

2018

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FIRST CAPITAL REALTY INC.

Corporate Responsibility and
Sustainability (CRS) Report



About This Report

REPORTING SCOPE AND BOUNDARY

This report presents the material issues and impacts of our activities during the year ending December 31, 2018. Reports from previous years are available online: www.fcr.ca/sustainability.

Throughout this report, “FCR” or the “Company” refers to First Capital Realty Inc. All currency is in Canadian dollars unless otherwise noted. All restatements and significant changes from the previous report are described in the performance data footnotes.

REPORTING FRAMEWORKS

FCR has used the Global Reporting Initiative (GRI) framework for corporate responsibility reporting since 2011. This report has been prepared in accordance with the GRI Standards: Core option. In addition to GRI, we continue to monitor international reporting trends, including the work of the Sustainability Accounting Standards Board (SASB).

EXTERNAL ASSURANCE REPORTS

Ernst & Young LLP performed a limited assurance engagement for a selection of FCR’s environmental performance indicators, including FCR’s greenhouse gas emissions and energy use. FCR has conducted assurance on selected sustainability performance indicators since 2010.

WAYS TO REACH US

The contact person for this report is Melissa Jacobs, Director, Sustainability: melissa.jacobs@fcrms.ca





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Artwork: Carbon Copy
Artist: Caitlind Brown & Wayne Garrett
The Brewery District, Edmonton

CEO'S MESSAGE

First Capital is focused on creating value by building and operating high quality properties with long-term appeal in neighbourhoods and communities that our Company believes will have strong and growing demand well into the future. We strive to be a leader in all that we do, and sustainability is no exception.

In 2018, we evolved our real estate strategy as we look beyond asset class to create high quality, super urban neighbourhoods that people call home. It's not only where they live but also where they work, shop and socialize – where spaces become vibrant places. We continue to increase our investment in high quality, mixed-use properties focused on large positions in targeted high growth neighbourhoods. This is our evolved super urban strategy.

Our long-standing commitment to sustainability complements our evolved strategy very well. One of the key metrics we look to is the walkability of our portfolio. Currently, our portfolio has an average Walk Score® of 78, which ranks within the second highest category achievable, described as 'very walkable where most errands can be accomplished on foot'. We will continue to improve the accessibility and walkability of our properties to the dense consumer base that surrounds them.

Sustainability at First Capital encompasses environmental and social aspects, as well as sound governance practices. In addition to reporting our progress in our annual sustainability report, we respond to voluntary, investor-driven benchmarks including Carbon Disclosure Project (CDP) and Global Real Estate Sustainability Benchmark (GRESB). Some of our sustainability highlights from 2018 include:

- Ranked 4th in Corporate Knights' Future 40 Responsible Corporate Leaders in Canada;
- 13% reduction in greenhouse gas (GHG) emissions since 2014, despite an 8% increase in gross leasable area;

- Six new construction projects achieved LEED certification, bringing our total to over 3.8 million square feet LEED certified;
- 24 new BOMA BEST certifications achieved, totalling 199 sites comprising 77% of our portfolio, by gross leasable area;
- Strong gender diversity metrics achieved, through all levels of the organization;
- Two new public art unveilings in Edmonton, AB and New Westminster, BC, bringing our total to 27 public art installations across our portfolio;
- BOMA Canada Earth Award awarded to Seton Gateway, Calgary and BOMA Canada's The Outstanding Building of the Year (TOBY) mixed-use category, awarded to Meadowlark, Health & Shopping Centre, Edmonton; and
- Race2reduce Crest Award for Energy Management Leadership awarded to 3080 Yonge Street, Toronto.

These are just a handful of examples of how our team is engaged with our leadership in sustainability. We are committed to continuing this leadership and further embedding sustainability in our culture. In summary, our focus will continue to be on developing mixed-use projects where the combination of retail, residential and, in some cases, office, creates sustainable and thriving urban communities.

I look forward to updating you next year on our Company's progress in 2019.



Adam E. Paul
President & CEO



2018 HIGHLIGHTS & ACCOMPLISHMENTS

ENVIRONMENT



13% decrease in GHG emissions since 2014



5% decrease in energy consumption since 2014



42% average waste diversion rate



77% portfolio BOMA BEST certified, by GLA



3.8 million sq.ft. LEED certified



>160 electric vehicle charging stations

PEOPLE



50% of our Executive Leadership Team is female



79% employee engagement score in 2018 employee survey



\$50K in employee tuition reimbursements in 2018



100% of people managers received specialized training in 2018

COMMUNITIES



27 public art installations across our portfolio



>90% of portfolio within 5-minute walk to public transit



78 average Walk Score® for our portfolio = 'Very Walkable'

View our Sustainability Policy at
fcr.ca/sustainability

2018 HIGHLIGHTS & ACCOMPLISHMENTS

AWARDS & RECOGNITION

Ranked 4th in Corporate Knights' Future 40 Responsible Corporate Leaders in Canada

BOMA Canada Earth Award

Seton Gateway, Calgary

BOMA Canada The Outstanding Building of the Year Award (TOBY), Mixed-Use category

Meadowlark Health & Shopping Centre, Edmonton

BOMA Toronto The Outstanding Building of the Year Award (TOBY), Retail category

Maple Grove Village, Oakville

BOMA Toronto Certificates of Excellence

Cedarbrae Mall, Toronto

Maple Grove Village, Oakville

Queenston Place, Hamilton

Rutherford Marketplace, Vaughan

Steeple Hill Shopping Centre, Pickering

Race2reduce Crest Award for Energy Management Leadership

3080 Yonge St, Toronto

Artwork: Balance
Artist: Paul Pignataro
Shops at King Liberty, Toronto

ABOUT FIRST CAPITAL REALTY

Our Company's focus is on creating thriving communities that enhance value for businesses, residents, communities and our shareholders.

COMPANY OVERVIEW

First Capital Realty (FCR) is one of the largest owners, developers and operators of necessity-based real estate located in Canada's most densely populated urban centres. Our primary strategy is the creation of value over the long term by generating sustainable growth in cash flow and capital appreciation of our urban portfolio. As of December 31, 2018, FCR owned interests in 166 properties, totalling approximately 25.5 million square feet of gross leasable area and had an enterprise value of \$9.2 billion.

NEIGHBOURHOODS FOR EVERYDAY URBAN LIFE

FCR primarily owns, develops and manages properties located in Canada's key urban neighbourhood markets that provide consumers with products and services that are part of their everyday life. Currently, over 90% of our Company's revenues come from tenants who provide these essential products and services, including grocery stores, pharmacies, liquor stores,

banks, restaurants, cafés, fitness centres, medical, childcare facilities and other professional and personal services. We look to implement a specific complementary tenant offering at each of our properties to best serve the needs of the local community.

Our primary strategy is the creation of value over the long term by generating sustainable growth in cash flow and capital appreciation of our urban portfolio.

FCR targets specific urban markets within cities in Canada with growing populations. Specifically, we intend to continue to operate primarily in and around our target urban markets which include the Greater Toronto Area; Greater Calgary Area; Greater Edmonton Area; Greater Vancouver Area; Greater Montreal Area; and the Greater Ottawa Area.



166 PROPERTIES



\$9.2 BILLION ENTERPRISE VALUE



25.5 MILLION SQ.FT.



96.7% TOTAL PORTFOLIO OCCUPANCY

For additional data,
visit our website at
fcr.ca/sustainability

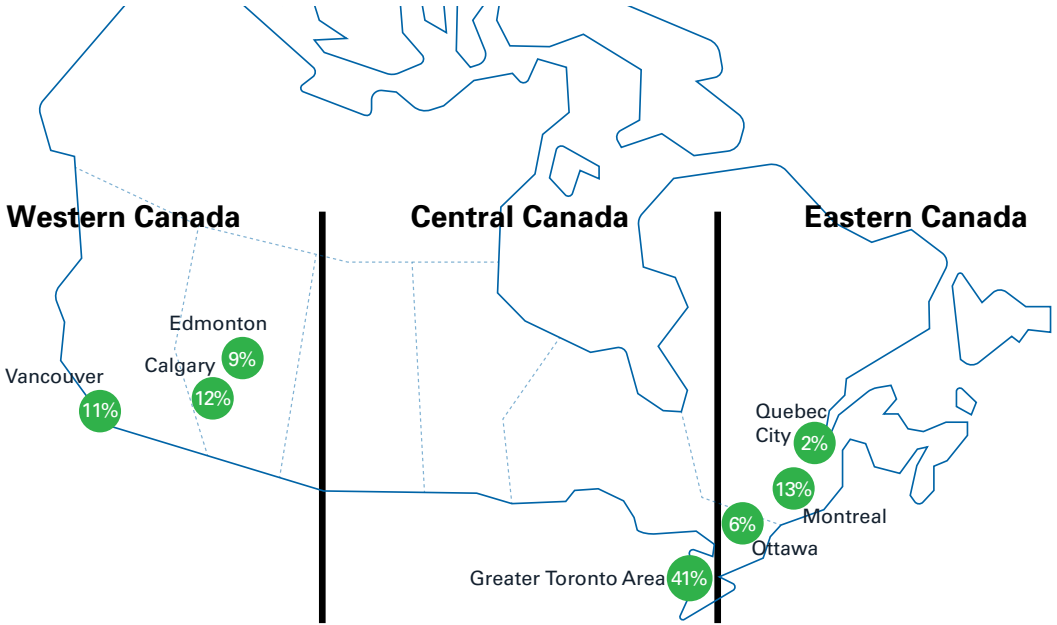
Artwork: Can
Artist: Michelle Cieoszczyk
85 Hanna Ave., Toronto



FCR is continuing to increase investment in well-located, high-quality, urban, mixed-use properties with a focus on building large positions in dense, high growth neighbourhoods. Over time, we create thriving urban neighbourhoods where neighbours run into each other; where businesses succeed; where spaces become vibrant places. That's why we are renowned for our highly selective and strategic urban locations, our functional designs, our thoughtfully assembled mix of tenant uses and our commitment to excellence in property operations.

FCR believes that living up to our social and environmental responsibilities simply makes good business sense to support our goal of creating high quality urban shopping destinations. Our focus on sustainability is designed to deliver real results as well as trust, trust that generates long term success and value for our Company.

PERCENTAGE OF PORTFOLIO IN CANADIAN URBAN MARKETS



OUR APPROACH

OUR SUSTAINABILITY STRATEGY

Sustainability is inherent in FCR's business strategy. Simply put, it makes good business sense.

Our Sustainability Vision is to enhance the long-term value of FCR by minimizing our impact on the natural environment and positively affecting our people and the communities in which we live and work. Sustainability is an important consideration in every aspect of the real estate life cycle from acquisitions and developments through to operations. For example:

- First, we target acquisitions and developments in existing urban markets supported by high residential density and public transit rather than greenfield developments which are primarily automobile-dependent.
- Second, we conduct comprehensive environmental assessments to identify possible environmental contamination prior to acquiring a property and then, if required, remediate the land.

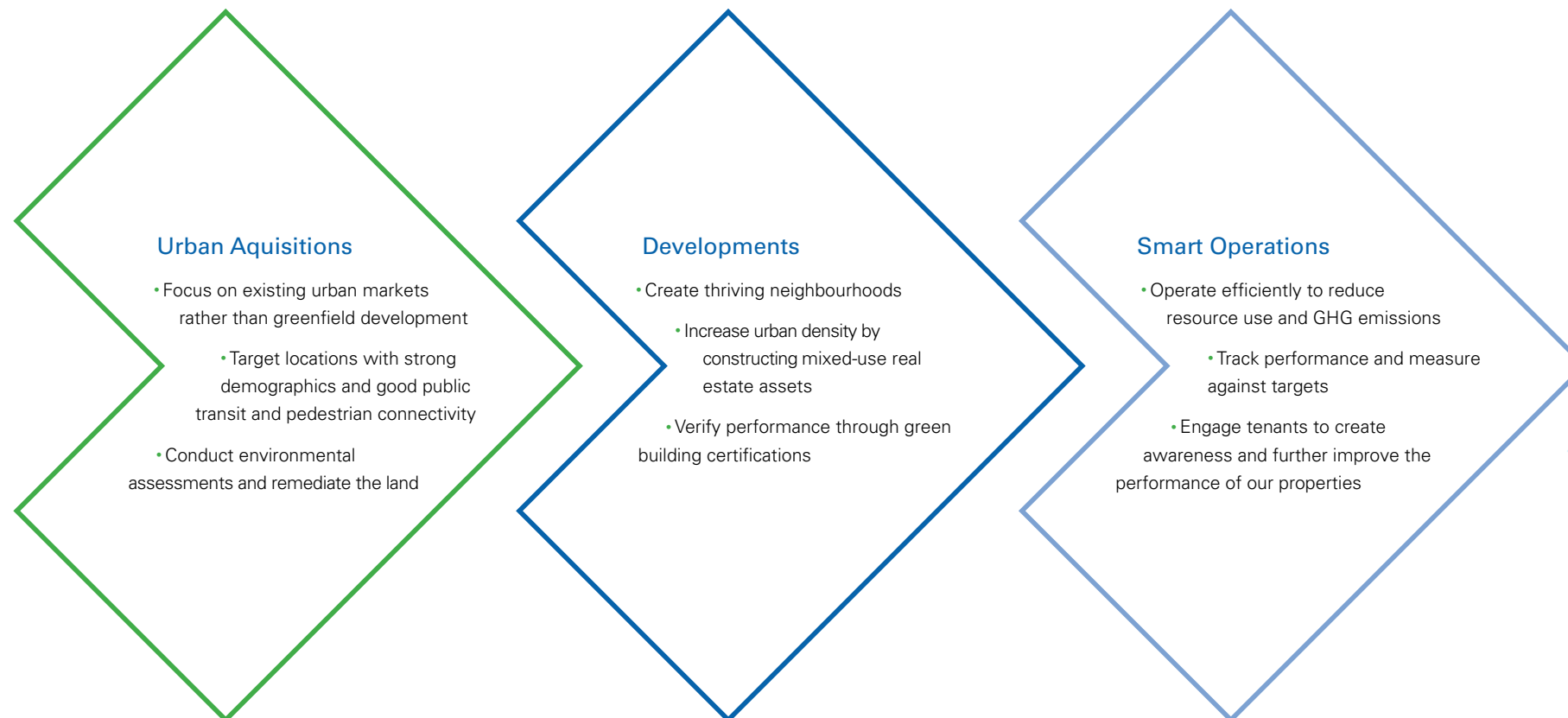
- Third, we pursue urban land use intensification on selected existing urban properties by adding mixed use density (i.e., commercial, retail and residential). By focusing on existing urban markets, targeting locations with good public transit and increasing density, we are helping to reduce societal energy consumption and GHG emissions, while at the same time developing vibrant neighbourhoods where the public can easily access daily necessities.
- Fourth, FCR has committed to develop and certify all new projects to LEED¹, and obtain BOMA BEST certification on all existing properties.
- Finally, we have a mandate to improve operational efficiency with the implementation and monitoring of energy and water conservation measures and performance targets.

We believe that progressive sustainability management results in improved risk management and leads to increased property values, better customer satisfaction, improved operational efficiencies and real cost savings. Evolving stakeholder expectations are driving the agenda to proactively future-proof our portfolio. Being almost ten years into our sustainability journey, we will once again be updating our sustainability strategy in 2019 and setting new targets for the performance of our portfolio.

¹ Subject to tenant acceptance



Value Creation through a Sustainability Lens



We have pursued sustainability strategies since 2010 and have been recognized as a leader in Canada for our comprehensive reporting. View our Sustainability Policy at fcr.ca/sustainability.

WORKING WITH OUR STAKEHOLDERS

Stakeholder engagement and input is critical to the success of our Company.

FCR understands that working closely with our stakeholders is foundational to our business. We have in place multiple two-way channels to effectively communicate with our stakeholders, including our shareholders, partners, tenants, employees and the public. This deepens our understanding of issues, offers diverse perspectives and helps inform future strategy. Mechanisms for engagement are outlined in the chart on the following page.

FCR is an active participant in the Canadian real estate business community. We are a member of the International Council of Shopping Centers (ICSC), the Real Property Association of Canada (REALPAC), Building Owners and Managers Association (BOMA) Canada, Commercial Real Estate Development Association (NAOIP), Canada Green Building Council (CaGBC) and Corporate Real Estate Women (CREW). Many employees are active members in these associations as well.

Our President & CEO serves on the Board of Directors of REALPAC. Our Senior Vice-President, Operations serves as the Past Chair of BOMA Toronto, a member of the National Advisory Council of BOMA Canada and the University of Guelph's Real Estate Program Advisory Board. Our Vice-President, Business Process & Risk Management is a member of BOMA Canada's Cyber Security Committee. Our Director, Sustainability is a member of REALPAC's Environmental, Social & Governance Committee and BOMA Canada's Resilience Committee.



Tenant Engagement

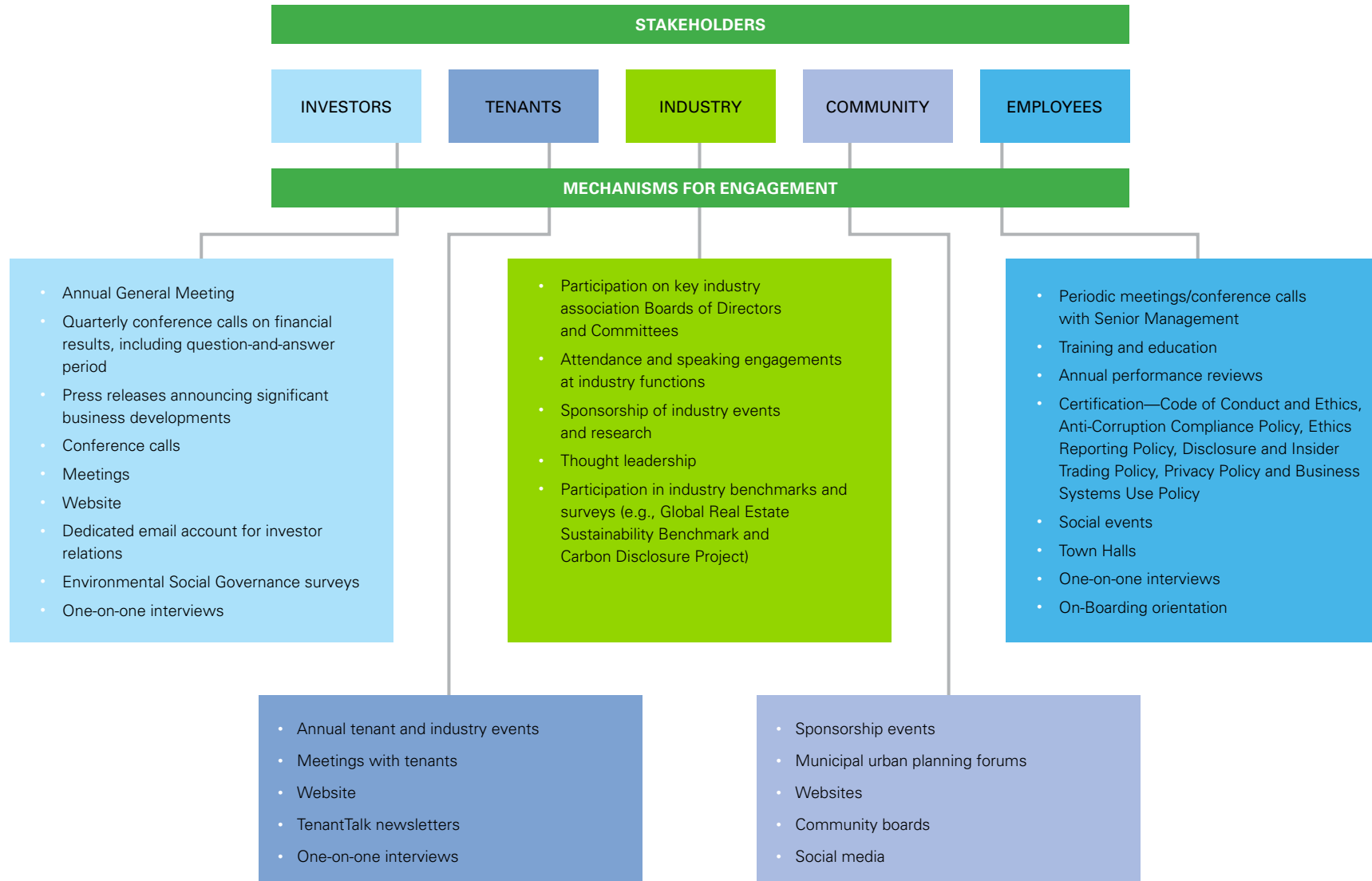
Our tenants have a big influence on the environmental impact of our properties. Through our digital Tenant GreenTalk Newsletter, we promote sustainability awareness and provide tenants with actionable tips and advice to encourage them to employ environmentally friendly practices within their premises.

Idea Fair at 2150 Lake Shore Blvd. W.

2150 Lake Shore Blvd. W. is a 28-acre property that will be redeveloped to create a thriving, connected mixed-use community in South Etobicoke, Ontario. Public engagement is a key part of our Master Planning process as it allows our team to understand community values, concerns and aspirations for the future of the site and provides a means for open dialogue through all phases. On November 21, 2018, nearly 400 residents joined us as we hosted an Idea Fair with community stakeholders to brainstorm and share ideas for this new future community.



Mechanisms for Stakeholder Engagement



2018 MATERIALITY UPDATE

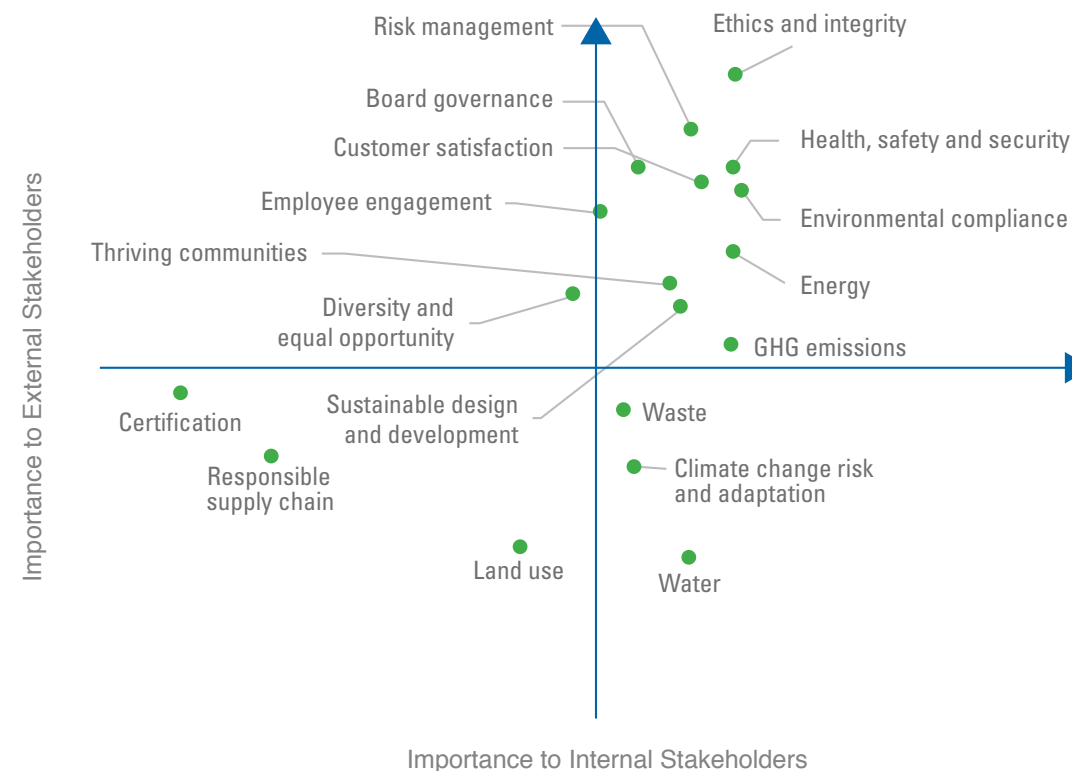
We have defined our sustainability priorities in collaboration with our key stakeholders.

In 2018, FCR conducted a focused exercise aimed at updating and confirming which sustainability issues are most important to our stakeholders and to ensure that our reporting aligns with their priorities. We conducted one-on-one interviews with 16 internal and external stakeholder groups representing employees, executive leaders, board members, tenants, investors and joint venture partners. Stakeholders were asked to rank the importance of 19 sustainability aspects, organized in the categories of Environment, Social and Governance. The results of this stakeholder engagement process were plotted on the 2018 FCR Sustainability Prioritization Matrix shown at right.

When comparing against our results from our 2015 materiality assessment, the fundamental aspects that are required for good business remained top priority, including governance aspects, environmental compliance, and health, safety and security. Several environmental and social aspects moved to the forefront, including energy, greenhouse gas emissions, employee engagement, thriving communities and sustainable design and development. Meanwhile, the assessment also revealed that other aspects, such as sustainable design & development and diversity & equal opportunity, are poised to gain importance in the future.

Several environmental and social aspects moved to the forefront, including energy, greenhouse gas emissions, employee engagement, thriving communities and sustainable design and development.

2018 FCR SUSTAINABILITY PRIORITIZATION MATRIX



ENVIRONMENT

ENERGY & GREENHOUSE GAS EMISSIONS

Efficiency is integrated into how we operate our properties every day.

Energy, in the form of natural gas and electricity, is used to heat and cool our properties, ultimately resulting in greenhouse gas (GHG) emissions. Canada's built environment is a significant contributor to GHG emissions, with 17% of GHGs coming from residential, commercial and institutional buildings². To achieve the targets of the Pan-Canadian Framework on Clean Growth and Climate Change, which aims to reduce greenhouse gas emissions by 30% over 2005 levels, by 2030, Canada's commercial real estate industry will be expected to play a large role. FCR recognizes the impact our properties have on the environment and is committed to monitoring and minimizing this impact, while at the same time driving down operating costs, engaging tenants, and managing market and regulatory risks such as future utility cost increases and mandatory energy reporting.

Because our portfolio is comprised primarily of open-air shopping centres, most of our Company's energy consumption is attributed to powering exterior common areas and parking lot lighting. In most cases, tenants are separately metered for natural gas and

electricity consumption and therefore, their energy use and associated GHG emissions are not included in this report.

To ensure continued improvements across our portfolio, energy use and GHG emissions are tracked through our energy management software. Reduction targets are set and performance is linked to the accountability agreements of our Operations team including our Senior Vice-President Operations and Vice-President Operations, Director Sustainability, Directors of Operations and Property Managers. Reductions are achieved through operational best practices and equipment upgrades. In 2018, all our operations staff received in-house Operations & Maintenance training and an accompanying checklist specifically focused on enhancing operating efficiency. In 2016, we made a commitment to upgrade all our parking lot and exterior lighting to energy efficient light emitting diode (LED) lamps by 2020. By the end of 2018 we had completed over 60% of our portfolio, with the remainder scheduled for completion in 2019 and 2020.

Also in 2016, we set a target to reduce our 2018 energy consumption and GHG



² Pan-Canadian Framework on Clean Growth and Climate Change. Canada's Plan to Address Climate Change and Grow the Economy. 2016. Available at: <https://www.canada.ca/en/services/environment/weather/climatechange/pan-canadian-framework/climate-change-plan.html>

emissions by 7.5% from a 2015 base year. For comparability and to isolate improvements, we report this target on a weather normalized, like-to-like portfolio. Results are as follows:

- 7% reduction in energy consumption, and
- 11% reduction in GHG emissions.

We also report on the absolute energy consumption and GHG emissions of our portfolio using both a year-over-year comparison and a 5-year rolling baseline:

- 3% increase in energy consumption, 2018 over 2017,
- 4% increase in GHG emissions, 2018 over 2017,
- 5% decrease in energy consumption over 5 years, despite an 8% increase in GLA reporting, and
- 13% decrease in GHG emissions over 5 years, despite an 8% increase in GLA reporting.

Our efforts to reduce energy consumption and GHG emissions can be seen in our 5-year results. The increase in energy consumption and GHG emissions in 2018 over 2017 is mainly attributed to a surge in natural gas used for heating our properties during the longer and colder than normal winter that we experienced across much of Canada. Due to rising energy costs, our annual energy spend was up 6% in 2018 compared to 2014, despite a 5% reduction in consumption.

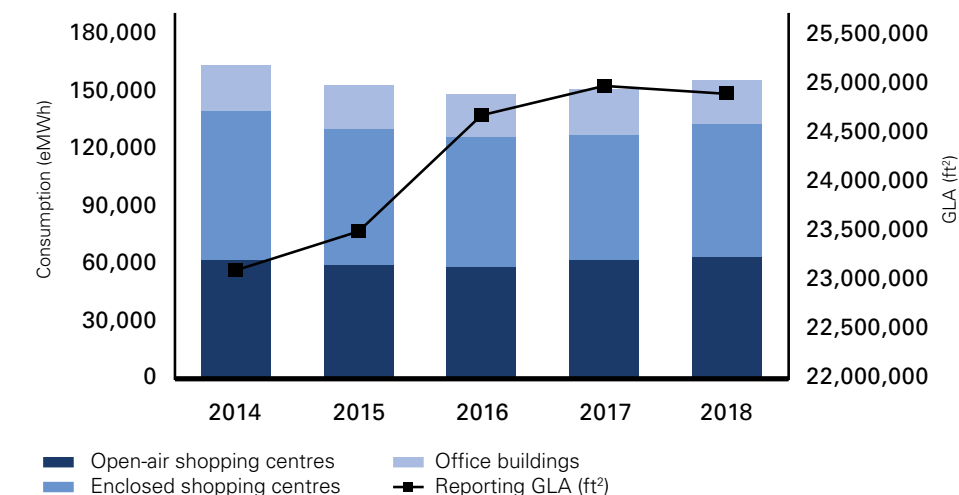
In 2019, we will undertake a process to set new energy and GHG reduction targets for our portfolio. We will also begin to explore opportunities to uncover additional energy and GHG savings and improve data coverage. Some planned initiatives include the consideration of green lease clauses to encourage data sharing and collaboration with our tenants, analysis of solar photovoltaic feasibility on select properties, and energy audits on our largest consuming properties to uncover additional opportunities for improvement.



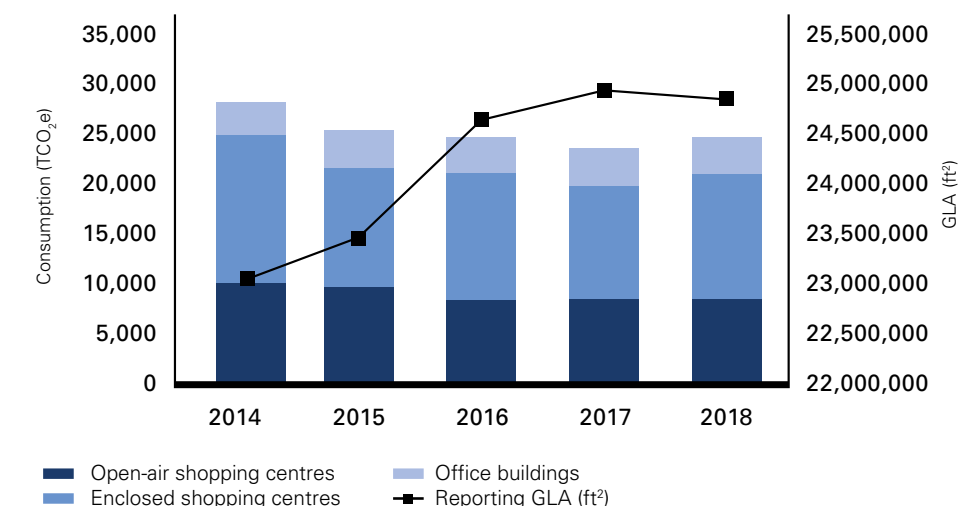
Advanced Rooftop Unit Controls

In 2018, we initiated a significant capital commitment to install an advanced monitoring and controls system for rooftop HVAC units called Catalyst. In 2019, this innovative technology will be installed on 60 HVAC units servicing common areas across eight properties in Ontario and is expected to achieve annual savings of over 785,000 kWh and 556 metric tons of carbon dioxide, the equivalent of taking 118 passenger cars off the road each year.

ENERGY CONSUMPTION BY ASSET CLASS



GHG EMISSIONS BY ASSET CLASS





CLIMATE CHANGE RISK & ADAPTATION

Resilient properties contribute to a resilient business.

Climate change poses both physical and economic risks to our Company and the communities in which we operate. For example, our properties, customers and communities may become impacted by more severe weather events. We are committed to better understanding the risks of climate change, incorporating this into our business continuity planning and in turn, increasing the resiliency of our properties and communities. Improving resilience to extreme weather events is good business management.

FCR's Director of Sustainability is an active member of BOMA Canada's Resilience Committee and has been closely monitoring the development of BOMA Canada's Climate Risk Assessment Tool as well as other proactive initiatives in the space. FCR was integral to a world-leading research study to determine commercial buildings' "carrying capacity"—the ability of buildings to recover and resume normal operation following extreme events. The research was conducted by the University of Toronto Centre for Resilience of Critical Infrastructure in partnership with BOMA Toronto. The first part of the research informed the recently published *BOMA Toronto's Technical Guidance Notes on Resilience in the Commercial Real Estate Industry*.

Working with our property insurance providers, we have identified properties located in a flood zone and have developed property-specific flood emergency response plans. We have also been integrating storm water management measures and making improvements to our tenant emergency response communications.

Climate change risk identification and management and climate-related scenario analysis have only recently gained industry traction since the Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) released their recommendations in June 2017. We recognize that adopting these recommendations is best practice in climate governance and risk management, and we are committed to defining how best to apply them to our business and across our portfolio. Throughout 2019 we will continue to monitor the trends and best practices and begin to develop a climate change strategy and framework for climate change risk identification and analysis for our portfolio.

WATER

We strive to minimize our water use.

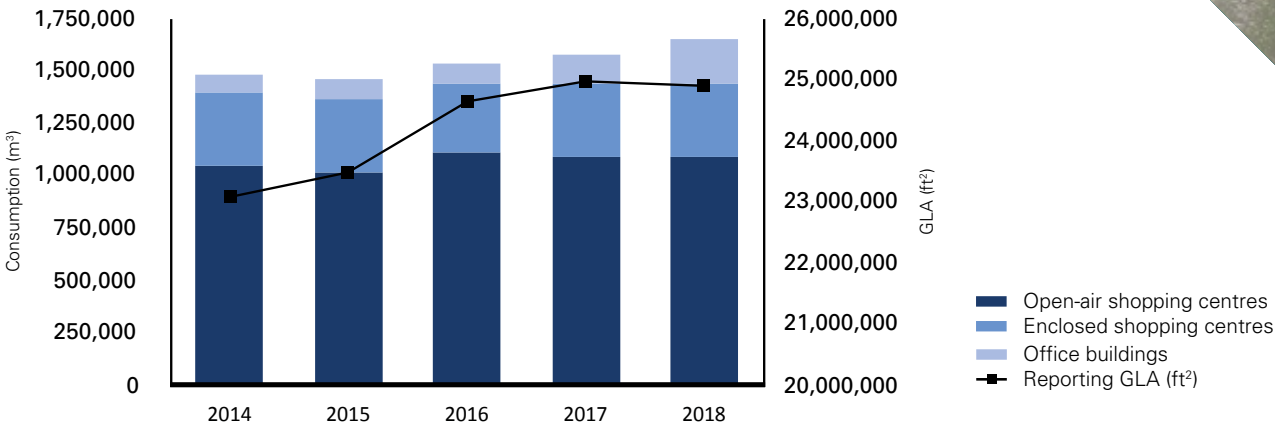
The availability of fresh water supplies continues to be an increasing concern. In Canada, water conservation efforts are becoming more important as climate change begins to impact regional supplies and the cost of water continues to rise in many municipalities.

Our properties primarily use water to supply drinking water, support maintenance and cleaning activities, supply landscape irrigation, and provide sewage conveyance. At many properties, there is one water meter installed by the utility and tenants are not separately metered. As a result, the water consumption and costs associated with many of our tenants' business operations are included in this report, meaning usage can be impacted by changes in property occupancy levels and tenant

uses (e.g., fitness clubs and restaurants use a lot more water than some other tenant types). In Quebec, water consumption is not metered and therefore water consumption and costs for our Quebec properties are not included in this report.

FCR continues to implement water conservation measures across our portfolio such as efficient washroom fixtures and irrigation systems, as well as improving tenant awareness around the importance of water conservation. Despite these efforts, water consumption in our portfolio has increased by 11% since 2014, largely due to an increase in portfolio size and changes in the types of tenancy. Our annual water spend in 2018 was up 35% since 2014.

WATER CONSUMPTION BY ASSET CLASS





WASTE

We are working to improve waste management across our portfolio.

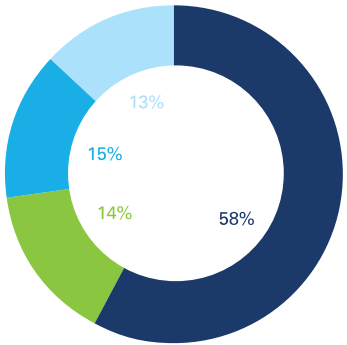
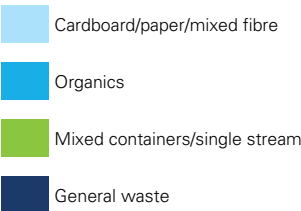
Minimizing waste output across our portfolio is important to reduce our contribution to global GHG emissions, pollution and environmental degradation, while also saving on waste management costs.

FCR does not currently have a national, comprehensive, recycling & waste program at our properties due to varying local market conditions and the use of regionally based waste management companies. In recent years, we have been striving to improve the efficiency and reduce the costs related to our existing waste and recycling programs. To improve and provide consistency to our waste reporting and monitoring, we have been expanding our relationship with a third-party waste consultant with a focus to maximize cost reduction, increase waste diversion and streamline data collection. In 2018, our waste diversion

reporting includes data for 72% of our portfolio, or 17.6 million square feet of GLA, up from 61% in 2017. Our waste diversion rate for properties that report on waste is 42%, up from 40% in 2017.

In 2019, we will enhance our focus on tenant education around waste and recycling and continue to perform third-party waste audits. Early in 2019, we are implementing a pilot project with the installation of cigarette butt recycling stations in the exterior common areas at 12 properties across Canada, with plans for a national roll-out later in the year. This program will reduce cigarette litter at our properties, and the collected butts will be recycled into a variety of industrial products, such as plastic pallets, and any remaining tobacco is recycled as compost.

2018 WASTE PROFILE OF NON-HAZARDOUS WASTE





13% decrease in GHG emissions since 2014



5% decrease in energy consumption since 2014



42% average waste diversion rate

For additional data, visit our website at
fcr.ca/sustainability

SUSTAINABLE DESIGN & DEVELOPMENT

Developing high-quality sustainable assets and communities.

Urban development is occurring at a rapid pace and has a direct impact on the environment and surrounding community. Developers have a responsibility to consider how they can reduce their impact on the environment and create places that are liveable, comfortable, safe, and productive.

Sustainable design & development aligns with FCR's business strategy of developing vibrant urban neighbourhoods where the public can easily access daily necessities. Our development and redevelopment activities are focused primarily on well-located properties in dense urban neighbourhoods where land use intensification is a priority. Our development activities are focused on increasing super urban neighbourhood development, including increasing retail space on a property and adding mixed-use density, including residential and office space.

Urban development in pedestrian-based, high-density communities can have positive social, economic and environmental impacts such as more engaged and connected communities, less economic burden on municipalities to deliver services such as public transit, and the avoidance of consuming prime agricultural or forested land. Greenfields comprise only 10% of FCR's portfolio in acres in 2018. Also, by remediating contaminated urban lands, the environment is improved, land values are increased and the potential for abandoned neighbourhoods or districts is lessened.

Accessibility to public transit is inherently important to our strategy and during the acquisition and development process

we evaluate potential sites for transit access and future planned transit expansion. Currently over 90% of our properties are within a 5-minute walk to public transit. We have also worked closely with local government to put plans in place to improve public transit and create new transit-hubs at several of our urban development properties. By ensuring our tenants and their employees and customers have convenient access to public transit we can decrease dependence on vehicle use, reducing traffic congestion, air pollution and GHG emissions.

We have worked closely with local government to put plans in place to improve public transit and create new transit-hubs at several of our urban development properties.

In 2006, we embarked on the path towards sustainability by building all new developments to Leadership in Energy and Environmental Design ("LEED") standards³. With the evolution of our development activity towards urban, mixed-use communities, we recognize the need to formalize a more holistic approach to sustainable development beyond our commitment to LEED certification. In 2019, we will work on developing an enhanced sustainability strategy to guide our work on future developments.



3.8 million sq.ft. LEED certified



77% portfolio BOMA BEST certified, by GLA



>90% of portfolio within 5-minute walk to public transit



78 average Walk Score® for our portfolio = 'Very Walkable'

For additional data, visit our website at fcr.ca/sustainability

³ Subject to tenant acceptance

PEOPLE

CUSTOMER SATISFACTION

We aspire to be the preferred real estate company for tenants, communities, employees, and investors.

Satisfied customers, specifically our tenants and their customers, are the foundation of our business. Strong customer satisfaction improves our reputation and contributes to financial growth. This is achieved through our commitment to provide superior service and optimal property management in a consistent quality manner for all FCR properties.

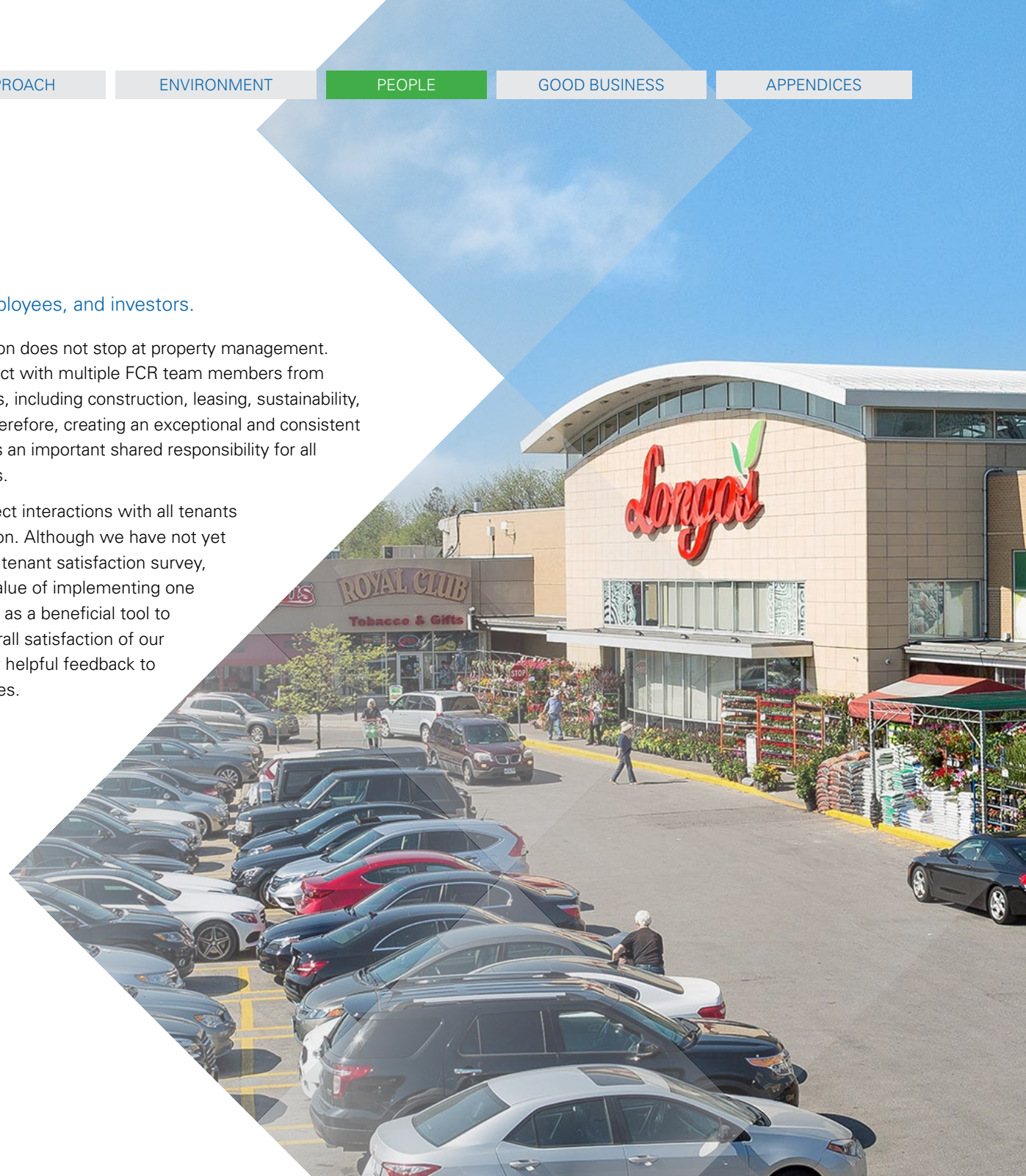
As customer expectations continue to evolve, we also strive to evolve. To continue to deliver an exceptional level of service to our tenants, in 2017 we launched an online property management software called Building Engines which has allowed us to improve service delivery and communications with our tenants. The Broadcast Messaging Module of Building Engines provides our operations teams with an easy and effective communication tool that allows them to stay in touch with their tenants. Messages can be delivered using both email or text messaging for any number of circumstances. It may be a simple reminder about the upcoming time change, a notification about a planned power shut down or a building inspection at a property or communication and updates on emergency matters as they unfold.

Customer satisfaction does not stop at property management. Tenants often interact with multiple FCR team members from various departments, including construction, leasing, sustainability, legal and others. Therefore, creating an exceptional and consistent tenant experience is an important shared responsibility for all FCR team members.

FCR's priority is direct interactions with all tenants to ensure satisfaction. Although we have not yet conducted a formal tenant satisfaction survey, we recognize the value of implementing one in the coming years as a beneficial tool to benchmark the overall satisfaction of our tenants and identify helpful feedback to improve our practices.

 **96.7%** record occupancy level achieved in 2018

For additional data, visit our website at fcr.ca/sustainability





79%

employee engagement
score in 2018
employee survey



\$50K

in employee tuition
reimbursements in 2018



100%

of people managers received
specialized training in 2018

For additional data, visit our website at fcr.ca/sustainability

EMPLOYEE ENGAGEMENT

Employee input and feedback defines our Company's priorities.

Our people are our strength. Our corporate culture reflects our shared commitment to building community and excellence in everything we do. FCR is committed to ensuring that we have the right people in the right positions to profitably and efficiently manage our properties, reinvest in our people and drive financial performance. Investing in our people and providing them with the right tools and resources contributes to healthy employee retention and productivity.

We believe that engaged employees are productive employees. We strive to deliver a rewarding, stimulating and fun place to work, where individuals are treated with respect and dignity. FCR provides employees with competitive remuneration, generous benefits, training, educational opportunities and career advancement. We provide a comprehensive benefits package to full-time employees, including a wellness subsidy.

In 2018, we conducted an employee engagement survey using a third-party firm called TalentMap. We had a very strong response rate of 90% (as provided by TalentMap, the benchmark average is 80%) and scored an overall engagement score of 79% (as provided by TalentMap, the average is 72%).

In 2018, over 50 Executives and Senior Leaders participated in a 360-Degree Feedback Program to help gain insight into management and leadership strengths and areas of opportunity

for development. Once the responses were collected, participants received a personalized report and attended a workshop to create a personalized development plan.

Managers are required to conduct annual formal performance reviews of their employees and ensure that expectations are understood and performance is acknowledged and rewarded. All permanent, full-time employees participate in the Performance Review and Year-End Compensation review process which includes the creation of a Development Plan for the coming year.

In 2019, we will implement formal probationary reviews for all new permanent, full-time employees. The purpose at this stage is to discuss how the new employee demonstrates the FCR Values and to identify any development opportunities to assist with success in their new role. This process will be completed prior to the end of the 6-month probationary period.

FCR encourages employees to develop and advance in their careers. Employees are encouraged to take professional development courses and seminars. We offer a competitive employee tuition reimbursement plan to full-time permanent employees. Employees can receive up to \$3,500 annually towards tuition reimbursement provided the subject of study is relevant to his or her current role or will develop new skills of

mutual benefit to FCR and the individual. In 2018, we reimbursed \$50,123 in tuition fees to our employees.

FCR also offers several in-house training programs. In 2018, we continued our annual mandatory training for all People Managers across Canada which included a full day session titled Conversations that Create Culture. This session focused on how to deliver positive developmental feedback and how to hold coaching conversations. Employees are also offered the opportunity to participate in Microsoft Office skills training. In

“Employees can receive up to \$3,500 annually towards tuition reimbursement. In 2018, we reimbursed over \$50K in tuition fees to our employees.

September 2018, all our operations staff received Operations & Maintenance training focused on energy efficiency along with an accompanying checklist specifically focused on enhancing operating efficiency at our properties.



PrintWise Challenge

In late 2018, we established an employee green team, led by the Director, Sustainability. The goal of the green team is to assist in implementation of sustainability initiatives at our corporate and regional offices and to help 'green' our own internal operations.

The first initiative implemented was the PrintWise Challenge, an 8-week national employee engagement campaign encouraging FCR employees to print less. By the end of the campaign we achieved just over a 10% reduction in printing and savings of over 20,000 pieces of paper.

Project Innov8

In 2018, to foster innovation and collaboration, our Operations team launched Project Innov8. The initiative challenged property management teams in each region to brainstorm innovative operations ideas. The top idea from each region was presented at our National Operations Conference in October 2018 and the winner was chosen by a panel of FCR judges. The winning project – cigarette butt recycling – is being piloted at 12 sites with national roll-out planned for late 2019.



DIVERSITY & INCLUSION

We are recognized for our gender diversity.

As a national company, we recognize the importance and value of a workforce that is inclusive and reflects the diverse communities in which we operate. Not only does diversity enable us to deliver a superior experience to our clients and stakeholders, but it may also lead to a competitive advantage as diverse perspectives contribute to our decision-making process.

Our commitment to diversity and inclusion is inspiring for current employees and is attractive to prospective employees as they see themselves reflected in the workforce. Integrity and a high standard of ethics are fundamental to our Company's beliefs and all employees are required to respect the rights and dignity of all individuals, as it is outlined in our Code of Conduct and Ethics.

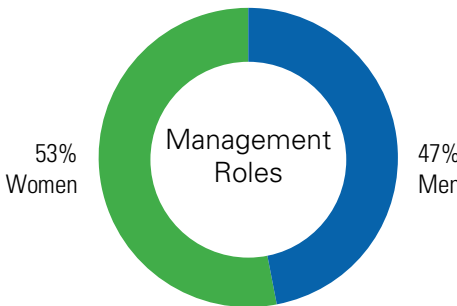
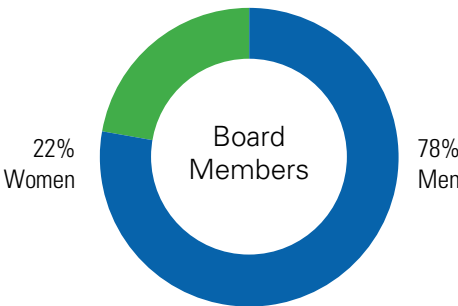
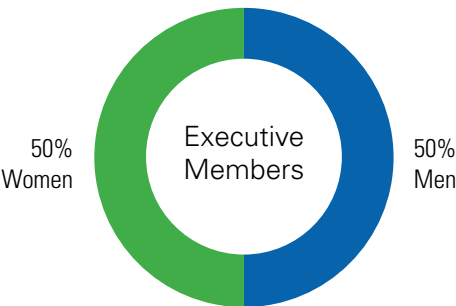
In 2018, FCR developed a Board Diversity Policy to ensure a balance of skills, experience and diversity of perspectives appropriate to our Company. The promotion of a diverse

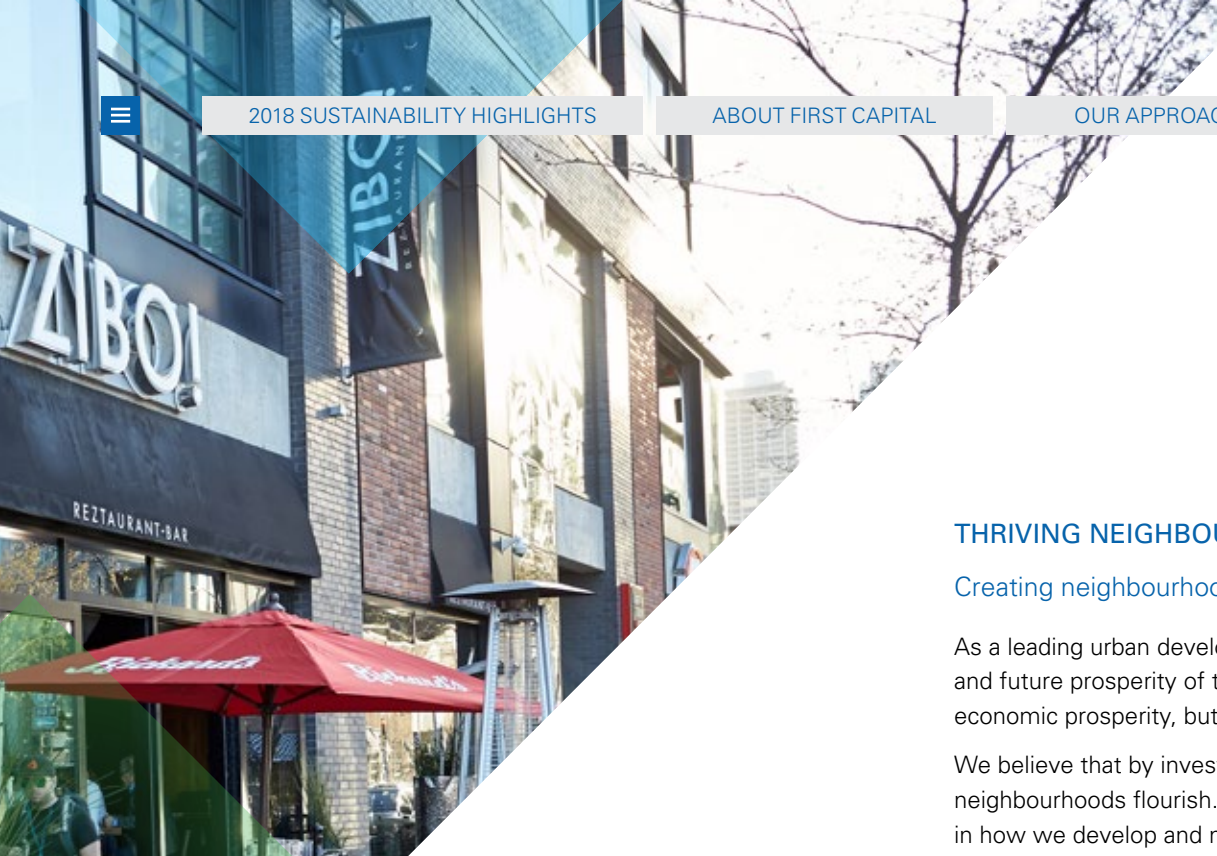
Board of Directors makes prudent business sense as it facilitates the inclusion of different perspectives and ideas leading to enhanced decision-making, improved oversight and better corporate governance. It also ensures that FCR has the opportunity to benefit from all available talent.

In 2018, FCR developed a Board Diversity Policy to ensure a balance of skills, experience and diversity of perspectives appropriate to our Company.

FCR has been recognized for our gender diversity and was ranked as the most gender diverse company in Canada by the Evolve North American Gender Diversity Index ETF, launched in 2017. This ETF invests in the most gender diverse companies in North America as ranked by Equileap's extensive gender scorecard, which includes 19 criteria of gender balance and gender equality.

For additional data, visit our website at fcr.ca/sustainability





In Fall of 2018, the City of Toronto created a new temporary respite centre at Lamport Stadium in Liberty Village in an effort to combat high occupancy rates in the permanent shelter system and the growing need for homelessness services. Employees at our nearby head office ran a donation drive and collected items such as toiletries, clothing and food. At the end of the drive, an FCR welcoming committee went to greet our new neighbours and drop off our donations.

For additional data, visit our website at
fcr.ca/sustainability

THRIVING NEIGHBOURHOODS

Creating neighbourhoods is what we do.

As a leading urban developer, we have an impact on the current and future prosperity of the cities in which we operate; not just economic prosperity, but social and environmental as well.

We believe that by investing in urban mixed-use projects, we help neighbourhoods flourish. We foster vibrant, thriving communities in how we develop and manage our properties by:

- Maintaining the highest standards,
- Emphasizing customer experience,
- Integrating and connecting retailers within communities, and
- Carefully selecting specific complementary tenant offerings at each of our properties to best serve the needs of the local community.

The arts and sustainability complement each other well. While one nourishes the mind and community, the other serves the environment in which we live and work.

As our business strategy evolves to focus on creating high-quality, super urban neighbourhoods, our attention to establishing

and maintaining a strong economic, social and environmental backbone throughout our communities will be imperative to ensure they flourish. That's why we also bring great momentum to initiatives that focus on the arts and sustainability. The arts and sustainability complement each other well. While one nourishes the mind and community, the other serves the environment in which we live and work.

For the last twelve years, FCR has been involved in various art projects across the country. These projects allow us to support art education and local artists and engage with our communities, while at the same time adding aesthetic appeal and enhancing the experience of visitors to our properties. At present, FCR has 27 art installations located in public common areas of select properties. Through collaborations with Ontario College of Art and Design University (OCAD), Emily Carr University of Art and Design, and Concordia University, FCR has sponsored several competitions giving students and emerging artists an opportunity to showcase their talent.



27 public art installations
across our portfolio

HEALTH, SAFETY & SECURITY

The health, safety and security of our employees, contractors, tenants and visitors are table stakes.

Health and safety is a critical facet of the real estate and construction business. Employees conducting their work in office environments have a much lower risk of injury compared to construction activities. Typically, FCR hires third-party general contractors to construct new developments or major renovations because these parties have the expertise and knowledge to execute this work and manage the associated health and safety risks. Similarly, we hire third-party contractors and suppliers to provide property management services (e.g., building maintenance, snow removal and landscaping).

We conduct routine night lighting inspections at all of our properties to ensure a safe and secure environment.

In 2018, we continued to provide health and safety general awareness training and specific compliance training to all employees. All new employees receive this training during their first week of employment as part of our onboarding program. FCR has established joint health and safety representatives and committees nationally. These representatives conduct monthly workplace inspections and meet on a quarterly basis.

In 2019, all operations staff nationally will be required to attend a full-day, in-person health and safety training session that is being developed and administered by a third-party consulting firm. The training will focus on building employee awareness and ensuring that our operations staff understand their rights and responsibilities with respect to health and safety. Topics will include identifying unsafe working conditions, understanding work safety procedures, working at heights, contractor management/supervision and proactively reporting incidents.

Regarding the health and safety of contractors and suppliers, third-party service agreements include standard terms to ensure that the provincially legislated roles and responsibilities of constructor, prime contractor and principal contractor are clearly defined to minimize FCR's liability. Furthermore, we maintain a third-party contractor accreditation program to annually verify contractors' compliance with health and safety legislation.

Our Supplier Code of Conduct and Ethics (the "FCR Supplier Code") holds all suppliers and contractors accountable to maintaining a safe, healthy and secure work environment. If there is an actual or suspected violation of the FCR Supplier Code, suppliers are encouraged to report it to the confidential, third-party FCR ethics hotline.

During 2018, there were no fatalities as a result of our Company activities. In 2018, there was one Workers' Compensation claim that resulted in lost time of one day.

Tenant and customer safety is of utmost importance. Our patio bollard "safe space" program identifies common area and tenant patio locations where there is potential risk to public safety due to the proximity to vehicular traffic areas. Once identified, vehicle impact barriers, also known as bollards, are installed to prevent vehicle/pedestrian impact incidents from happening. This has also been incorporated in our Company's design standards.

Another area where we can influence the safety and security of our properties is through well-lit parking lots and exterior common areas. We conduct routine night inspections at all of our properties to monitor and ensure adequate amounts of lighting are maintained for added safety and security.



GOOD BUSINESS

ETHICS & INTEGRITY

Ethical business is a part of our culture.

Beliefs, Values and our Codes of Conduct and Ethics define our Company. Collectively, they capture the culture and expectations of FCR. They are foundational for establishing a strong, focused company.

Beliefs

Integrity and a high standard of ethics are fundamental to our Company's beliefs. FCR is committed to doing what is right and deterring wrongdoing. In dealing with tenants, vendors, suppliers and fellow employees, we require that employees:

- Conduct themselves in a forthright and honest manner;
- Are fair and considerate in all their dealings;
- Maintain professional behaviour in all their relationships;
- Make only commitments they can keep and keep them;
- Respect the rights and dignity of all individuals.

Values

Our Values reflect our Company's evolving culture and align with our focus on creating thriving neighbourhoods for everyday urban life.

Our Values are:



Code of Conduct and Ethics

FCR has clearly defined its expectations of employees, officers and directors in its Code of Conduct and Ethics, Anti-Corruption Compliance Policy, Ethics Reporting Policy, and Disclosure and Insider Trading Policy. Employees, officers and directors are required to acknowledge having read these documents and agree to comply with these policies upon joining the organization and annually thereafter.

We have adopted a Supplier Code of Conduct and Ethics (the "Supplier Code") which was designed to ensure that third-party suppliers have a clear understanding of how FCR expects to conduct our business with suppliers.

Whistleblower Mechanism

Every director, officer and employee has an ongoing responsibility to report any activity of which he or she may have knowledge relating to the integrity of our Company's financial reporting or which might otherwise be sensitive in preserving the reputation of FCR. Our Ethics Reporting Policy defines these expectations. Any non-compliance incidents with FCR's policy documents are handled in accordance with the directives identified in the policies.

FCR also retains ClearView Connects™, an independent provider of specialized ethics reporting services. It provides our employees and third-party suppliers with an independent and anonymous method for reporting any concerns regarding unethical behaviour or actual/perceived breaches with our Company's Code of Conduct or Supplier Code. The audit committee receives a report outlining any complaints on a quarterly basis.



Values Recognition Award Program

Launched in 2018, FCR's Value Recognition Award Program recognizes employees for demonstrating and embracing FCR Values. Nominations are put forth by fellow employees, reviewed by a Selection Committee and an award winner is announced twice annually. Award winners receive recognition at our Town Halls and are awarded \$2,000 worth of FCR stock.



Artwork: Le Zig-Zag
Artist: Helene Rochette
Place Viau, Montreal

GOVERNANCE

Board Governance

FCR and our Board of Directors (the “Board”) believe that sound corporate governance practices are the essential foundation to the well-being of FCR and the promotion and protection of our shareholders’ interests. Our Company is led by the President and CEO and overseen by the Board. As at December 31, 2018, the Board was comprised of nine directors, five of whom were “independent” as defined by the National Instrument 52-110. The Board had appointed a Chair who was not independent. For this reason, the Board also appointed a Lead Director who was responsible for facilitating the functioning of the Board independently of management and ensuring the directors had independent leadership.

“Sound corporate governance practices are the essential foundation to the well-being of FCR.”

Following the election of directors at our Annual Meeting of Shareholders which was held on June 4, 2019, the Board is now comprised of nine directors, seven of whom are independent. In addition, the Chair of the Board is independent, and the Board does not have a Lead Director.

The Board carries out its responsibilities directly through the Audit Committee, the Compensation Committee, the Corporate Governance Committee, the Investment Committee and such other committees as it may establish from time to time. For more information on the Board Committees, you can view the Committee Charters at fcr.ca/governance.

Sustainability Governance

Governance of sustainability occurs at the Board level. The Board will receive updates on sustainability matters as required and reviews our Risk Management Dashboard quarterly, which identifies climate change as a risk and includes risk mitigation activities.

We understand that it is important to assign accountability and oversight to how sustainability practices are managed across our Company. Our Sustainability Policy is a guiding document which describes our sustainability governance and operational structure, vision, goals, objectives, principles and practices. This content is also embedded in our Property Standards Manual, by which all active properties are required to adhere to.

The Senior Vice-President (SVP), Operations is the highest-level management position responsible for sustainability at our Company. The SVP, Operations is a member of the Executive Leadership Team and reports directly to the President & CEO. The role oversees all the company’s property operations nationally, as well as our Environmental and Sustainability programs. The Director, Sustainability reports to the SVP, Operations. The Director, Sustainability acts as a subject-matter expert to internal stakeholders and is responsible for coordinating company-wide execution of the sustainability strategy, including program development, progress measurement and external sustainability reporting. To increase the likelihood of success, sustainability performance metrics are included in the accountability agreements of the national Operations team, including the SVP, Operations.

The SVP, Construction is responsible for constructing all new projects to LEED certification standards and remediating any contamination discovered during construction and redevelopment

activities. Corporate Legal Counsel is responsible for preparing quarterly environmental reports on our properties, specifically remediation activities and environmental insurance coverage.

Our plan is to establish a Sustainability Taskforce to enable a more structured approach towards integrating sustainability practices.

Looking ahead to 2019 and beyond, there are several initiatives we plan to put in place to further enhance our sustainability governance, included establishing a Sustainability Taskforce to enable a more structured approach towards integrating sustainability practices across the organization, increasing the sustainability-related information in our annual reports and presenting to the Board of Directors on sustainability matters at least annually.

View our Sustainability Policy at
fcr.ca/sustainability



RISK MANAGEMENT

We employ robust risk management processes.

FCR has a structured risk assessment process to identify and manage risks. We identify and prioritize risks based on the likelihood of an event happening and economic impacts resulting from this event. Risks are classified as strategic, financial, operational or regulatory. A Risk Dashboard is used to compile the top risks of the organization.

FCR undertakes a review and re-prioritization of risks based on its annual assessment process. On a quarterly basis, we reassess risks for trends and receive updates on risk mitigation activities undertaken during the previous quarter. The Executive Leadership Team updates the Risk Dashboard quarterly and provides it to the Audit Committee and the Board.

To discourage management from taking excessive or inappropriate risk, several measures within our Company's compensation structure have been implemented. For example:

- The risk oversight function involves the Board and its committees;
- A substantial portion of the senior executive officers' compensation is "at-risk" with variable vesting periods which serves to align their interests with those of shareholders as a substantial portion of their compensation is directly affected by our Company's performance over time;
- Short-term and long-term incentive awards are based on a mix of corporate, business unit and individual performance measures;

- The President & Chief Executive Officer and his/her direct reports are subject to share ownership requirements;
- A formal compensation "claw back" policy applicable to senior executive officers;
- A formal anti-hedging policy; and
- Shareholders receive a vote on FCR's executive compensation practices, known as "Say-on-Pay".

RISK MITIGATION OF CONTAMINATED LANDS

FCR's philosophy of risk mitigation applies to the acquisition and management of land. Comprehensive environmental assessments are conducted to evaluate possible environmental contamination prior to acquiring a property. If contamination is identified, we liaise with the vendor to remediate the site prior to acquisition or to develop a remediation plan.

Further, we require comprehensive environmental liability insurance on all acquisitions. This approach minimizes potential financial liability if historical contamination is discovered on a property after acquisition (e.g., soil contamination underneath an existing building) or if off-site contamination migrates onto an adjacent property.

Our General Counsel tracks and reports on remediation activities quarterly to the Audit Committee. At the end of the reporting period, 2.5% of our portfolio in acres was comprised of contaminated brownfields.

APPENDICES

STATEMENT OF ASSURANCE

INDEPENDENT LIMITED LEVEL ASSURANCE REPORT

To the Board of Directors and Management of First Capital Realty (“FCR”)

OUR RESPONSIBILITIES

Our limited level assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000), Assurance Engagements other than Audits or Reviews of Historical Financial Information, and with the International Standard on Assurance Engagements 3410 (ISAE 3410), Assurance Engagements on Greenhouse Gas Statements published by the International Auditing and Assurance Standards Board.

SCOPE OF OUR ENGAGEMENT

As agreed with management, we have carried out a limited assurance engagement in relation to select performance indicators as reported in FCR’s 2019 Sustainability Report (the “Report”) for the years ended 31 December 2014 – 31 December 2018, including the following performance indicators:

Energy

- 302-1 – Energy consumption within the organization
- 302-4 – Reduction of energy consumption (absolute consumption only using a year-over-year comparison and a 5-year rolling baseline)

Water

- 303-5 – Water consumption within the organization
- Greenhouse gas (GHG) emissions
- 305-1 – Direct GHG emissions (Scope 1)
- 305-2 – Energy indirect GHG emissions (Scope 2)
- 305-5 – Reduction of GHG emissions (absolute emissions only using a year-over-year comparison and a 5-year rolling baseline)

SUBJECT MATTER AND CRITERIA

The subject matter consists of FCR’s environmental performance indicators as defined by management and the Global Reporting Initiative (GRI) Guidelines. The criteria used to evaluate the subject matter consisted of the relevant guidance contained within the GRI Guidelines.

FCR MANAGEMENT RESPONSIBILITIES

The Report was prepared by the management of FCR, who are responsible for the collection and preparation of the subject matter and the selection of criteria used in determining that the information is appropriate for the purpose of disclosure in the Report. In addition, management is responsible for maintaining adequate records and internal controls that are designed to support the reporting process. There are currently no legislative or regulatory requirements requiring FCR to prepare, publish or have verified a corporate responsibility report.

LEVEL OF ASSURANCE

Our procedures were designed to obtain a limited level of assurance on which to base our conclusions. The procedures conducted do not provide all the evidence that would be required in a reasonable assurance engagement and, accordingly, we do not express a reasonable level of assurance. While we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagements were not designed to provide assurance on internal controls and, accordingly, we express no conclusions thereon.

WORK PERFORMED

In order for us to express a conclusion in relation to the above subject matters, we have considered the following questions:

Completeness

- Has FCR fairly presented the subject matter with respect to the organizational and operational boundaries and time period defined in the Report?
- Has FCR accurately collated corporate data relating to the subject matter from all material entities in its defined boundary?
- Has FCR collated corporate data relating to the subject matter from all relevant operations level data?

Accuracy

- Is the subject matter accurate and sufficiently detailed for stakeholders to assess FCR's performance?

The procedures we undertook to form our conclusions included, but were not limited to:

- Interviewing selected personnel to understand the key corporate responsibility issues related to the data and processes for the collection and accurate reporting of the subject matter.
- Where relevant, performing walkthroughs of systems and processes for data aggregation and reporting.
- Inquiring of management regarding key assumptions and the evidence to support the assumptions.
- Validating the accuracy of calculations performed, on a sample basis, primarily through inquiry and analytical procedures.
- Validating that data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report through observation.
- Performing analytical review over the indicators, for example year-over-year analysis to confirm appropriateness of fluctuations; understand business trends and develop expectations accordingly.

LIMITATIONS OF OUR WORK PERFORMED

Our procedures did not include providing conclusions in relation to:

- The completeness or accuracy of data sets or information relating to areas other than the subject matters.
- The completeness or accuracy of performance data for buildings excluded from FCR's analysis.
- Information reported by FCR other than in its Report, such as information contained on its website.
- Management's forward-looking statements.
- The Report being in accordance with requirements of the GRI Guidelines other than those contained within the scope of our work, as set out above.
- Weather-normalized, like-to-like portfolio analysis of GHG emissions or energy consumption in the Report.

Additionally, environmental and energy-use data are subject to inherent limitations given the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

OUR CONCLUSIONS

Subject to the limitations of our scope noted above, and based on our work as described in this report, we conclude that nothing has come to our attention that causes us to believe that the subject matter is not, in all material respects, fairly presented in accordance with the GRI Guidelines.

Chartered Accountants
Licensed Public Accountants

July 11, 2019
Toronto, Canada

GRI PRINCIPALS FOR DEFINING REPORT CONTENT AND QUALITY

Defining Report Content

Stakeholder Inclusiveness: The section entitled Our Approach describes our processes for stakeholder engagement.

Sustainability Context: For each material aspect identified, the context and approach are described.

Materiality: The subsection entitled 2018 Materiality Update describes the process used to identify material aspects of the Company’s operations.

Completeness: The report covers products, services and activities where First Capital Realty has operational control.

Defining Report Quality

Accuracy: The Company aims to prepare an accurate report. The process involves systems to collect data, review data and approve the final report. Refer to Appendix 1—Data Assumptions and Methodologies in our supplementary Data Pack for information on how data was compiled.

Balance: The Company discloses negative and positive information in the report.

Clarity: The Company aims to deliver an easy-to-read, clear, concise report that can be accessed online. Its efforts include providing a list of definitions and acronyms, avoiding jargon, describing data assumptions and methodologies, and providing graphics that are clear and not misleading.

Comparability: The CRS report compares 2018 data to previous years’ data.

Reliability: The Company established processes to collect and report on sustainability indicators. The process involved assigning separate data owners and reviewers to each sustainability indicator. The SVP, Operations and the Chief Financial Officer read the entire report before issuance. Furthermore, the Company sought the services of Ernst & Young LLP to prove “limited assurance” on the following five GRI indicators:

For 2018 data:

- 302-1: Energy consumption within the organization.
- 303-1: Total water withdrawal by source.
- For the years 2014, 2015, 2016, 2017 and 2018 data:
- 305-1: Direct greenhouse gas (GHG) emissions (Scope 1)
- 305-2: Indirect greenhouse gas (GHG) emissions (Scope 2)
- 305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3)

Timeliness: The Company’s 2018 CRS Report was issued within six months of the end of the reporting period.

GRI CONTENT INDEX IN ACCORDANCE WITH CORE DISCLOSURE

General Standard Disclosures		Main Report	Data Pack	External Assurance	Notes - Clarifications/Omissions
General Disclosures					
102-1	Name of the organization		p.2	No	
102-2	Activities, brands, products and services		p.2	No	
102-3	Location of Headquarters		p.2	No	
102-4	Location of Operations		p.2	No	
102-5	Ownership and legal form		p.2	No	
102-6	Markets served		p.2	No	
102-7	Scale of the organization		p.2	No	
	Total number of employees		p.3	No	
	Total number of operations		p.2	No	
	Net sales or net revenues		p.2	No	
	Total capitalization broken down into debt and equity		p.2	No	
	Quantity of product and services provided		p.2	No	
102-8	Information on employees and other workers		p.3	No	
	Total number of employees by employment contract by gender		p.3	No	
	Total number of employees by employment contract by region		p.3	No	
	Total number of employees by employment type and gender		p.3	No	
	Whether a significant portion of the organization's activities are performed by workers who are not employees		p.3	No	
	Significant variations in employment numbers			No	There are no significant variations
102-9	Supply Chain			No	N/A
102-10	Significant changes to the organization, including size, structure, ownership and supply chain			No	There are no significant changes
102-11	Application of precautionary principle	p.27		No	
102-12	External initiatives	p.9, 17		No	

GRI CONTENT INDEX IN ACCORDANCE WITH CORE DISCLOSURE (continued)

General Standard Disclosures		Main Report	Data Pack	External Assurance	Notes - Clarifications/Omissions
102-13	Membership of associations	p.8		No	
102-14	Statement from the most senior decision maker	p.1		No	
102-15	Key impacts, risks and opportunities	p.1-27		No	Throughout the report, the Company describes key impacts, risks and opportunities
Identified Material Aspects and Boundaries					
102-45	Entities included in the consolidated financial statements		p.2		First Capital Realty and First Capital Holdings Trust
102-46	Defining report content and topic boundaries	p.10		No	
	Explain how the organization has implemented the reporting principles for defining report content	p.10, 30		No	
102-47	List of material topics	p.10		No	Refer to Specific Standard Disclosures
103-1	Explanation of the material topic and its boundary	p.10		No	
102-48	Report any restatements and effect on restatements		p.17-20	No	
102-49	Report significant changes in topics and boundaries			No	N/A
Stakeholder Engagement					
102-40	List of stakeholder groups	p.9		No	
102-41	Percentage of employees covered by collective bargaining agreements			No	Zero percent of employees are covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders	p.9		No	
102-43	Approach to stakeholder engagement	p.9		No	
102-44	Key topics and concerns raised by stakeholders			No	Topics concerning development and redevelopment activities raised during formal public consultations are available from municipalities where these activities were proposed or occurred
Report Profile					
102-50	Reporting period	Inside Cover		No	
102-51	Date of most recent previous report	Inside Cover		No	
102-52	Reporting Cycle	Inside Cover		No	

GRI CONTENT INDEX IN ACCORDANCE WITH CORE DISCLOSURE (continued)

General Standard Disclosures		Main Report	Data Pack	External Assurance	Notes - Clarifications/Omissions
102-53	Contact Point	Inside Cover		No	
102-54	Claims of reporting in accordance with the GRI Standards	p.30		No	
102-55	GRI Content Index	p.30		No	
102-56	External assurance	p.28		No	
	External Assurance - policy			No	The Company has assured water, energy and GHG emissions in this and previous CRS reports
	Relationship between organization and assurance partners			No	Ernst and Young LLP, an independent chartered accounting firm, provided assurance on specific subject matters of this report
	Role of senior executives in assurance			No	The Audit Committee Chair and EVP and CFO of the Company executed the assurance contract with Ernst and Young LLP
Governance					
102-18	Governance structure of organization, including committees of the highest governance body. Committees responsible for decision-making on economic, environmental and social impacts.	p.25		No	
Ethics and Integrity					
102-16	Describe the organization's values, principles, standards and norms of behaviour such as codes of conducts and ethics.	p.24		No	

GRI CONTENT INDEX IN ACCORDANCE WITH CORE DISCLOSURE (continued)

Specific Standard Disclosures		Main Report	Data Pack	External Assurance	Notes - Clarifications/Omissions
Society					
205	Anti-Corruption	p.24, 25		No	
Environmental					
302	Energy	p.11, 12	p.10-11	Yes	
303	Water	p.14	p.12	Yes	
305	Emissions	p.11, 12	p.13	Yes	
306	Effluents & Waste	p.15	p.14	No	
307	Environmental Compliance	p.27		No	
Labor Practices and Decent Work					
401	Employment	p.19,20	p.3-9	No	
403	Occupational Health & Safety	p.23		No	
404	Training and Education	p.19,20		No	

SASB INDEX

SASB Disclosures		Main Report	Data Pack	External Assurance	Notes - Clarifications/Omissions
IF-RE-000.A	Number of assets	p.4			Data not separated by subsector
IF-RE-000.B	Leasable floor area	p.4			Data not separated by subsector
IF-RE-000.D	Average occupancy rate	p.18			Data not separated by subsector
IF-RE-130a.2	Total energy consumption		p.10-11		
IF-RE-130a.5	Description of energy management	p.11-12			
IF-RE-140a.2	Total water consumption		p.12		
IF-RE-140a.4	Description of water management	p.14			
IF-RE-410a.3	Description on managing tenant sustainability impacts	p.8-9			
IF-RE-450a.2	Description of climate change risk exposure and mitigation	p.13			

GLOSSARY

BOMA BEST: Building Owners and Managers Association Building Environmental Standards. This Canadian certification program evaluates existing properties based on energy, water, waste, greenhouse gas emissions, indoor environment and environmental management systems.

Brownfield: A property where the previous or current site use caused environmental contamination necessitating environmental remediation.

CDP: Carbon Disclosure Project. A not-for-profit charity running the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Greenhouse gas (GHG) emissions: Gases that trap heat in the atmosphere, raising the average temperature of the planet. Produced as a result of fossil fuel combustion and industrial, agricultural and waste management processes, they are measured in tonnes of carbon dioxide equivalent (tCO₂e), hence they are also known as carbon emissions.

GRESB: Global Real Estate Sustainability Benchmark. This institutional investor sponsored survey is the global standard for assessing the sustainability performance of real estate companies and funds.

GRI: Global Reporting Initiative. This international, multi-stakeholder organization helps businesses, governments and other organizations understand and communicate their impacts on a range of sustainability issues.

LEED: Leadership in Energy and Environmental Design. This internationally recognized, third party certification system reviews a building's site, water-and-energy efficiency, waste management, material selection and indoor air quality.

Scope 1 emissions: Direct greenhouse gas emissions resulting from on-site fuel combustion sources that are owned or controlled by the Company (e.g., emissions from burning natural gas for heat at a property).

Scope 2 emissions: Indirect greenhouse gas emissions resulting from the generation of purchased electricity consumed by the Company. Scope 2 emissions are generated at the facility where the electricity is generated.

Scope 3 emissions: All other indirect greenhouse gas emissions as a result of activities undertaken by the Company, but are generated from sources not owned or controlled by the Company (e.g., transmission of water, business travel, employee commuter travel, use of goods and services purchased).

Waste diversion: The percentage of waste diverted away from landfill disposal through recycling, composting or other means.