

2022 ESG Report

Creating value for our stakeholders
in over 130 Canadian communities.





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Letter from our President & CEO

Welcome to Plaza Retail REIT’s first environmental, social and governance (“ESG”) report — a milestone in our ESG journey and a demonstration of our team’s dedication, hands-on approach and continued presence in our communities.

At Plaza, we pride ourselves on our ability to adapt quickly to change and identify the inherent opportunities that change presents. The past year posed challenges related to the pandemic recovery and the impacts of climate change—among other uncertainties. More than ever, we believe that addressing ESG supports value creation and facilitates success for all our stakeholders—including our colleagues, retailers, investors, suppliers and the communities we serve.

This past year was one of growth and learning for our team. We advanced existing ESG initiatives and implemented new ones, setting the foundation for strong ESG performance moving forward.

Managing and understanding our environmental impact

Despite global supply chain issues, we continue to complete LED lighting retrofits and aim to continue this program in 2023 and beyond. We also conducted our first greenhouse gas (GHG) emissions inventory, enabling us to have a better understanding of our portfolio’s environmental impact. These results will inform our own GHG reduction efforts and our conversations with retailers to understand how we can collaborate on sustainability initiatives.

Expanding our capacity for diversity, equity and inclusion (DEI)

We launched our DEI program with training for employees on the fundamentals of DEI and why it is so important in the workplace. We also continued to deliver our Women@Plaza program with a number of engaging professional development and lifestyle events, fundraising and donations, and the presentation of our inaugural Women@Plaza recognition award. Moving forward, we plan to advance our corporate DEI strategy and capacity-building initiatives. We will continue to provide training, launch our DEI employee survey and develop a DEI policy and action plan in response to the DEI survey results. We also plan to expand Women@Plaza’s initiatives, including by introducing a mentorship program for women at all levels of their careers within Plaza.

Building a strong ESG governance foundation

As we advance on our ESG journey, we continue to strengthen our ESG governance structure. Formed in 2021, our Responsibility & Sustainability Committee — comprised of executives, senior management and other employees from various departments and offices — is primarily responsible for setting the direction of Plaza’s ESG programs, with oversight from Plaza’s board of trustees (the “Board”). This year was foundational for the Committee, as we focused on building our colleagues’ knowledge of ESG and its importance to our business. Moving forward, the Committee will continue to expand its ESG knowledge and Plaza’s ESG programs.

Putting community first

In September 2022, Hurricane Fiona impacted several of our properties in Atlantic Canada. In anticipation of the storm, our team worked hard to prepare our properties, gather supplies and communicate with our retailers. Afterwards, our colleagues — many of whom were experiencing damage and power loss at their own homes — responded swiftly to support our retailers to recover and resume normal operations. Within a few days, our retailers were able to safely re-open to the public. I would like to extend my gratitude to the Plaza team on the front lines of the response, who demonstrated our commitment to our retailers and communities.

Although we are early in our journey, I am proud of the significant strides we have made to establish a solid foundation for our ESG programs, capacity-building and governance. The past year has reaffirmed to us that incorporating ESG into our business makes us a more inclusive employer, a better partner for our retailers and a more engaged member of our communities. I look forward to seeing what we accomplish in 2023 and reporting back to you next year.

“

More than ever, we believe that addressing ESG supports value creation and facilitates success for all our stakeholders — including our colleagues, retailers, investors, suppliers and the communities we serve.



A handwritten signature in dark ink, appearing to read 'Michael Zakuta'.

Michael Zakuta
President, Chief Executive
Officer and Trustee

About this Report

This inaugural ESG report, published by Plaza Retail REIT (“Plaza”), provides information on Plaza’s approach to environmental, social and governance factors. It also includes commentary on our corporate ESG initiatives and activities undertaken or completed in the reporting period (January 1, 2022 – December 31, 2022) unless otherwise stated. The intended audience for this report is our stakeholders, including colleagues, retailers, investors, suppliers and communities in which Plaza operates.

This report includes all properties owned by Plaza during the reporting period, including those owned for part of the year and regardless of Plaza’s ownership interest. Where available, 2021 environmental performance data is included to demonstrate year-over-year comparisons.

The performance data contained within this report was reviewed internally. As we advance our ESG approach, we will consider independent review of our environmental performance data in line with global reporting standards, as well as areas of importance to our key stakeholders.

This report includes indicators from the Sustainability Accounting Standards Board (SASB) Real Estate Standard and incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). It also includes references to the Global Reporting Initiative (GRI). Please see the report [appendix](#) for reference tables.

Throughout this report, references to “Plaza REIT,” “Plaza,” “the Trust,” “we,” “our,” “us,” or similar terms refer to Plaza Retail REIT.

Contact Us

We welcome questions and feedback related to this report. Please contact ESG@plaza.ca. For more information about ESG at Plaza, please visit our website at plaza.ca.

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



About Plaza Retail REIT

Our Purpose

Headquartered in Fredericton, New Brunswick, Plaza is a leading owner, developer and redeveloper of retail properties focused on Ontario, Québec and Atlantic Canada. Throughout our 24-year history as a publicly listed entity (TSX: PLZ.UN), our focus has always been on the creation of long-term sustainable growth for our unitholders. Our management structure is fully internalized, enabling us to develop, redevelop, lease and manage properties using in-house resources.

Our portfolio is comprised primarily of open-air centres and stand-alone retail occupied by leading national retailers. As one of Canada's preeminent property owners, developers and managers of retail real estate, we are proud to support the long-term prosperity of our investors, retailers, colleagues, suppliers and the communities we serve.

Plaza Overview

\$1.3 BILLION

Total assets

(with an additional \$0.6 billion under management)

8.8 MILLION

Gross Leasable Area (sq. ft.)

97.5%

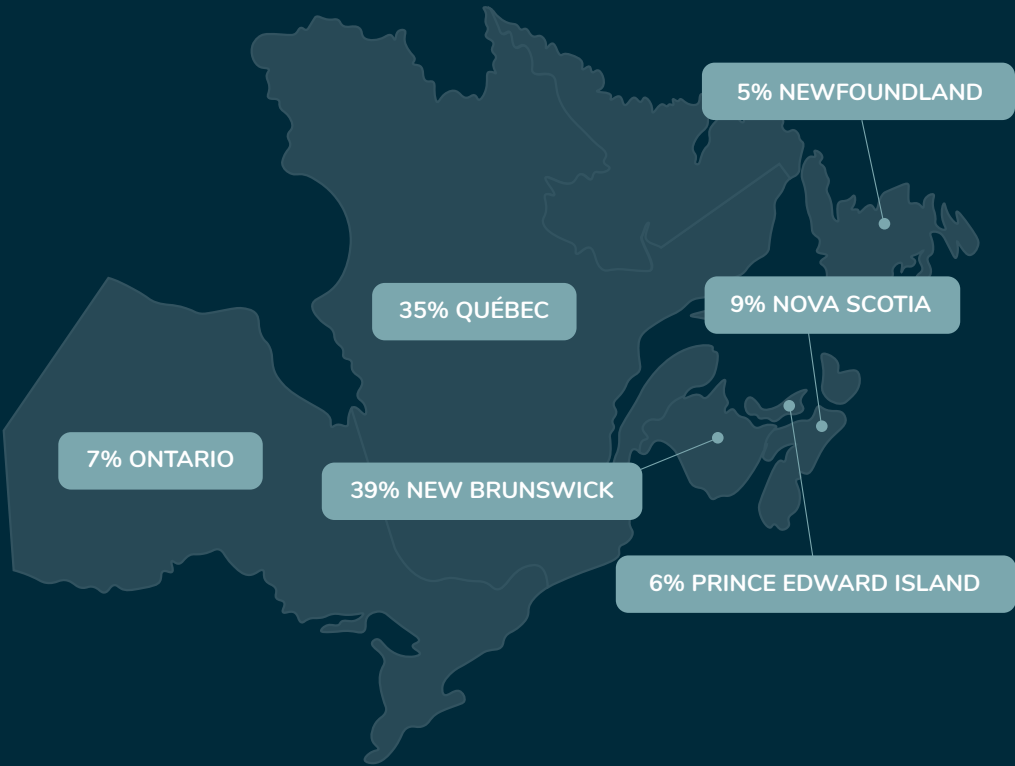
Committed Occupancy

(as of December 31, 2022)

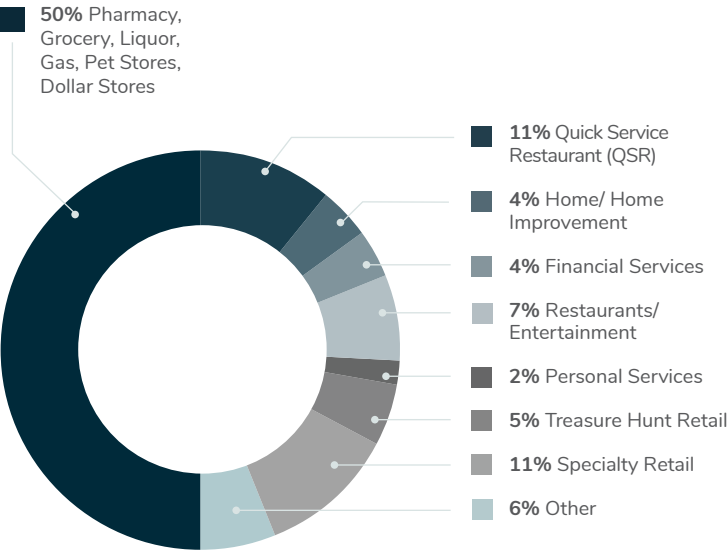
109

Number of employees

(as of December 31, 2022)



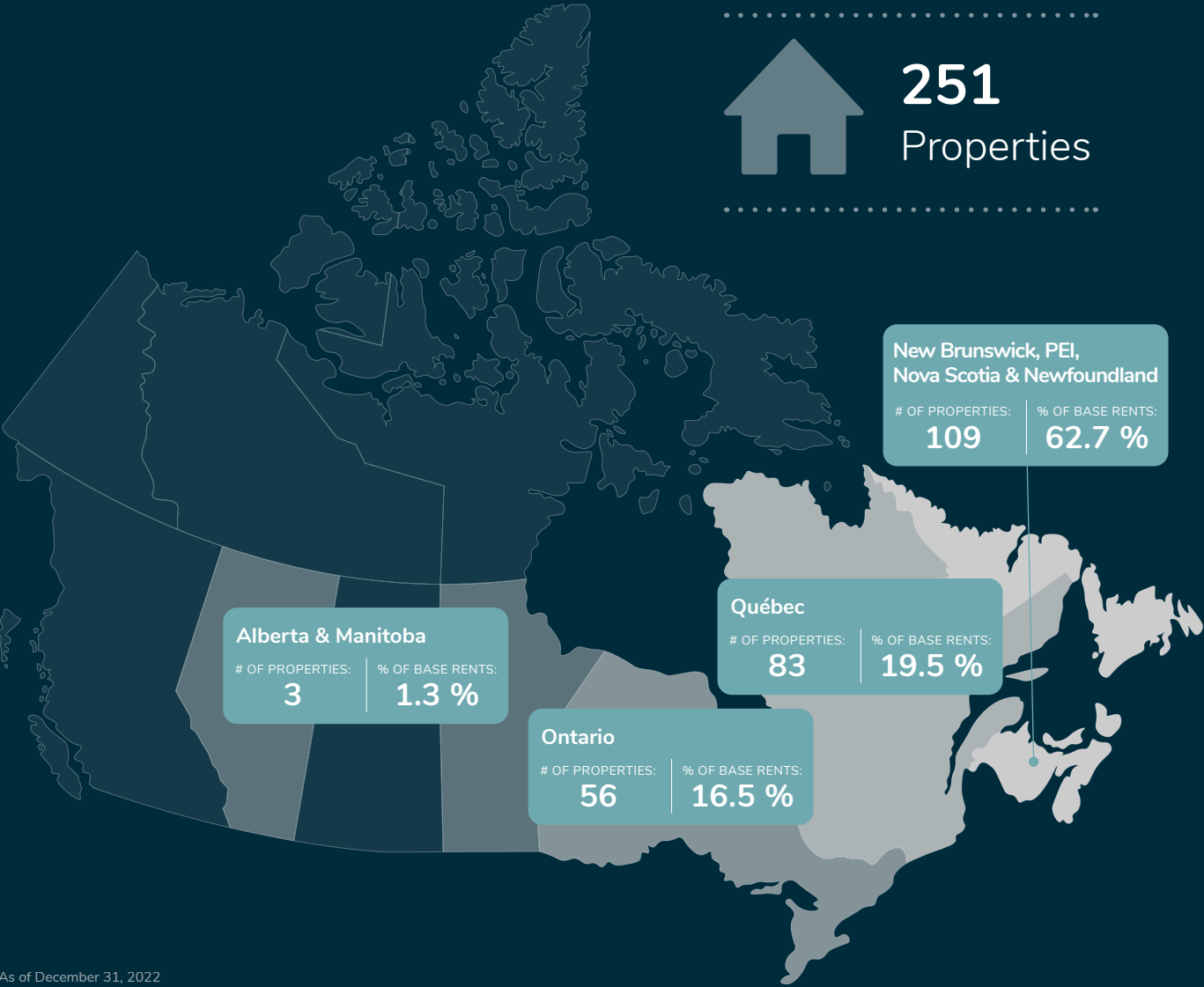
Portfolio Composition



% of Base Rents — as of December 31, 2022

Property Portfolio

 **251**
Properties



As of December 31, 2022

Key 2022 Accomplishments



Environment

- **GHG inventory:** We conducted our first GHG inventory in 2022
- **LED lighting upgrades:** We continue making upgrades to our properties with 11 more LED lighting retrofits completed in 2022, saving an estimated 519,000 kWh of electricity
- **Environmental site assessments:** All new acquisitions or developments completed in 2022 have undergone environmental site assessments



Social

- **Gender representation among employees:** 60% of our employees are women, including 53% at the VP level and above, and 17% of our executive team.
- **Diversity, equity and inclusion (DEI) training:** We launched our DEI program with mandatory training and achieved 100% completion
- **Outreach:** \$25,000 of donations were facilitated to local organizations by Plaza and the Women@Plaza program



Governance

- **ESG oversight:** The Responsibility & Sustainability Committee continued to oversee implementation and management of Plaza's ESG programs, with oversight provided by the Board
- **Board independence:** Over 70% of the Trustees are independent
- **Board Gender representation:** 43% of our Trustees are women
- **Board:** Oversees ESG and it is included in its mandate

Overview of ESG at Plaza

Our ESG commitment

Plaza is committed to conducting business in an environmentally and socially responsible manner — from the initial stage of investment in properties through to the development, ownership and management. As we continue to acquire, develop and redevelop retail properties, we strive to embed ESG into all aspects of our business and grow responsibly.

How we create value

Our goal is to create vibrant, relevant and sustainable retail properties. We believe that prosperity and sustainability go hand in hand and that managing environmental impacts and improving efficiency will create more attractive properties for our stakeholders.

We continually seek opportunities to create value through the development, redevelopment and/or remediation of well-located retail properties. We listen closely to our retailers and respond to their needs by redeveloping existing premises or developing new retail properties. Throughout the process, we aim to limit our environmental impacts while ensuring our properties are sustainable and attractive for our retailers and surrounding communities.

By managing our environmental impact and improving our energy efficiency, we create more desirable properties, as well as value for our investors. We are inherently entrepreneurial and differentiate ourselves by adapting to changes in the retail landscape and reinventing underperforming properties to create opportunities in new markets for Canada’s leading retailers. We pride ourselves on creating value for all of our stakeholders.

As we are in the early part of our sustainability journey, we are currently focused on building a strong foundation that will enable us to further integrate ESG considerations into all aspects of our operations and assets. We know that engaging with our stakeholders and governing our organization with the highest ethical and accountability standards will be key to advancing. We believe that collaboration is the key to serving our investors, retailers, colleagues, suppliers and communities well into the future.

Our strategy

Being a pure-play retail REIT, we have a unique, focused, hands-on approach. Our property managers are on the ground in the communities in which we operate and are committed to building trust and strong relationships with our retail tenants. We believe tenants don’t simply want a landlord, but a partner who understands their business and can work with them to realize their ESG and business goals.

Because our portfolio is comprised primarily of properties leased with long-term triple or quadruple net leases, where the tenant is responsible for the operation and maintenance of the property directly, our ability to measure and track performance such as certain tenants’ utility consumption has been limited.

As such, our strategy is founded on collaboration and engagement. Through our hands-on approach, we have built strong, long-lasting relationships with our retail tenants. We aspire to engage through these relationships to improve our ability to track progress and collect data over time, as feasible, while also supporting our retailers in reaching their ESG objectives and targets.

Industry Collaboration

Plaza is a member of CREW Nova Scotia and the International Council of Shopping Centres (ICSC). As our ESG approach evolves, we intend to expand our participation in industry networks and associations. This will enable us to be more involved in ESG initiatives, engage with our peers to collaborate, share learnings and push the real estate industry forward.



Environment



Environment

Reducing our properties' environmental impact is a key focus area

Developments and redevelopments

Our approach to managing our environmental impact starts at the initial stages of investment and development. During the due diligence process, we conduct environmental site assessments on each property we acquire or obtain existing environmental site assessments that have been undertaken within the past six months or less. In addition, we have a proven track record of remediating and redeveloping contaminated brownfield sites

Our development and construction protocols are based on the latest industry standards and processes and adhere to the highest health and safety practices and applicable legislation.

Plaza prides itself on adapting to changes in the retail landscape and reinventing underperforming properties to create opportunities in new markets for our retailers. This includes redeveloping existing buildings where feasible, as opposed to building new. We have successfully redeveloped fourteen enclosed malls into open-air centres and numerous retail projects, including repositioning and filling empty box stores with multiple tenants. Redevelopments allow us to reuse and repurpose building materials and works on site, which can lead to reductions in carbon emissions when compared to a new build — all the way from the extraction of the materials to the transport, the actual construction and demolition of old buildings.



Operations

Our largest environmental impact comes from the energy and water used and the waste produced at the buildings we own and operate. As previously noted, our portfolio is primarily comprised of open-air and stand-alone retail centres leased with long-term triple or quadruple net leases, where retailers are responsible for operating and maintaining their spaces. This means we have limited opportunities to directly manage or reduce the energy and water use and waste output at our properties. Most of the energy consumption within our control is attributed to exterior lighting, as well as the interior lighting, heating and cooling of common areas in our enclosed malls and minimal lighting and heating in our vacant spaces.

In 2022, we began to measure the utility consumption at our properties, focusing on the areas within our control, which is generally limited to parking lots, mechanical rooms and storage areas ("Plaza-operated areas"). In those areas, the main source of our energy use is electricity, natural gas and propane, and data is collected and

tracked through utility meters. Measurement is an important first step to enable us to understand our performance, focus our efforts on finding energy efficiency opportunities and transparently disclose our performance to our stakeholders.

For select properties, we have visibility into our tenants' energy consumption as data is obtained from a single utility meter and billed directly to Plaza. Utility meters are also transferred with tenant turnover, which creates fluctuations in our Plaza-operated and tenant-operated consumption. Water consumption data is available for most properties, as Plaza is billed directly by municipalities and subsequently re-bills tenants in the majority of cases. To be transparent about the impact our business activities have on the environment, we have disclosed our tenants' utility and water consumption where we have access ("tenant-operated areas").

In most cases, our retail operators either pay directly for waste collection or use a shared bin, limiting our access to their waste output data. Over time, and through our active engagement with our retailers, we aim to improve our waste data coverage for tenant-operated areas.



Working smarter

We have taken steps to significantly reduce our paper consumption and continue to reduce its use. Our accounting, legal, lease documentation and leasing departments have implemented procedures and adopted technologies to minimize ink, paper, and courier use.

Since the start of the pandemic, we have changed the way our geographically-diverse team interacts. Our adoption and use of online meeting platforms has allowed us to reduce the amount of travel we do for meetings and events. In addition to the environmental benefits, it has materially reduced our travel expenses.

Case study: Northumberland Plaza spray foam project

In 2021, our Northumberland Plaza property located in Miramichi, NB, underwent a spray foam insulation retrofit. The retrofit resulted in an 85% reduction in energy use (or 153,120 kWh) in 2022 compared to 2020 levels. This is equivalent to 13 homes' annual electricity use.

Due to the success of this project in achieving significant reductions in GHG emissions, energy consumption and costs, we are planning similar enhancements at other properties.



LED Retrofits

In 2017, we launched a retrofit program to replace incandescent, energy-intensive light fixtures with LED lighting. These upgrades were undertaken for exterior lighting, primarily in parking lots. Since 2017, we have completed energy efficiency retrofits at 44 of our properties, representing 18% of our total properties, or 37% of the properties where we are responsible for maintaining the lighting.

In 2022, 11 properties were upgraded to LED lighting. This will result in energy savings of approximately 519,000 kWh over a 12-month period. To date, our LED program has reduced the electricity consumption of our retrofitted properties by more than 30%, with estimated savings of over 1,670,000 kWh per year. This is equivalent to 146 homes' annual electricity use.



Environmental performance

To better understand our environmental performance, we calculated our portfolio's 2021 and 2022 GHG emissions. Emissions from Plaza-operated areas include Scope 1 (direct emissions — combustion fuels) and Scope 2 (indirect emissions — purchased electricity). Scope 3 emissions represent emissions associated with our tenants' energy, natural gas, propane and steam consumption at our properties.

Plaza-operated emissions were 2,142 tCO₂e in 2021 and 2,305 tCO₂e in 2022. This is an increase of 8%, mainly due to an increase in our GLA, higher utility consumption in areas under construction, development and redevelopment, in addition to our properties resuming regular operating hours after the pandemic restrictions were lifted. Our emissions can be primarily attributed to electricity consumption, which comprises 74% of our total emissions in 2022, followed by natural gas consumption, comprising 22% of our total emissions.

Our baseline data will enable us to strategically direct capital to improve energy efficiency in our operations, as well as other points in the building's lifecycle when we have control, such as at development, acquisition and tenant turnover.

We recognize that we can play a role in supporting our retail operators to reduce their environmental impacts, and we are committed to working collaboratively with our retailers to collect utility consumption data, reduce emissions and achieve mutual sustainability and climate objectives. In 2022, we started to collaborate with our retailers to understand the drivers of their energy use and identify ways to support them to use less. These efforts will enable us to measure the full environmental impact of our properties and provide a starting point for us to work together to create strategies and approaches, such as green leases, to help our retailers reduce their impacts.

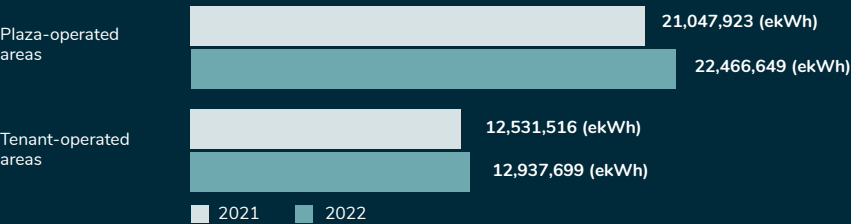
Future plans

We intend to continue calculating and disclosing our GHG emissions on an annual basis to monitor the impacts of our portfolio. To increase data coverage of our tenants' energy and water consumption, we will work with our retailers to collect utility consumption data.

We have begun to engage our retail tenants to collect energy and water data for the units they occupy. This will also enable us to get a better view of the magnitude of our Scope 3 emissions. Closing this data gap will enhance our GHG emissions reporting to provide a more fulsome view of the impact our properties have on the environment. It will also inform our approach to supporting tenants in achieving their energy, GHG and water reduction goals.

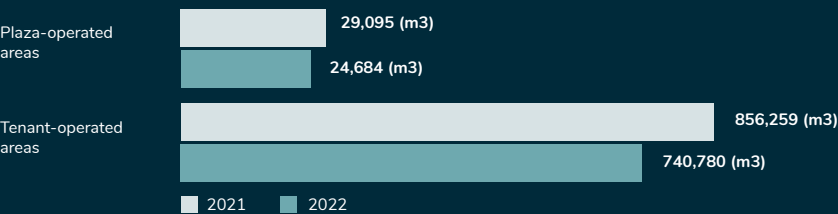


Energy consumption

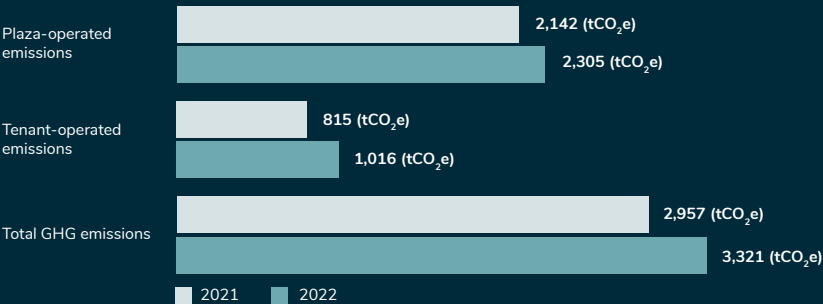


Plaza's GLA in 2021: 8,711,965 sq. ft with Plaza-operated areas' energy consumption 2.42 ekWhs per square foot. Plaza's GLA in 2022: 8,840,848 sq. ft with Plaza-operating areas' energy consumption 2.54 ekWhs per square foot.

Water consumption



GHG emissions



Plaza's GLA in 2021: 8,711,965 sq. ft | Plaza's GLA in 2022: 8,840,848 sq. ft

Social



Employee development & engagement

We value our workforce and invest in their well-being

Our approach

At Plaza, we celebrate integrity, creativity and persistence, and we strive to create an environment that provides a foundation for personal development and success. We have built a strong network and our colleagues, from those in our offices to those on the ground at our properties, are the foundation of our organization.

Plaza offers a hybrid work environment, mixing in-office and remote work to provide flexibility and support to employees. This promotes health and safety, improves work-life balance, and allows employees to enjoy more autonomy and work in ways that are most effective for them.

We continually engage with our colleagues, including through company-wide monthly updates from the President & CEO and semi-annual company-wide update meetings on Plaza activities and matters of importance to employees. We also provide company-wide programs and events to support employee development, engagement and well-being.

Plaza's Culture



Development

- To support our colleagues' personal and professional development, we conduct annual performance reviews
- Our workforce has access to professional development and training opportunities
 - In 2022, we provided mandatory DEI and cybersecurity training for employees
 - Colleagues may also pursue professional development and continuing education opportunities, with financial support from Plaza
- Plaza also reimburses professional associations membership fees for full-time, permanent employees



Engagement

- Our President & CEO delivers company-wide monthly updates; we also hold semi-annual company-wide update meetings
- We hold regular events for our colleagues, including holiday-oriented events, team outings and lunches purchased from Plaza's tenants.
- Our colleagues receive a paid day off on their birthday
- We celebrate our colleagues' years of service with milestone awards, to honour their commitment and contributions to Plaza



Health, safety and well-being

- We support employee health, safety and well-being through the following initiatives:
 - Joint Health and Safety Committee
 - Comprehensive benefits, including employee assistance program for all colleagues
 - Policy and grievance procedures for harassment and violence in the workplace
 - Resources for mindfulness and managing stress
 - Hybrid work environment

Our colleagues' years of service:

Years of service	% Plaza Team
0–5 yrs	34%
6–10 yrs	26%
10–15 yrs	10%
>15 yrs	30%
Average:	9.9 years

Recognizing colleagues with the Peter Sheehan Award

The Peter Sheehan Memorial Award is presented annually to an employee who has demonstrated devotion, perseverance and outstanding performance. Peter Sheehan was Plaza's CFO until his untimely passing in 2010. Peter was an incredible influence and mentor to many of our colleagues and was instrumental to the early growth and development of Plaza. In keeping with Peter's high level of dedication to Plaza, the award was created in his memory.

Performance



Gender Breakdown

60%
Women

40%
Men

13.6%
2021 turnover rate

17.3%
2022 turnover rate

Average years of service: 9.9

Average age: 50 years old



100% successful
completion of cybersecurity
training and DEI training



Over 460 hours spent
on other professional
development training

Diversity, equity and inclusion

We believe in recognizing and celebrating diversity

Our approach

We recognize the diversity of our workforce and are committed to maintaining a diverse, discrimination-free, equal-opportunity workplace where all employees feel welcome and included. Our goal is for all colleagues to effectively use their skills and experience to contribute to Plaza's activities and performance. We strive to continually improve diversity, equity and inclusion (DEI) within Plaza.

DEI training

We laid the groundwork for the development of our DEI program with a mandatory course for employees on the fundamentals of DEI in 2022. This was a first step in a continuous learning experience, designed to be interactive, empowering and grounded in deepening our colleagues' understanding of DEI issues. It employed culturally relevant stories and real-life scenarios that focused on inspiring our team to do the right thing in their daily lives and at work. Key components of the training included:

- Why DEI is important
- Benefits of DEI
- Types of inclusive and equitable communication
- The importance of speaking up
- How we can all contribute to reinforcing our DEI culture at Plaza

Women@Plaza

Women@Plaza is a program dedicated to supporting and empowering women to reach their full potential in our workplace. The Women@Plaza Committee strives to do this through:

- Raising awareness of issues women face in the workplace
- Supporting professional development
- Recognizing the efforts, contributions and distinct experiences of women in the workplace and celebrating their achievements

Through Women@Plaza, women can connect and support one another and have opportunities to support causes and organizations whose values align with the Committee's mission.

The Women@Plaza Committee includes individuals across different levels, offices and departments of Plaza, and is supported by two women on Plaza's Board. The Committee has five working groups responsible for events and webinars, recognition, donations and fundraising, mentorship and communication.

Future plans

We plan to continue our DEI training in 2023 and will conduct our first internal DEI survey with employees to gather DEI-related information and gain a better understanding of workforce demographics and needs. We will use the results of our DEI survey, along with insights gathered from training provided, to inform the development of a DEI policy and action plan.

Our upcoming Women@Plaza programming will include more events and resources to contribute to personal and professional development and address issues impacting women in the workplace. We also plan to expand Women@Plaza's activities by developing a mentorship program, which will focus on establishing internal mentor/mentee relationships.

In 2022, Women@Plaza:



Held 3 professional development and lifestyle events for Plaza employees. Events included a learning session on mindfulness, stress management and well-being, a panel on leadership which included the perspectives of several Plaza colleagues who are women, and a keynote presentation by a professional athlete who shared her experiences and insights from the perspective of a woman in sports. Children of Plaza employees were also invited to attend this event.



Presented the inaugural Women@Plaza award to an individual for their exemplary performance and dedication, both inside and outside of the workplace



Facilitated fundraising and numerous donations to local community organizations and charities

To learn more about Women@Plaza, please visit plaza.ca/women-at-plaza



Tenant engagement

We are focused on the success of our retail tenants

Our approach

At Plaza, we develop and nurture long-term relationships with our retailers. We employ a hands-on approach to managing our properties, with people on-site at our properties, and we maintain constant communication with our retail tenants.

Our business model of triple and quadruple net leases means that in general, our retailers operate independently and are responsible for the operation and maintenance of their leased spaces. We generally operate parking lots and minor building common areas. Many of our retailers currently have ESG programs and are advancing in their ESG-related practices and performance. We believe our strong, long-term tenant relationships will enable us to work together to achieve our mutual ESG objectives and create desirable and sustainable properties.

Future plans

We plan to expand our tenant engagement program to include ESG by working with our retailers to understand their ESG priorities and goals. As a first step, we will conduct initial research from publicly available ESG material and participate in retailer discussions to confirm their sustainability goals and explore ways to collaborate on sustainability initiatives.

“

We use our front line approach to establish long-lasting relationships with our retailers and ensure that our properties support them to reach their goals.

— Peter Mackenzie, Executive Vice President and Chief Investment Officer



Case study: Responding to Hurricane Fiona

In September 2022, Hurricane Fiona made landfall in the Maritimes. Its 100+km/h winds and torrential rainfall caused major damage in Nova Scotia, Newfoundland and Prince Edward Island. As many of our retailers are providers of essential needs (i.e., grocery stores and pharmacies), we were diligent with our pre- and post-storm responses. For example, in anticipation of the storm, we prepared our properties by flushing storm drains, checking roof drains, and removing or securing items that could become airborne, and communicating to retailers to do the same. We also collected emergency materials such as barricades, sandbags and tarps and ensured we had contractors on standby.

Charlottetown, Prince Edward Island was particularly hard-hit. Our team was deployed to our Charlottetown properties the day after the storm to assess the damage and clear storm drains, tree debris, and displaced signage, building and roofing materials. We arranged for the necessary contractors, technicians and electricians to repair the damage as soon as possible. Three days later, our Charlottetown retail operators had their electricity restored by the public utility and were able to safely re-open.



Community engagement

We strive to positively impact each community in which we operate

Our approach

We are committed to providing the communities we serve with vibrant, safe places to shop. Our properties have dedicated pedestrian, bicycle and vehicle access, secure and well-lit common areas and are kept clean. We also contribute to our local communities by providing spaces for charities and non-profit organizations.

Future plans

We intend to be a lead sponsor at the Coldest Night of the Year event in Summerside, PEI. This event consists of a family-friendly walk to raise money for local charities and the Summerside event is in support of LifeHouse Transitional Housing and Emergency Shelter. We also plan to participate in Habitat for Humanity’s Women Build Week in 2023.



Case study: Supporting COVID-19 public health efforts

As a real estate owner and developer, we feel that we can contribute to supporting the communities in which we operate by providing spaces to charitable organizations for their operations and events free of charge. In 2022, we provided rent-free space to twelve different local community organizations and initiatives. This included support for local public health efforts by providing free space at several of our properties in Ontario, New Brunswick, and Newfoundland to conduct COVID-19 testing and vaccine administration.



Governance



Governance overview

Sound governance practices are essential to our success

Our approach

The Board recognizes that unitholders and other stakeholders significantly value effective governance, and that strong governance practices contribute to effective and efficient decision making. Our governance approach includes upholding high standards of oversight, accountability and ethics and embracing a culture of continuous improvement and evaluation. Read more about our governance practices on our website at plaza.ca/governance.

Board of Trustees

The Board is responsible for the stewardship and governance of Plaza. It oversees the management of Plaza’s business and affairs, directly or through committees of the Board, in accordance with Plaza’s declaration of trust, applicable law and stock exchange rules. The Board meets a minimum of four times per year and the Chair of the Board, who is independent, facilitates in-camera meetings among independent Trustees at each meeting, without any members of management present.

We recognize the importance of diverse backgrounds, experiences and identities in the composition of our Board, and intend to uphold those elements as part of our commitment to good governance.

The Board currently has two standing committees.

The **Governance & Compensation Committee** establishes the governance guidelines within which Plaza carries out its responsibilities and with Plaza’s overall approach to governance. In doing so, this Committee develops, defines and evaluates the governance processes and structure used to oversee the business and affairs of Plaza. This Committee also assists the Board in reviewing, overseeing and evaluating executive compensation.

The **Audit Committee** assists the Board in fulfilling its oversight responsibilities relating to:

- Appointing, monitoring, and evaluating the external auditor and its fees, as well as reviewing its independence
- Identifying and monitoring principal risks that could affect the integrity of Plaza’s financial reporting process and compliance with applicable legal and regulatory requirements
- Financial reporting compliance and processes, disclosure controls and systems of internal controls

This includes oversight of Plaza’s Disclosure Committee, which is comprised of seven members of senior management at the VP level and above. The Disclosure Committee oversees Plaza’s regulatory disclosure requirements and practices.

The **Disclosure Committee** reports quarterly to the Audit Committee and was established pursuant to Plaza’s Disclosure Policy, the objective of which is to ensure that communications with the public about Plaza are timely, factual and accurate; broadly disseminated in accordance with all applicable legal and regulatory requirements; and in compliance with applicable laws and stock exchange requirements. The Disclosure Policy is reviewed annually or as otherwise needed by the Audit Committee to ensure compliance with changing regulatory requirements and to take account of new developments and best practices.



The Committees of the Board meet as often as necessary to fulfill their responsibilities, provided that the Governance & Compensation Committee must meet no less than four times per year and the Audit Committee must meet at least quarterly. The Committees report to the Board on their proceedings at the next regularly scheduled Board meeting, or more frequently if required.

Like the Board, Committee members also meet in-camera, without the presence of management, as frequently as the Committee feels is necessary to fulfil its responsibilities. The Audit Committee also meets in-camera with the external auditor no less frequently than quarterly.

All Trustee members of the Committees are independent.

Board composition as of December 31, 2022:

- 43% of the Board are women
- Over 70% of the Board are independent

ESG governance

Responsibility for ESG governance is divided among the Board, the Responsibility & Sustainability committee and senior management.

The Board of Trustees has overall responsibility for oversight of ESG and ESG-related risks at Plaza, in accordance with the Board Mandate. The Audit Committee reviews and approves ESG disclosure in financial reporting.

The Responsibility & Sustainability Committee is a management committee responsible for the oversight and management of Plaza's ESG program implementation. This includes remaining abreast of emerging trends and stakeholder expectations and regularly updating the Board on ESG initiatives, plans and progress.

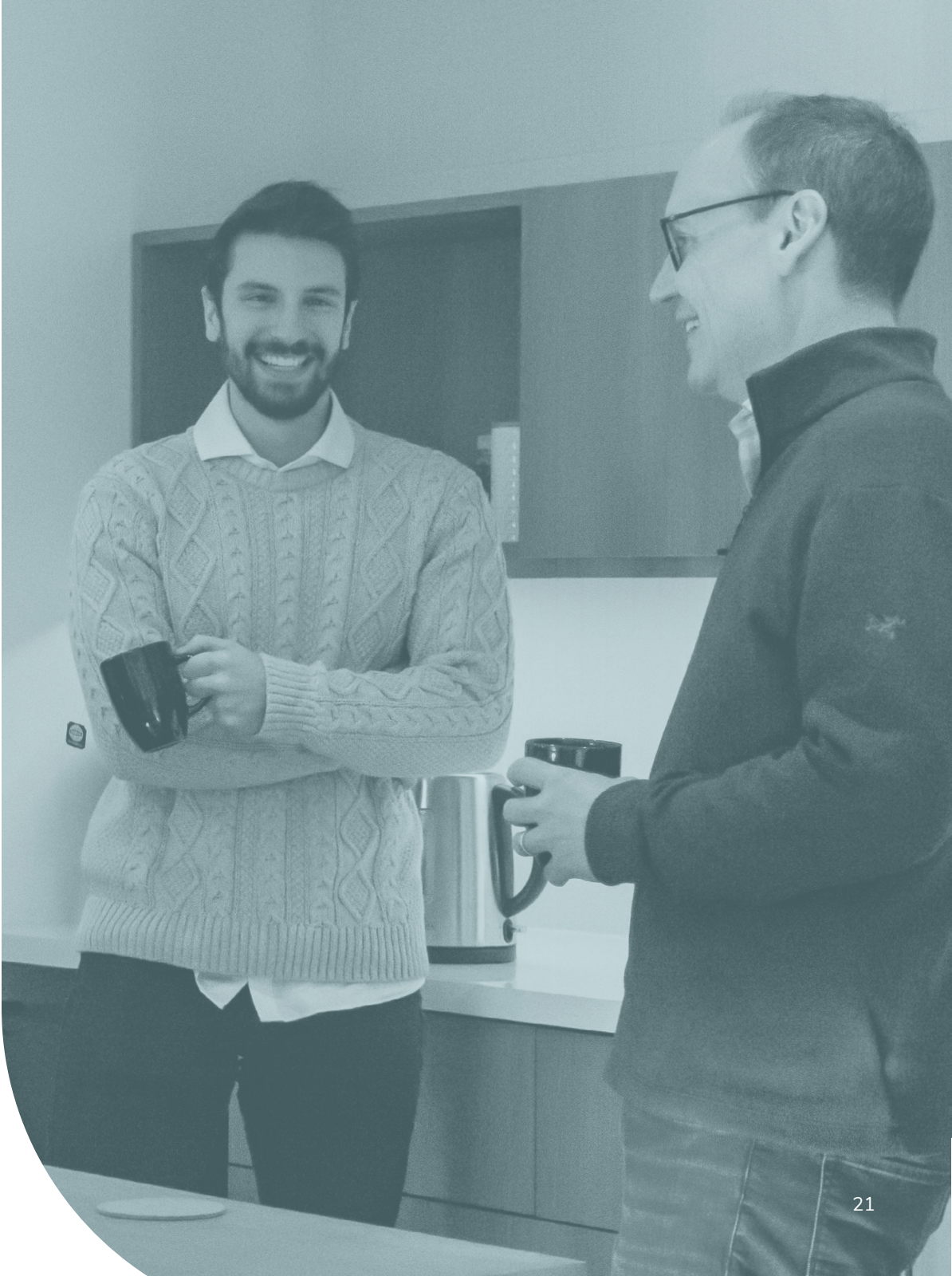
The Responsibility & Sustainability Committee was established in 2021. The Committee is comprised of executives, senior management and employees from various departments. The Committee's mandate is to:

- Prioritize the ESG initiatives that impact Plaza's business and are important to our stakeholders
- Drive the continued development, enhancement and implementation of Plaza's ESG programs
- Advance new initiatives
- Help ensure timely and transparent disclosure

The Senior management team implements Plaza's ESG program and initiatives and is supported by Plaza employees in doing so.

Future plans

The Responsibility & Sustainability Committee will continue to implement new and enhanced ESG processes and initiatives for our portfolio. We also plan to update our Board diversity policy in 2023 as part of our process of continuous review and improvement.



Risk management

We monitor all risks facing our business with the goal of positive change

Our approach

As part of its mandate, the Board is responsible for identifying and managing the principal risks affecting Plaza. These assessments are conducted in consultation with the President & Chief Executive Officer, the Chief Financial Officer and/or the General Counsel & Secretary. Senior management is also expected to bring any significant risk management decisions to the Board.

Our risk management process includes identifying, managing, mitigating and reporting our potential exposure. Through this process, risks are assessed based on their likelihood, and potential impact or severity. Plaza has integrated ESG considerations, including environmental risk and climate change, into its risk management process and reporting.

Climate change risks

As a real estate owner, developer and redeveloper, we understand that environmental matters and climate change pose various risks to our properties.

Plaza and its properties may be exposed to risks associated with the physical effects of climate change, such as natural disasters and severe weather conditions. Such events could interrupt the operations and activities of Plaza and its tenants, damage its properties, diminish traffic and require Plaza to incur additional expenses, including insurance, materials and energy costs.

Other indirect effects on Plaza’s business due to climate change may be the increasing cost or unavailability of property insurance on terms Plaza finds acceptable, as well as increasing costs of renovations, energy, water and other services at our properties.

Plaza’s properties may also be exposed to risks associated with the transition to a low-carbon economy. There is a risk that Plaza’s properties will be subject to ESG reporting requirements, and failure to comply could limit access to capital from lenders and/or investors. Additionally, government initiatives aimed at countering climate change, such as the reduction of GHG emissions, could impose constraints on Plaza’s operations. To mitigate these risks, Plaza is monitoring its environmental and social impact with the goal of positive change, and ensuring all future ESG reporting requirements are met.

Fewer than 4% of our properties are located in flood zones.

In 2022, Plaza conducted a flood risk assessment to assess the exposure of our portfolio to the impacts of flooding and to determine which properties in our portfolio are at risk of losses from 100-year floods.

100-year flood	Gross leasable area (sq.ft.)
10 properties	423,651

Future plans

We will continue to enhance our risk management process through regular monitoring and reporting of ESG risks. We will use the results of our flood risk assessment to develop standardized policies and procedures to further mitigate against physical climate risks whenever possible and will incorporate flood risk assessments in our due diligence processes.



Business ethics

Our business is built on trust, integrity and respect

Our approach

An integral part of Plaza’s business is the trust we have built with our stakeholders over our 24-year history. We have enacted comprehensive and detailed policies and procedures to uphold our reputation of ethics, integrity and respect and to codify these commitments into our operations.

Code of Conduct

Plaza’s Code of Conduct and Ethics (“Code of Conduct”) outlines the basic standards of legal and ethical conduct expected from Trustees, officers and employees. It guides our colleagues in upholding a culture of honesty and accountability in all our activities. It also demonstrates Plaza’s commitment to maintaining a workplace that is safe, healthy, inclusive and free from discrimination, harassment and violence of any sort.

Trustees and employees must acknowledge that they have read the Code of Conduct on an annual basis. The Code of Conduct is revised and updated at least annually.

Whistleblower Procedures

Our whistleblower procedures are outlined in our Code of Conduct. Any employee who has concerns about non-compliance with Plaza’s accounting and auditing procedures has a responsibility to report their concern to the Audit Committee via email or mail.

All Plaza employees, as well as employees of companies providing administrative services to Plaza, receive a memo from the General Counsel & Secretary on an annual basis detailing additional information on Plaza’s whistleblower procedures.

Cybersecurity

In response to potential cyber threats or breaches, we have put in place internal control systems and security protocols to monitor against malicious threats, while also engaging our colleagues in ongoing education. This includes Plaza’s Cybersecurity Policy that describes the procedures and best practices for preserving the security of Plaza’s data and technology infrastructure. The policy includes information on:

- protecting Plaza devices and information
- managing passwords and detecting email scams
- internet usage and antivirus protection
- mobile computing and remote access

We provide our team a catalogue of continuous cybersecurity training courses and resources. In 2022, employees were required to complete four mandatory cybersecurity courses and the courses achieved a completion rate of 100%.

Future plans

Moving forward, we will continue to adopt best-in-class policies and procedures with respect to business ethics, compliance, and cybersecurity.

We will be providing mandatory harassment and discrimination prevention training to employees in 2023, which will include, among other things, education on what harassment and discrimination are and how to recognize them, what the impact of harassment and discrimination is on the workplace, as well as preventing harassment, discrimination, bullying and violence in the workplace.



Appendix

Appendix: Standards References (SASB, TCFD, GRI)

Standard	Description	Section
SASB IF-RE-000.A	Number of assets	About Plaza
SASB IF-RE-000.B	Leasable floor area	About Plaza
SASB IF-RE-000.D	Average occupancy rate	About Plaza
SASB IF-RE-130a.2	Energy consumption	Environmental performance
SASB IF-RE-130a.5	Description of energy management	Environmental performance
SASB IF-RE-450a.1	Description of properties located in 100-year flood zone	Risk management
SASB IF-RE-450a.2	Description of climate change risk exposure analysis	Risk management
TCFD Governance A	Describe the board's oversight of climate-related risks and opportunities	Governance overview
TCFD Governance B	Describe management's role in assessing and managing climate-related risks and opportunities	Governance overview
TCFD Risk Management A	Describe the organization's processes for identifying and assessing climate-related risks	Risk management
TCFD Risk Management B	Describe the organization's processes for managing climate-related risk	Risk management
TCFD Risk Management C	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Risk management
TCFD Metrics and Targets B	Disclose scope 1, 2 and if appropriate, 3 GHG emissions and related risk	Environmental performance
GRI 2-3a	Reporting period	About this Report
GRI 2-3b	Changes in reporting	About this Report
GRI 2-3c	Publication date and reported information	About this Report
GRI 2-3d	Contact point for questions regarding the report	About this Report
GRI 2-5a	Highest governance body's role in sustainability reporting	About this Report
GRI 2-22	Statement from senior decision-maker	Letter from our President and CEO

Appendix: Standards References (SASB, TCFD, GRI)

Standard	Description	Section
GRI 2-1a	Name of the organization	About Plaza
GRI 2-1b	Ownership and legal form	About Plaza
GRI 2-1c	Location of headquarters	About Plaza
GRI 2-1d	Countries of operations	About Plaza
GRI 2-6	Activities, value chain and other business relationships	About Plaza
GRI 2-7	Information on employees and other workers	About Plaza
GRI 2-28	Membership associations	About Plaza
GRI 302-1	Energy consumption within the organization	Environment performance
GRI 303-5	Water consumption	Environment performance
GRI 305-1	Direct (Scope 1) GHG emissions	Environment performance
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Environment performance
GRI 305-3	Other indirect (Scope 3) GHG emissions	Environment performance
GRI 2-7a	Total number of employees	Diversity, equity and inclusion
GRI 405-1	Diversity of governance bodies and employees	Diversity, equity and inclusion
GRI 2-9	Governance structure and composition	ESG governance
GRI 2-13	Delegating authority	ESG governance
GRI 2-14	Role of the highest governance body in sustainability reporting	ESG governance



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