data included reflect Choice Properties' portfolio as of December 31, 2024. Previously reported waste generation for the prior year, 2023, are restated to account for greater data availability subsequent to previous reporting as well as changes to the portfolio composition from the previous reporting period due to acquisitions or dispositions, if applicable.

Weight of Non-Hazardous Waste (tonnes)

ASSET CLASS	2024				2023			
	Landfill	Recycle	Total	Diversion (%)	Landfill	Recycle	Total	Diversion (%)
Retail	7,007.61	5,364.76	12,372.37	43.36%	2,429.25	3,166.93	5,596.18	56.59%
Industrial	105.72	150.70	256.42	58.77%	58.10	135.44	193.54	69.98%
Mixed-Use & Residential	290.30	302.13	592.43	51.00%	246.89	178.43	425.32	41.95%
Total	7,403.63	5,817.59	13,221.22	44.00%	2,734.24	3,480.80	6,215.04	56.01%

This symbol identifies third-party limited assurance of the current year data.

Appendix C: Social Data

Quantitative metrics presented within this appendix are absolute unless otherwise stated.

Understanding Representation Data

Choice Properties collects information used to determine representation of women from all colleagues. We encourage our Board and colleagues, including the Executive and Senior Management teams, to disclose whether they identify as belonging to one or more designated groups; namely, gender, visible minorities (defined as non-Caucasian), Indigenous peoples and persons with disabilities. Providing this personal data is voluntary and is kept strictly confidential. The information helps us track against diversity targets and ensures that our future programs and initiatives are as inclusive as possible.

Within this data, employment groups are defined as follows:

- Executive: Colleagues with the title of Vice President or higher
- Senior Management: Colleagues with the title of Senior Manager, Director, Senior Director or Associate Vice President
- Colleagues: Employees who are not defined as Executive or Senior Management

Representation of Women[1]

GROUP	2024	2023	2022	2021	2020
Board of Trustees	50.0% ✓	45.5%	40.0%[2]	44%	44%
Executive	52.9% ✓	52.6%	50.0%	50%	38%
Senior Management	60.7% ✓	57.1%	57.1%	51%	50%
Colleagues	63.5% ✓	64.6%	67.7%	63%	58%

Representation of Visible Minorities[1]

GROUP	2024	2023	2022	2021	2020
Board of Trustees	20.0% ✓	18.2%	10.0%[2]	0%	0%
Executive[3]	17.7% ✓	26.3%	22.7%	23%	19%
Senior Management[4]	26.2% ✓	28.6%	18.2%	17%	–[5]
Colleagues[6]	37.7% ✓	39.2%	37.3%	37%	–[5]

✓ This symbol identifies third-party limited assurance of the current year data.

1 Metrics are calculated using all colleagues, including those on long-term leave.
2 Metrics include one individual that joined the Board of Trustees mid-year in 2022.
3 5% of Executives did not disclose in 2022 and 2023, 5.9% did not disclose in 2024. Results reflect the full population size and were not adjusted to exclude those who did not disclose.
4 37%, 36%, 19%, and 21.4% of Senior Management did not disclose in 2021, 2022, 2023, and 2024, respectively. Results reflect the full population size and were not adjusted to exclude those who did not disclose.
5 Self-identification information was not available for 2020.
6 32%, 27%, 27%, and 21.2% of colleagues did not disclose in 2021, 2022, 2023, and 2024, respectively. Results reflect the full population size and were not adjusted to exclude those who did not disclose.

Workforce Training and Development Metrics[1]

GROUP	2024	2023	2022	2021	2020
Average Training Hours per Colleague	6.2	9.6	7.3	12.2	4.3
Full-time Equivalent ("FTE") Participation in Individual Development Plan Program[2]	100%	100%	100%	100%	100%
Spend on Colleague Training and Development ($ thousands CAD)	70	323	65	212	243

[1] Metrics are calculated using active colleagues. Active colleagues do not include those on long-term leave.
[2] This metric applies to active colleagues as of September 30 of each year. Colleagues joining Choice Properties on or after October 1 commence participation in the Employee Individual Development Plan Program in the following year.

Workforce Metrics[1]

GROUP	2024	2023	2022	2021	2020
Number of Active FTE Permanent Employees	250	280	282	285	293
Number of FTE Contract Employees	11	20	8	7	10
Number of Part-Time Employees	0	1	2	0	0
FTE Permanent Positions Filled by Internal Candidates	20.7%	16.9%	17.1%	23%	28%
Participation in Employee Engagement Survey	90%	89%	95%	96%	92%
Engagement Rating	84%	86%	90%	88%	85%
Percent Voluntary Turnover	12.9%	13.6%	14%	13%	5%
Average Cost per New Hire ($ thousands)	25.3	18.9	12.2	13.9	10.7

Workforce Details: Colleagues[1]

AGE	2024			2023			2022			2021			2020		
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
<30	21	17	38	24	20	44	16	23	39	15	32	47	13	21	34
30-50	57	95	152	68	109	177	63	100	163	72	93	165	66	86	152
>50	24	47	71	28	52	80	59	27	86	33	46	79	34	46	80

TYPE OF EMPLOYMENT	2024			2023			2022			2021			2020		
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
Full-Time Permanent	97	153	250	110	170	280	101	177	278	117	167	284	110	151	261
Part-Time	0	0	0	0	1	1	0	1	1	0	0	0	0	0	0
Full-Time Contract	5	6	11	10	10	20	5	4	9	3	4	7	3	2	5

EMPLOYMENT CATEGORY	2024			2023			2022			2021			2020		
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
Executive	8	9	17	9	10	19	11	11	22	11	10	21	9	3	12
Senior Management	34	50	84	39	49	88	33	42	75	34	32	66	32	26	58
Colleagues	60	100	160	72	122	194	62	129	191	75	129	204	72	124	196

[1] Metrics are calculated using active colleagues. Active colleagues do not include those on long-term leave.

Health and Safety Metrics

PER ONE MILLION HOURS WORKED	2024	2023	2022	2021	2020
Lost-time injury frequency rate for employees[1]	0.4	0.4	0.0	0.0	0.0
Occupational illness frequency rate for employees[1]	0.0	0.0	0.0	0.8	0.0
Number of work-related fatalities for employees and contractors	0.0	0.0	0.0	0.0	0.0

[1] Frequency Rate = (Number of Reported Incidents x 200,000) / Productive Hours Worked. This is a common formula used to calculate this metric.

Fundraising and Volunteering

	2024	2023	2022	2021	2020
Amount Donated ($)[2]	860,000	610,000	629,400	405,000	350,000
Hours Volunteered	1,147	1,435	1,240	1,290	1,330
Average Volunteer Hours per Colleague[3]	4.3	5.1	4.4	4.4	4.9

[2] Includes a portion of funds from George Weston Limited's matching program.
[3] This metric is calculated using the annual average of active colleagues.

Appendix D: SASB Index

ESG TOPIC	SASB CODE	ACCOUNTING METRIC	DEVIATION FROM SASB	METRIC AND LOCATION OF MORE INFORMATION	DISCLOSURE/LOCATION
Energy Management	**IF-RE-130a.1**	Energy consumption data coverage as a percentage of total floor area, by property sector.	No deviation from SASB metric. Where directly measured utility data is unavailable, it has been estimated. Refer to **"Understanding Emissions and Energy Data"** and **"Emissions and Energy Data Coverage"** sections of Appendix B for more information.	Energy and emissions data presented in this report represent 100% of our retail, industrial, and mixed-use and residential asset classes.	Page 67
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property sector.	Energy reported as eGWh (3) Includes renewable energy certificates purchased by Choice Properties allocated to Choice Properties' landlord-controlled energy. Not included here is the sum of renewable energy inherently supplied within the relevant electricity grid.	**Asset Class** / **(1) Consumption (eGWh)** / **Data Coverage %** (See IF-RE-130a.1 above) / **(2) % Grid Electricity** / **(3) % Renewable** **Retail** 2114.61 100% 69.54% 0.68% **Industrial** 331.34 100% 55.80% 0.24% **Mixed Use & Residential** 57.03 100% 57.65% 0.35% **Total** 2502.98 100% 67.45% 0.61%	Pages 58, 69, 70
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector.	No deviation from SASB metric	**Asset Class** / **% Change in Energy Consumption** (2024 vs. 2023) / **Data Coverage %** (See IF-RE-130a.1 above) **Retail** -0.67% 100% **Industrial** 3.51% 100% **Mixed Use & Residential** -5.66% 100% **Total** -0.25% 100%	Pages 58, 69
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector.	No deviation from SASB metric	(1) No Choice Properties have an energy rating (0%) (2) No Choice Properties are ENERGY STAR certified (0%)	

Appendix D: SASB Index (continued)

<table>
<tr><th>ESG TOPIC</th><th>SASB CODE</th><th>ACCOUNTING METRIC</th><th>DEVIATION FROM SASB</th><th>METRIC AND LOCATION OF MORE INFORMATION</th><th>DISCLOSURE/LOCATION</th></tr>
<tr><td>Energy Management</td><td>IF-RE-130a.5</td><td>Description of how building energy management considerations are integrated into property investment analysis and operational strategy.</td><td>No deviation from SASB metric</td><td>See “Appendix E – TCFD Disclosure”</td><td>Page 83 - 86</td></tr>
<tr><td rowspan="2">Water Management</td><td>IF-RE-140a.1</td><td>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 sector.</td><td>We have presented data coverage for water consumption as a percentage of the total water accounts within Choice Properties’ operational control.</td><td>Water data presented in this report represent 100% of our retail, industrial, and mixed-use and residential asset classes where we have operational control excluding water use in vacant units.</td><td>Pages 58, 71</td></tr>
<tr><td>IF-RE-140a.2</td><td>(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector.</td><td>(1) Description of data coverage in IF-RE-140a.1 above, and within “Environmental Data / Appendix B – Water / Understanding Water Data”

(2) Choice Properties used data from our 2020-2021 climate risk analysis, which incorporated climate data provided by a reputable third-party source. Properties included in the calculation are located in areas that experience or will experience very high drought stress by 2050 assuming global temperatures rise at a rate consistent with RCP8.5.</td><td><table><tr><th>Asset Class</th><th>Consumption (thousand m³)</th><th>Data Coverage % (See IF-RE-140a.1 above)</th></tr><tr><td>Retail</td><td>934.48</td><td>100%</td></tr><tr><td>Industrial</td><td>144.29</td><td>100%</td></tr><tr><td>Mixed Use & Residential</td><td>72.00</td><td>100%</td></tr><tr><td>Total</td><td>1150.77</td><td>100%</td></tr></table>
(2) Nine retail properties were deemed to be in areas of high water stress. No properties were in areas of very high water stress. Water consumption within Choice Properties operational control from these properties represents 1.7% of Choice Properties 2024 retail water consumption and 1.4% of Choice Properties 2024 total water consumption.</td><td>Page 71</td></tr>
</table>

Appendix D: SASB Index (continued)

ESG TOPIC	SASB CODE	ACCOUNTING METRIC	DEVIATION FROM SASB	METRIC AND LOCATION OF MORE INFORMATION	DISCLOSURE/LOCATION
Water Management	**IF-RE-140a.3**	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector.	No deviation from SASB metric	**Asset Class** / **% Change in Water Consumption** (2024 vs. 2023) / **Data Coverage %** (See IF-RE-130a.1) **Retail** -0.07% 100% **Industrial** -4.23% 100% **Mixed Use & Residential** -27.35% 100% **Total** -2.88% 100%	Page 71
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks.	N/A	The primary water management risks are access and quality. Choice Properties' Physical Risk Assessment discussed in **"Appendices and Data / Appendix E – TCFD Disclosure"** did not identify drought as a common climate-related risk. Water management strategies and practices are discussed in **"Environment / Water and Waste"**	Pages 24, 83
Management of Tenant Sustainability Impacts	**IF-RE-410a.1**	(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 sector.	(1) % Not currently tracked (2) Not currently tracked	(1) See **"Environmental / Emissions and Energy / Green Lease Clauses"** (2) Not currently tracked	Page 23
	IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector.	(1) % Not currently tracked (2) % Not currently tracked	(1) Description of coverage in **"Environmental Data / Appendix B – Energy / Understanding Emissions and Energy Data"** (2) Description of coverage in **"Environmental Data / Appendix B – Water / Understanding Water Data"**	Pages 64, 71
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants.	No deviation from SASB metric	See **"Social / Tenant and Supplier Engagement"** and **"Environmental / Emissions and Energy / Green Lease Clauses"**	Pages 23, 48

Appendix D: SASB Index (continued)

ESG TOPIC	SASB CODE	ACCOUNTING METRIC	DEVIATION FROM SASB	METRIC AND LOCATION OF MORE INFORMATION	DISCLOSURE/LOCATION
Climate Change Adaptation	**IF-RE-450a.1**	Area of properties located in 100-year flood zones, by property sector.	No deviation from SASB metric	**Asset Class** / **Area (thousands sq. ft.)** / **% of Asset Class** **Retail** 4,001 9.10% **Industrial** 600 3.15% **Mixed Use & Residential** 59 4.87% **Total** 4,660 7.25%	Page 84
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks.	No deviation from SASB metric	See **"Appendices and Data / Appendix E – TCFD Disclosure"**	
Activity Metrics	**IF-RE-000.A**	Number of assets, by property sector.	No deviation from SASB metric	**Asset Class** / **Number of Assets** **Retail** 570 **Industrial** 124 **Mixed Use & Residential** 11 **Total** 705	Page 3

Appendix D: SASB Index (continued)

ESG TOPIC	SASB CODE	ACCOUNTING METRIC	DEVIATION FROM SASB	METRIC AND LOCATION OF MORE INFORMATION		DISCLOSURE/LOCATION
Activity Metrics	**IF-RE-000.B**	Leasable floor area, by property sector.	No deviation from SASB metric	**Asset Class**	**Area (millions sq. ft)** [i]	Page 3
				Retail	44.5	
				Industrial	20.9	
				Mixed Use & Residential [ii]	1.8	
				Total	67.2	
				(i) At ownership share. Includes 2.8 million sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases. (ii) 1.8 million sq. ft. of GLA includes 0.7 million sq. ft. associated with Choice Properties' 923 residential units.		
	IF-RE-000.C	Percentage of indirectly managed assets, by property sector.	No deviation from SASB metric	**Asset Class**	**Indirectly Managed (%)**	N/A
				Retail	34.4%	
				Industrial	64.0%	
				Mixed Use & Residential	29.6%	
				These values reflect SASB's definition of "indirect management" and are calculated at 100% share.		
	IF-RE-000.D	Average occupancy rate, by property sector.	No deviation from SASB metric	**Asset Class**	**Occupancy (%)**	Page 3
				Retail	97.6%	
				Industrial	97.9%	
				Mixed Use & Residential [i]	94.1%	
				Total	97.6%	
				(i) Occupancy shown for retail and office portion of mixed-use properties; residential units are excluded.		

Appendix E: TCFD Disclosure

Choice Properties recognizes the importance of providing transparency to stakeholders in relation to climate change risk. The Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) published a widely adopted framework in 2017 for reporting climate-related risks which continues to be widely used today. This appendix outlines Choice Properties' climate change risk management program, aligned to the four elements of the TCFD Recommendations: governance, strategy, risk management, and metrics and targets.



Climate Risk Governance

The Board of Trustees oversees Choice Properties' Enterprise Risk Management program, which identifies and manages risks relevant to Choice Properties, including climate change risks. The executive team oversees the ESG program day-to-day, including the evaluation and management of risks stemming from climate change. This oversight is facilitated through the ESG Steering Committee and ESG working groups described in the ESG Program Governance section of this report. The mandates of the ESG working groups include discussion of climate-related risks and opportunities as they relate to the associated business areas. Identification of climate-related risks and opportunities is also a core function of the dedicated ESG team, who report to the CEO via the VP, Sustainability and Placemaking who reports directly to the President and CEO.



Climate Strategy

Choice Properties faces environmental risks that could, directly or indirectly, negatively impact the Trust's reputation, operations or performance over the short or long term, including risks related to climate change. Choice Properties defines climate-related risk as the risk of loss, either directly through financial loss or indirectly through reputational damage, resulting from the inability or failure to adequately prepare for the impacts from climate change or the transition to a lower carbon economy. Choice Properties may be exposed to the impact of events caused by climate change, such as natural disasters, severe weather events, floods, forest fires and rising sea levels. Such events could interrupt Choice Properties' operations and activities, damage its properties and require Choice Properties to incur additional expenses to recover or repair properties from a natural disaster and inclement weather. Choice Properties' financial position and results from operations could be adversely affected by the materialization of any of the risks identified herein related to climate change.

Furthermore, as a real estate property owner and manager, Choice Properties faces the risk that its properties will be subject to government initiatives and reforms aimed at countering climate change, such as transitioning to a low-carbon economy and may entail extensive changes to policies, regulations and technologies to address mitigation and adaptation efforts. Choice Properties may require operational changes and/or incur financial costs to comply with various reforms. Any failure to adhere and adapt to climate change could result in fines or adversely affect Choice Properties' reputation, operations or financial performance.

We identify short-term climate risks as those occurring within the next one to five years, medium-term as five to ten years and long-term risks as those occurring after ten or more years. Further potential risks stemming from climate change are detailed within the table "Climate Change Risks".

Choice has been addressing climate-related risks for several years, and formally since the formation of the ESG Steering Committee in 2018. Property-specific projects related to energy efficiency and decarbonization are typically prioritized on the basis of financial return and environmental impact. Management may also pursue projects that have been brought forth by the ESG Steering Committee which address climate-related opportunities or risks and align with Choice's strategy and ESG-related targets. Capital projects that deliver cost savings to tenants may be recovered through green lease clauses, and are resourced through property capital and leasing expenditures. Portfolio-wide strategic work related to climate risks and opportunities is resourced through General and Administrative expenses.

In 2023, we completed asset-specific low-greenhouse-gas transition plans for our entire portfolio of operating properties. These plans identify at a preliminary level the upgrades and replacements necessary to make progress towards Choice's net-zero targets. The outputs of these transition plans include capital costing plans that may be integrated into the Trust's capital planning program. There are several uncertainties associated with these analyses including emissions forecasting from electricity grids, utility costs, material costs and availability, labour costs, available incentives, and tenants' adoption of and adherence to their own net-zero targets. The capital cost plans are subject to change as uncertainties and/or assumptions are modified to reflect updated information as it becomes available.



Management of Climate Risks and Opportunities

The Trust uses stakeholder engagement, a dedicated ESG team, the groups and structures outlined within the ESG Governance and ESG Program Management sections of this report, as well as the Trust's ERM function to identify, assess, and integrate the management of identified risks into the organization's overall risk management program.

Transition-related climate risks are managed through our operations and development programs described on pages 22-28 of this report.

Physical climate risks at income-producing properties are currently managed through property condition assessments, capital improvements, and environmental health and safety inspections. Developments utilize environmental assessments and building certifications (i.e., Toronto Green Standard, Tier 2) to manage physical and transition climate-related risks. New acquisitions utilize due diligence checklists, property condition assessments and environmental inspections to mitigate risks.

We also mitigate physical climate-related risks through the purchase of insurance policies to cover our assets in the event of property damage arising from a climate-related event.

With respect to our principal tenant, Loblaw, we insure our assets to not less than the full replacement value of any premises leased to Loblaw. Loblaw must maintain business interruption insurance for an indemnity period of not less than 12 months, in the case of retail premises, or not less than 15 months, in the case of industrial or office premises.

Choice Properties completed a comprehensive physical climate risk assessment for its entire portfolio of standing assets and active developments in 2021. The desired outcome of this assessment was to screen our properties to identify those with exposure to extreme weather today and in the future. We partnered with a global market-leading climate data provider to understand physical climate risk for our properties based on their geolocation and projected climate-related data.

With the data provided, we were able to analyze:

- Seven forward-looking climate change risks (precipitation stress, riverine floods, tropical cyclone, drought, wildfires, heat stress and sea level rise);
- Seven current climate risks (earthquake, extratropical (winter) storms, flash floods, hail, storm surges, tornados and tsunamis);
- The above risks along three climate scenarios from the United Nations International Panel on Climate Change (RCP 2.6, RCP 4.5 and RCP 8.5, which are representation concentration pathway scenarios predicting a rise in global mean temperature by the end of the 21st century of <2°C, between 2°C and 4°C, and >4°C, respectively); and
- Each of the above risks and climate scenarios along 3 timeframes (current, 2050 and 2100).

Our assessment focuses its results on the RCP 8.5 climate scenario with the 2050 timeframe. Choice Properties believes 2050 is a realistic time horizon to use for Choice Properties' business operations, and RCP 8.5 represents a "business-as-usual" climate scenario, though it should be noted that the difference in climate impacts between RCP 2.6 and RCP 8.5 is not significant in 2050; the differing climate impacts diverge in the half decade that follows 2050.

In 2021, we began implementing the findings of the assessment, as described in the Physical Resilience section of this report.



Metrics and Targets

To enable our stakeholders to consider and compare our reporting, we compile and align our outputs in line with the Sustainability Accounting Standards Board.

Choice Properties discloses metrics related to physical and transition climate risks annually through its ESG Report. These metrics include energy consumption, greenhouse gas emissions (Scopes 1 and 2 and select Scope 3 categories), and exposure to flood plains. Choice Properties has set greenhouse gas reduction targets, through the Science Based Targets initiative's Net-Zero Standard which align with a 1.5°C future so that Choice Properties may minimize its risk exposure to climate change within our portfolio.

Climate Change Risks and Opportunities

	SHORT AND MEDIUM-TERM	HOW CHOICE'S STRATEGY IS IMPACTED
Transition Risks	• Increasing utility costs • Carbon pricing • Regional regulations facilitating zero carbon planning • Changing tenant demand for assets in response to changing cost of utilities, carbon pricing, or regional regulations	• Choice Properties has adopted net-zero targets, continues to implement efficiency upgrades, and has begun asset-specific transition planning to adapt to increasing costs associated with utilities and emissions as well as regulations facilitating carbon reduction. • Choice Properties has a diversified portfolio throughout Canada and Choice Properties' Asset Management function is represented within Choice Properties' ESG Steering Committee. Net-zero planning and tenant engagement consider these risks.
Transition Opportunities	• Investment in on-site renewables • Investment in efficiency measures • Energy procurement strategy • Support for electric vehicles	• Choice Properties' Pathway to Net Zero Report outlines Choice's response to the identified transition opportunities. Further information is also available in the Emissions and Energy section of this report. Choice is investing in the exploration of on-site renewable opportunities and actively pursuing efficiency opportunities, support for electric vehicles, and energy procurement strategies.
Physical Risks (natural disaster or serious weather conditions)	• Business interruption • Unscheduled repairs • Construction delays • Increased utility demand and costs	• Choice Properties mitigates these risks through insurance, property condition assessments as well as capital improvement planning based on the property condition assessments. Further, we have begun to incorporate physical risks into the transactions process.
Physical Opportunities	• Low exposure of portfolio to short-and medium-term physical risks creates inherent resilience	• Choice Properties has begun to incorporate physical risks into the transactions process.

Climate Change Risks and Opportunities – Continued

	LONG TERM	IMPACT TO CHOICE'S STRATEGY
Transition Risks	• Pressure on tenants' business sectors • Changing visitor behaviour • Further policy and regulation shifts	• Choice Properties has adopted net-zero targets, continues to implement efficiency upgrades, and has begun asset-specific transition planning to adapt to increasing costs associated with utilities and emissions as well as regulations facilitating carbon reduction. • Choice Properties has a diversified portfolio throughout Canada and our Asset Management function is represented within Choice Properties' ESG Steering Committee. Net-zero planning and tenant engagement consider these risks. • Choice Properties' ESG Team works to identify policy and regulation shifts that may affect our strategy over the long term through participation in industry groups and ongoing education. These are managed through the work of the ESG Steering Committee.
Transition Opportunities	• Outperformance of carbon-efficient assets • Availability of net-zero-ready assets	• Choice Properties' Pathway to Net Zero Report outlines our response to the identified transition opportunities. Further information is also available in the Emissions and Energy and Low-Carbon Developments sections of this report. When major renovations are required to increase performance, opportunities exist to coordinate these with existing capital planning and replacement projects.
Physical Risks (natural disaster or serious weather conditions)	• Changes in insurance coverage • Tenant turnover • Obsolescence of equipment	• Choice Properties has begun to incorporate physical risks into the transactions process.
Physical Opportunities	• Availability of resilient assets	• Choice Properties has begun to incorporate physical risks into the transactions process.

Appendix F: United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals ("UN SDGs") are 17 goals that provide an outline to global peace and prosperity while preserving nature and addressing climate change. Our ESG program most directly aligns with several goals (and targets established under those goals) as outlined in the table to the right and elsewhere in our ESG report.

SUSTAINABLE DEVELOPMENT GOAL	RELEVANT SDG TARGETS	CHOICE ESG PROGRAM ALIGNMENT
3: Good Health and Well-Being	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution, and contamination	See **"Environmental / Environmental and Occupational Health and Safety"**
5: Gender Equality	5.1 End all forms of discrimination against all women and girls everywhere 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	See **"Social / Diversity, Equity and Inclusion"**
6: Clean Water and Sanitation	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of fresh water to address water scarcity and substantially reduce the number of people suffering from water scarcity	See **"Environmental / Water and Waste"**
7: Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix	See **"Environmental"** and **"Environmental / Low-Carbon Developments"**
8: Decent Work and Economic Growth	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	See **"Environmental / Low-Carbon Developments"** and **"Social / Diversity, Equity and Inclusion"** as well as Choice's **"Pathway to Net Zero"** report
9: Industry, Innovation and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	See **"Environmental / Emissions and Energy"** and **"Environmental / Low-Carbon Developments"**
11: Sustainable Cities and Communities	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries 11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities	See **"Environmental / Low-Carbon Developments"** and **"Social / Community-Focused Development"**
12: Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	See **"Environmental / Water and Waste"**
13: Climate Action	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	See **"Environmental / Physical Resilience"** and **"Appendix E - TCFD Disclosure"**

Appendix G: Stakeholder Engagement

STAKEHOLDER GROUP	ENGAGEMENT CHANNELS	IDENTIFIED PRIORITIES	WHY WE ENGAGE
Unitholders and Investor Groups	• Annual General Meeting of Unitholders • Quarterly conference calls • Direct investor engagements and meetings • Website • Materiality assessment • News releases • Mailing list • Investor conferences • Dedicated Investor Relations email address • CDP and other ESG rating/ranking organizations	• Stability & financial returns • Corporate governance • Ethics & compliance • Climate action • Diversity, equity and inclusion • Cybersecurity	• To understand and address investor expectations • To build trust in the organization • To strengthen capital access
Tenants	• Meetings with tenants • Website • Materiality assessment • Tenant Portal (C3) & 24/7 phone line • Satisfaction surveys • ESG guidebook	• Physical and service enhancements • Lower operating costs and improved efficiencies • Response time • Occupant comfort • Flexibility	• Our business is dependent on our tenants • By responding to tenant needs and collaborating with our tenants, we increase tenant satisfaction and tenant retention • Understanding our tenants enables more innovative and relevant product offerings
Colleagues	• Bi-weekly updates from the CEO • Quarterly colleague results calls & semi-annual town halls • Events steered by colleague-led committees • Annual performance reviews & individual development plans • “Tell It As It Is” colleague engagement survey • Lunch & Learns • Company-wide training platform & training sessions • Intranet & colleague resource groups	• Communication • Health and wellness • Purpose of organization • Growth opportunities • Job security and remuneration • Flexibility • Diversity, equity and inclusion • Blue Culture concepts training	• Our colleagues are fundamental to delivering high-quality service • Colleague retention, motivation and productivity increase with engagement • Our colleagues bring varied experiences and perspectives • To be rooted in respectful, collaborative, present and effective colleague relations is imperative
Community	• Social Impact team and Choice Cares program • Website • Materiality assessment • Social media • Urban planning forums • Development-specific websites and Community Idea Centres • Placemaking	• Development projects • Housing supply • Access to necessity-based items • Support of local and small businesses • Promote accessibility	• To understand the communities we operate in and foster relationships • To contribute to the development of the communities in which we operate • To identify and respond to community-specific needs with a focus on strengthening them to prosper
Industry	• Participation in industry functions and conferences • Participation in industry associations and committees • Sponsorship of industry events • Website • Materiality assessment	• Advocating for the sector • Understanding industry-wide trends & issues • Diversity, equity and inclusion	• To share ideas and best practices • To build knowledge • To identify and engage in industry-wide initiatives

Appendix H: Independent practitioner's limited assurance report on Choice Properties Real Estate Investment Trust and its subsidiaries' select performance metrics as detailed within the Choice Properties 2024 Environmental, Social and Governance Report

To the Board of Trustees of Choice Properties Real Estate Investment Trust and its subsidiaries

We have conducted a limited assurance engagement on the select performance metrics, including the greenhouse gas emissions performance metrics, as detailed in Exhibit 1, of Choice Properties included in the Choice Properties 2024 Environmental, Social and Governance Report (the "select performance metrics") as at December 31, 2024 and for the year then ended.

Responsibilities for the select performance metrics

Management of Choice Properties is responsible for:

- the preparation of the select performance metrics in accordance with the applicable criteria, as detailed in Exhibit 1 (the applicable criteria);
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the select performance metrics, in accordance with the applicable criteria, that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the select performance metrics
Non-financial data is subject to more limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standard Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the select performance metrics are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the select performance metrics.

We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* (CSAE 3000) and International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (ISAE 3000 (Revised)), and, in respect of the greenhouse gas emissions performance metrics, Canadian Standard on Assurance Engagements (CSAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the Auditing and Assurance Standards Board (CSAE 3410), and International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410), issued by the International Auditing and Assurance Standards Board.

As part of a limited assurance engagement in accordance with CSAE 3000 and ISAE 3000 (Revised) and CSAE 3410 and ISAE 3410, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of Choice Properties' use of the applicable criteria as the basis for the preparation of the select performance metrics.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of Choice Properties' internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the select performance metrics. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the select performance metrics. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgment, including the identification of where material misstatements are likely to arise in the select performance metrics, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- obtained an understanding of Choice Properties' reporting processes relevant to the preparation of its select performance metrics by:
  - inquiring with those within the entity involved in preparing the select performance metrics;
  - inspecting relevant documentation relating to Choice Properties' reporting processes;
- evaluated whether all information identified by the process to identify the information reported in the select performance metrics is included in the select performance metrics;
- performed inquiries of relevant personnel and analytical procedures on selected information in the select performance metrics;
- performed substantive assurance procedures on selected information in the select performance metrics;
- evaluated the appropriateness of quantification methods and reporting policies;
- evaluated the methods, assumptions and data for developing estimates; and
- reviewed the select performance metrics disclosure in the Choice Properties 2024 Environmental, Social and Governance Report, the SASB index and appendices to ensure consistency with our understanding and the procedures performed.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the select performance metrics as at December 31, 2024 and for the year then ended are not prepared, in all material respects, in accordance with the applicable criteria.

Restriction on use

Our report has been prepared for the Board of Trustees of Choice Properties for the purpose of assisting management in reporting to the Board of Trustees on its select performance metrics. The select performance metrics therefore may not be suitable, and are not to be used, for any other purpose. Our report is intended solely for Choice Properties.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants
Toronto, Ontario
23rd April, 2025

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500,
Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215, ca_toronto_18_york_fax@pwc.com,
www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Exhibit 1

The limited assurance engagement was performed on the following selected performance metrics as at December 31, 2024 and for the year then ended:

PERFORMANCE INDICATOR	CRITERIA	2024 VALUE	REPORT PAGE(S)
Total water consumed (thousand m^3) **(For the year ended December 31, 2024)**	SASB IF-RE-140a.2 as referenced within the 2024 Environmental, Social & Governance Report. Data includes retail, industrial, mixed-use & residential asset classes.	1,150.77	58, 71
Total waste generation (tonnes) **(For the year ended December 31, 2024)**	Management's internally developed criteria: Total waste generated within Choice's operational control with data coverage as disclosed in the 2024 Environmental Social & Governance Report. Data includes retail, industrial, mixed-use & residential asset classes.	13,221.22	59, 73
Total landlord controlled energy consumption (eGWh) **(For the year ended December 31, 2024)**	SASB IF-RE-130a.2 as referenced within the 2024 Environmental, Social & Governance Report. Data includes retail, industrial, mixed-use & residential asset classes.	70.57	58, 69
Greenhouse gas emissions – Scope 1 (thousand tCO_2e) **(For the year ended December 31, 2024)**	Quantification methodology for Scope 1 emissions is aligned with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard as stated within the 2024 Environmental, Social & Governance Report. Data includes retail, industrial, mixed-use & residential asset classes. Management's internally developed criteria has been used for emission factors. Emission factors used are from the 2024 National Inventory Report (NIR) published by Environment and Climate Change Canada (ECCC).	5.15	58, 68
Greenhouse gas emissions – Scope 2 – Location Based (thousand tCO_2e) **(For the year ended December 31, 2024)**	Quantification methodology for Scope 2 emissions is aligned with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard as stated within the 2024 Environmental, Social and Governance Report. Data includes retail, industrial, mixed-use & residential asset classes. Management's internally developed criteria has been used for emission factors. Emission factors used are from the 2024 National Inventory Report (NIR) published by Environment and Climate Change Canada (ECCC).	5.28	58, 68
Greenhouse gas emissions – Scope 2 – Market Based (thousand tCO_2e) **(For the year ended December 31, 2024)**	Quantification methodology for Scope 2 emissions is aligned with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard as stated within the 2024 Environmental, Social & Governance Report. Data includes retail, industrial, mixed-use & residential asset classes. Management's internally developed criteria has been used for emission factors. Emission factors used are from the 2024 National Inventory Report (NIR) published by Environment and Climate Change Canada (ECCC).	1.21	58, 68
Representation of women amongst Board of Trustees **(As at December 31, 2024)**	Management's internally developed criteria: The number of Board of Trustees who self-identify as women divided by the total number of Board of Trustees.	50.0%	9, 40, 60, 63, 74

Exhibit 1 – Continued

The limited assurance engagement was performed on the following selected performance metrics as at December 31, 2024 and for the year then ended:

PERFORMANCE INDICATOR	CRITERIA	2024 VALUE	REPORT PAGE(S)
Representation of women amongst Executives **(As at December 31, 2024)**	Management's internally developed criteria: The number of Executives who self-identify as women divided by the total number of Executives. Executive is defined as colleagues with the title of Vice President or higher.	52.9%	9, 40, 60, 74
Representation of women amongst Senior Management **(As at December 31, 2024)**	Management's internally developed criteria: The number of Senior Management who self-identify as women divided by the total number of individuals classified as Senior Management. Senior Management is defined as colleagues with the title of Senior Manager, Director, Senior Director or Associate Vice President.	60.7%	9, 40, 60, 74
Representation of women amongst Colleagues **(As at December 31, 2024)**	Management's internally developed criteria: The number of Colleagues who self-identify as women divided by the total number of Colleagues. Colleagues are defined as employees that are not defined as Executive or Senior Management.	63.5%	40, 60, 74
Representation of visible minorities amongst Board of Trustees **(As at December 31, 2024)**	Management's internally developed criteria: The number of Board of Trustees who self-identify as a visible minority divided by the total number of Board of Trustees. Visible minority is defined as a non-Caucasian individual.	20.0%	9, 40, 60, 74
Representation of visible minorities amongst Executives **(As at December 31, 2024)**	Management's internally developed criteria: The number of Executives who self-identify as a visible minority divided by the total number of Executives. Executive is defined as colleagues with the title of Vice President or higher. Visible minority is defined as a non-Caucasian individual.	17.7%	9, 40, 60, 74
Representation of visible minorities amongst Senior Management **(As at December 31, 2024)**	Management's internally developed criteria: The number of Senior Management individuals who self-identify as a visible minority divided by the total number of individuals classified as Senior Management. Senior Management is defined as colleagues with the title of Senior Manager, Director, Senior Director or Associate Vice President. Visible minority is defined as a non-Caucasian individual.	26.2%	9, 40, 60, 74
Representation of visible minorities amongst Colleagues **(As at December 31, 2024)**	Management's internally developed criteria: The number of Colleagues who self-identify as a visible minority divided by the total number Colleagues. Colleagues are defined as employees that are not defined as Executive or Senior Management. Visible minority is defined as a non-Caucasian individual.	37.7%	40, 60, 74

Choice Properties
The Weston Centre
700-22 St. Clair Avenue East
Toronto, ON Canada
M4T 2S5

Tel: 416-628-7771
choicereit.ca



GEORGE WESTON LIMITED

22 St Clair Ave E,
Toronto, ON M4T 2S5

Tel: (416) 922-2500
www.weston.ca