

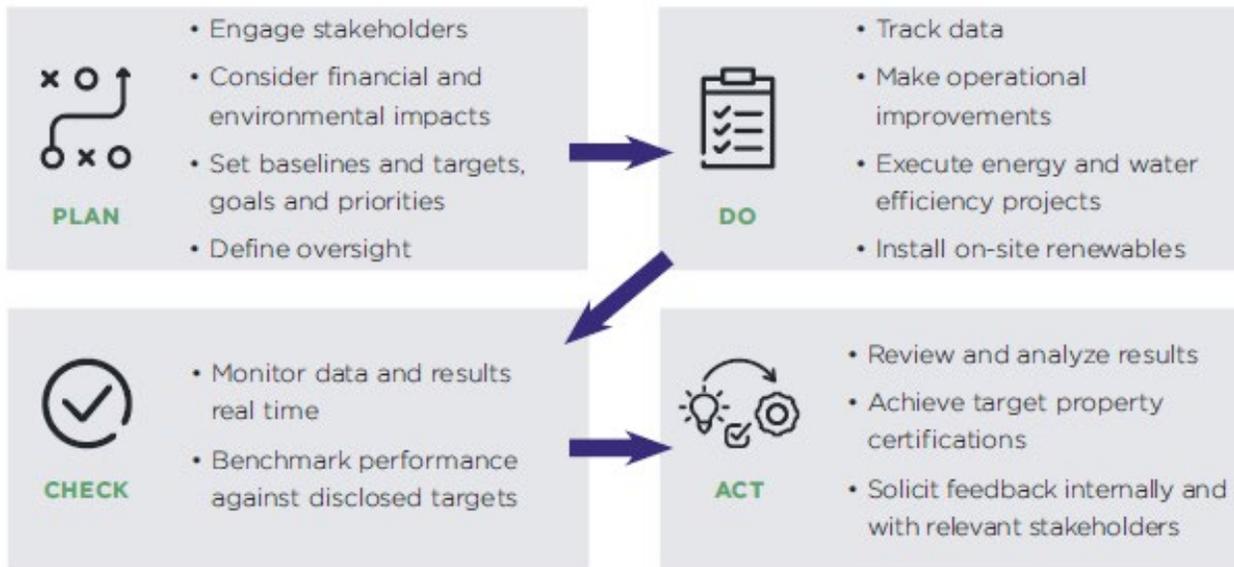
ROIC ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

OVERVIEW

Retail Opportunity Investments Corp. (ROIC) is a fully integrated, self-managed REIT. We specialize in the acquisition, ownership and management of necessity-based community and neighborhood shopping centers on the West Coast of the United States, anchored by national or regional supermarkets and drugstores. Our strategy targets properties located in densely populated, middle- and upper-income markets.

To truly integrate our environmental approach into ROIC’s business strategy, we have an underlying Environmental Management System (EMS). Our EMS references the ISO 14001 standard and establishes a baseline through which ROIC can enhance environmental stewardship and community impact, while also driving financial value. We developed this Environmental Management System (EMS) to manage portfolio and site-specific risks, identify implementation opportunities, enable implementation of environmental initiatives and projects and track relevant information on a regular, automated basis.

There are four integrated stages to our EMS: Plan, Do, Check and Act.



PLAN

For ROIC, our planning process includes the following components:

- Define oversight
- Engage stakeholders
- Consider financial and environmental impacts
- Set baselines and targets, goals and priorities

The ESG Management Committee, which includes the CEO, CFO, COO and members from the Investor Relations, Special Projects and Information Technology teams, holds chief responsibility in developing our overall approach, objectives and plan as it relates to reducing the environmental impact of our portfolio. When setting targets, goals and priorities, the ESG Management Committee solicits and considers potential financial and environmental impacts that will result from their ESG strategy, as well as the outcome of engagement with key ROIC stakeholders, including investors, employees, tenants, customers, the community and others.

As part of our engagement with investors, we participate in the Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment on an annual basis. At least annually, the ESG Management Committee leverages results from the GRESB Real Estate Assessment, scores from ESG rating agencies and other engagements with stakeholders to identify gaps and future opportunities at the corporate or portfolio level. We also work with our third-party vendors to conduct portfolio-wide risk assessments to further identify any asset-specific opportunities. All of these insights are in turn used to inform our environmental priorities.

The ESG Management Committee is responsible for involving relevant internal stakeholders, including our executives, investor relations, special projects, and information technology teams, and third-party vendors to develop action plans to achieve these priorities.

As part of the annual budgeting process, our property managers develop their own plan for what environmental initiatives will be implemented. These projects are communicated to the ESG Management Committee as needed and support our priority to reduce our environmental impact.

DO

For ROIC, our implementation of environmental initiatives encompasses the following areas:

- Make operational improvements
- Execute energy and water efficiency projects
- Implement projects to enhance waste management
- Install on-site renewables (solar) and electric vehicle charging stations

Operational improvement at our properties is a huge focus for good reason. Financially, it allows us to reduce expenses and add value to the properties, reduce our environmental impact and contribute to driving a low carbon economy. We consider property-specific benefits and other considerations when acting on opportunities to increase property efficiency, support renewable energy installations and support a clean transportation infrastructure. These initiatives represent our commitment to improving our operations, greening our properties and reducing our greenhouse gas emissions.

Once properties with project opportunities are identified, the team develops a budget with senior management approval and solicits relevant vendors to implement the identified project, such as installation of on-site solar, efficient appliances and metering systems. The project scope is communicated with the property managers to understand logistics and particular site-specific considerations and then the property manager spearheads the project.

We encourage employees and our third-party contractors to actively engage in sound energy, water and waste management. This approach includes issues associated with renewable and non-renewable energy usage, water resource use and hazardous and non-hazardous waste generation that complies with local laws and codes.

Given that we own and operate properties in western regions of the United States, our operations may impact issues related to wildlife, endangered species, ecosystems and habitat management. In order to minimize any potential impact on biodiversity and habitat, we consider implementing biodiversity and habitat-related strategies directly or through third-party contractors.

CHECK AND ACT

For ROIC, our checking process includes the following components:

- Monitor / track environmental data and results
- Review and analyze results
- Benchmark performance against disclosed targets
- Solicit feedback internally and with relevant stakeholders

We acknowledge the impact our operations, a diverse portfolio of necessity-based retail properties, has on the environment. As a company, we are committed to tracking and analyzing our environmental data, the results of our implemented projects, and where possible, encouraging tenants to reduce their environmental footprint and to operate sustainably.

In 2020, we sourced a data software platform to support us in tracking our environmental metrics. This third-party data management software allows our team to monitor initiatives and operations to ensure the full opportunity is captured. This is done by re-evaluating objectives and working with the appropriate stakeholders and departments to make modifications as needed. We want to identify what was successful in reaching environmental goals and what failed to reach the desired impact. We began collecting these metrics for our common areas / shared spaces, as well as our corporate office, to establish our baseline, which we set in our inaugural report. With this baseline, we developed data coverage and reduction targets to measure and guide our progress.

SUSTAINABILITY GOVERNANCE

Our Board of Directors has direct oversight over the various ESG programs and initiatives at ROIC. Specifically, the Nominating and Corporate Governance Committee, which is 100% independent, supervises and manages ESG strategy development and climate oversight.

Created in 2019, our internal ESG Management Committee is responsible for implementing the ESG and climate strategy of the company and subsequently providing quarterly updates to the Nominating and Corporate Governance Committee. The ESG Management Committee meets frequently (at least monthly) and consists of several key people from our executive, investor relations, special projects and information technology teams. We believe to fully integrate ESG into our strategy, it is critical that various business functions have a seat at the table and responsibility in the process of our ESG integration.

COMMITMENTS, GOALS AND FOCUS AREAS

As a necessity-based, shopping center REIT, we have identified the following environmental topics that we consider material to our business as part of our EMS process:

- Regulatory compliance and mandatory disclosures
- Incorporation of ESG into our due diligence processes
- Energy, water and waste efficiency and costs
- Greenhouse gas (GHG) emissions throughout the portfolio
- Water stress
- Extreme weather events

We are committed to considering ways to prepare for long-term change in climatic conditions or climate related events. We recognize that our corporate office and properties may experience existing and future climate changes and extreme weather events and strive to reduce these risks on our business as well as capture related opportunities that may arise. To demonstrate this commitment, we have aligned our approach with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

ESG PLANS AND POLICIES

Released in 2020 and available on our corporate website, our [ESG Plans and Policies](#) document strives to act as a compendium of our ESG goals, while also highlighting specific considerations within our ESG program. Specific examples include stakeholder engagement and property highlights, GHG emissions management considerations, climate change adaptation, property acquisition criteria and more.

ESG-RELATED RISK MANAGEMENT

Risk management is integrated into how we conduct business at ROIC and a critical element of how we approach climate. We have a comprehensive Disaster Recovery/Business Resumption Plan in place that includes how to respond to extreme weather events such as floods, fires, earthquakes and pandemics. In an effort to mitigate these disasters while also promoting the utilization of renewable energy, in our solicitation bids to install on-site renewable energy for selected properties, we included battery storage that could be used for emergency / backup power for participating tenants.



Our operations and properties are subject to various federal, state and local laws and regulations concerning the protection of the environment, including air and water quality, hazardous or toxic substances and health and safety. Moreover, compliance with new laws or regulations such as those related to climate change, including compliance with “green” building codes, or more stringent laws or regulations or stricter interpretations of existing laws, may require material expenditures.

PUBLIC DISCLOSURES

- [2021 ROIC ESG Report](#)
- [Environmental, Social and Governance \(ESG\) Section of ROIC website](#)