

RESPONSIBLE BUILDINGS PACT

2025-26 Pilot Year 2 Terms of Reference

INTRODUCTION Buildings and the built environment form the foundation of our communities and help drive our economy. As Canada's community of building and infrastructure developers, architects, designers, contractors, engineers, trades, and supporters, we recognize that many of the materials we rely on to create our shared built environment can come with impacts for the environment and climate. As development and construction organizations, we all have a role to play in the responsible use of materials and in supporting the transition towards a sustainable, low carbon buildings sector.

As Canada's community of responsible development and construction organizations, we need to support the low carbon transition by using or recommending the use of lower-emissions materials and designs whenever it makes sense. We also need to evolve standard industry practices and value chain relationships to better facilitate climate-smart business approaches.

CONTINUING THE RESPONSIBLE BUILDINGS PACT PILOT IN YEAR 2

In 2024-2025, 37 organizations joined the pilot year of the Responsible Buildings Pact ("the Pact"), a cross-industry agreement and governance framework aimed at ensuring the consistent consideration and use of low carbon materials and designs. This pilot was launched and sponsored by the Climate Smart Buildings Alliance (CSBA), a not-for-profit initiative of EllisDon, Mattamy Homes, RBC, AtkinsRéalis, CIBC, DIALOG, PCL and Wesgroup.

The first year of the Pact Pilot focused exclusively on concrete, and aimed to help companies to share best practices and establish a common reporting framework that ensures all signatories are putting in place processes to consistently consider, use or recommend lower carbon concrete mixes where it makes sense.

For Year 2, Pact signatories agreed to expand the reporting focus to also include select steel buildings elements. Signatories further agreed to establish standard principles for what qualifies as a "consideration process" and a tiered reporting approach that makes it easier for new organizations to join. It was also agreed that a further pilot year would prove beneficial prior to finalizing a permanent Pact agreement.

Year 2 of the pilot phase of the Pact will last from April 1, 2025, until March 31, 2026, and is non-binding on any of the signatories.

EXPECTATIONS OF SIGNATORIES

Over the 2025-2026, signatories will continue to pilot the Pact's education, low carbon material/design consideration and open reporting requirements. The intention of this pilot phase is to identify best practices and strategies that will increase the impact and success of our collective action in a permanent agreement.

Over this second year, focus materials will include concrete as well as select bulk steel applications where lower carbon alternatives are generally available (see *Schedule of Focus Materials – Pilot Year 2* on pg. 4 of this document for complete details).

During the pilot phase of the Responsible Buildings Pact, signatory organizations will be expected to do the following on a nonbinding basis:

1. **Participate in continuous learning activities** related low carbon technologies coming to market, both with Pact collaborators, and within their own organizations.
2. **Pilot test a Low Carbon Material Consideration (LCMC) process** (for developers and contractors) **or a Low Carbon Design Consideration (LCDC) process** (for consultants) on live projects. As part of the pilot, signatories will seek to use or advocate (within their

project role) for the use of lower emission materials or design strategies when they demonstrate expected performance at comparable cost and availability to conventional.

For the pilot year 2, each signatory will aim to pilot an internal LCMC/LCDC process on a minimum of 5 projects, however, the final number could be lower depending on the signatory's scale and schedule.

These processes will be developed independently by signatories to align with the structure and flow of their business; however, to qualify for Pact recognition, consideration processes must comply with the *Consideration Process Quality Assurance Principles* outlined in this document (see page 4 of this document). CSBA and other Pact signatories will aim to develop and share best practices and suggested templates as they emerge.

3. **Track and openly report on their outcomes of the LCMC/LCDC process** with Pact peers, including the number projects for which LCMC/LCDC processes were completed and the results or outcomes of those processes (i.e. whether lower carbon concrete used/recommended, why/why not). A common template will be developed and shared by summer 2025 to guide project tracking and reporting.
4. **Support a central Pact Pilot Report in Q2 2026:** Individual signatory reports will be submitted to CSBA by March 31, 2026 to be published as part of a collective Pact Pilot report. The Pact Pilot report will include details submitted by each signatory. Signatories will not be asked to submit any commercially sensitive or project/client identifying information. The goal of the pilot is to develop a consistent reporting process and format that works for a wide range of businesses. Each signatory will have the opportunity to review and approve elements of the collective report pertaining to their company prior to publication, with the option to withdraw. New companies joining the Pact will have the option of reduced reporting requirements in their first year to support change management.
5. **Collaborate and share learnings with other Pact signatories:** Participate as part of the community with other signatories to identify best practices for LCMC/LCDC processes and support the design of templates and tools that make it easy and efficient for additional companies to shift towards climate smart business practices. Collaborative activities will be supported by the CSBA with minimal time commitments required from signatory organizations.

Supporter Organizations: Certain organizations not directly involved in building design, construction, or material use, but who play an important role in supporting responsible building practices (e.g. banks, standards organizations, material manufacturers or industry groups) may also be invited to join the Pact pilot on a case-by-case basis. These organizations will support the pilot by providing knowledge, educational support or other in-kind expertise that advance the objectives of the pilot but will not be expected to institute any of the learning, consideration or reporting elements detailed above.

FUTURE OF THE PACT

The learnings generated through the pilot phases will be used as the foundation for an eventual permanent Responsible Buildings Pact Agreement which will be developed over the course of 2025-2026, as a successor to the pilot phase. The intention of the eventual permanent Pact agreement will be for signatories to apply the Pact's consideration and reporting processes to every project in a given year.

PACT PILOT PHASE GOVERNANCE

The Pact initiative is being spearheaded by the Climate Smart Buildings Alliance but all signatories can have a voice in its forward direction. The Pact Steering Committee, made up of representatives of Pact signatory companies, meets on a monthly basis to guide the forward direction of the project. All significant final decisions on the direction of the Pact, including the incorporation of new materials or establishment of reporting requirements is made through general consensus of Pact signatories during quarterly full Pact meetings.

The permanent Pact agreement, once developed, will establish a longer-term governance structure that provides all signatories a voice in how the Pact evolves as well as a clear pathway for continual improvement within the Pact's collaboration framework.

All Pilot participants will have the option of withdrawing their organization from the pilot phase at any time.

Key Contact:

David Messer
Director, Climate Smart Buildings Alliance
David.Messer@buildingsalliance.ca
Tel: (437)-777-3420

SCHEDULE OF FOCUS MATERIALS – PILOT YEAR 2

The following materials will be considered in scope for year 2 of the Responsible Buildings Pact Pilot. A draft reporting template will be shared by summer 2025 to help signatories track usage.

New signatories of the Responsible Building Pact (joining in 2025-26) will have the option to only report on concrete for their first year

Material	In Scope Applications	Out of Scope Applications
Concrete	All applications	N/A
Steel	<ul style="list-style-type: none">- Rebar and Rebar Caging- Decking- Siding and cladding- Roofing- Beams (Optional)	<ul style="list-style-type: none">- Steel windows, doors, fixtures- Studs- Fasteners- Interior finishes- Appliances- Plumbing, electrical, mechanicals

QUALITY ASSURANCE PRINCIPLES FOR RBP CONSIDERATION PROCESSES

As part of the Responsible Buildings Pact, all signatories are expected to put in place a consistent consideration process that determines whether lower carbon materials or lower carbon design can be used (or recommended to a client) for a given project. Pact signatories operate across the design and development chain and have a range of business models, and it is understood that different signatories will implement this requirement differently depending on their own internal corporate approach and culture.

However, to create a degree of consistency the following quality assurance principles have been established to ensure all Pact signatories approach the consideration process with a comparable amount of rigour.

To meet the requirements of the Responsible Buildings Pact, a consideration process must:

1. Be a distinct activity that is initiated as part of the process (i.e. the signatory needs to be able to say when it happened – although it could occur multiple times)
2. Involve some form of documentation indicating it has been completed (this could be incorporated into bid templates to suppliers or other processes but must be more than just thinking about it).
3. Involve looking at least one potential alternative material options (but ideally two options with the same or multiple suppliers)
4. If contractor / consultant who does not make final material decisions, the signatory must be able to document when a recommendation was shared with client (if shared).