



Shopping For Everyday Life 

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First Capital Realty Inc.

2012 Corporate Responsibility
and Sustainability
(CRS) Report



Shopping For Everyday Life 

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A MESSAGE FROM THE PRESIDENT AND CEO

Our Commitment to Corporate Responsibility and Sustainability – A Report on Our Progress

2012 was the busiest year in the history of First Capital Realty. We invested over \$1.1 billion in acquisitions, development, redevelopment and property expansion programs. Through these activities, we have maintained a disciplined strategy to build our presence in urban markets where demographic and economic trends ensure that our retail properties serve the needs of consumers “Shopping for Everyday Life”®, today and for years to come. First Capital Realty is Canada’s leading owner, developer and manager of well-located, high quality urban retail-centred properties where people live and shop for everyday life.

However, First Capital Realty is more than a portfolio of high quality retail properties. It is a company of hard-working and dedicated employees. With their skills, expertise and knowledge, these individuals working collectively as a team, singular in focus, are responsible for the Company’s tremendous growth and success.

Embedded in our success is the Company’s approach to corporate responsibility and sustainability. We strive “to do more with less” by integrating corporate responsibility and sustainability into our operations. Our intensification and “live, work, play” strategy supports more asset types, more amenities, and more gross leasable area (GLA) per acre of land. Using fewer resources to achieve our goals increases efficiency, maximizes value and generates higher profits. Our corporate vision is “to be renowned for creating sustainable shopping environments that become the heart of our communities.”

First Capital Realty (TSX:FCR) is Canada’s leading owner, developer and manager of well-located, high quality urban retail-centred properties where people live and shop for everyday life. As at December 31, 2012, the Company owned interests in 175 properties, including five ground-up development projects totaling approximately 25.0 million square feet of gross leasable area (GLA), and four land sites in the planning stage for future retail development. First Capital Realty had an enterprise value of over \$7.3 billion and trades on the Toronto Stock Exchange.

www.firstcapitalrealty.ca

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I would like to highlight several accomplishments achieved over the past year:

- Five programs from HarvardManageMentor® were launched to help our employees be more effective in their jobs and generate superior results;
- Construction was completed on two geothermal projects: one mixed used residential/retail complex, Broadmoor Shopping Centre/Circa Residences in Richmond, British Columbia, and a new retail shopping centre, Leaside Village, in Toronto, Ontario;
- A comprehensive review and audit of environmental conditions of all properties was undertaken. The purpose of this review was to evaluate and confirm the environmental conditions of each property to determine if changes in conditions or regulatory requirements had any insurance implications.
- Six projects comprising 218,245 square feet of GLA were certified to LEED standards;
- Sixteen properties comprising 1,278,670 square feet of GLA received BOMA BEST certification;
- A partnership agreement was signed with The Electric Circuit to install forty public charging stations for plug-in electric vehicles at shopping centres in Québec over two years;
- 85 Hanna Avenue and the Barrymore building were registered as participating buildings in Greening Greater Toronto's Race to Reduce, a Greater Toronto CivicAction Alliance initiative. This challenge aims to reduce energy consumption by 10 percent over a four-year period in registered office buildings; and

- Sponsorship funding totalling \$45,000 was provided for a number of program initiatives at Ontario College of Art and Design University (OCAD U), including the Graduate Exhibition, a public sculpture competition, and awards for the university's top graduating students in Sculpture/Installation and Criticism and Curatorial Practice.

At First Capital Realty, we believe it is important to achieve results without compromising our integrity. Our Code of Conduct and Ethics, policies, practices and governance structure are focussed on ensuring that we maintain this standard. This philosophy makes good business sense and continues to ensure the long-term value of our Company and our assets.

We are pleased with the progress on our sustainability initiatives in 2012 and look forward to reporting on the Company's sustainability strategy and achievements in 2013.

Dori J. Segal
PRESIDENT AND CEO

GRI REPORTING PARAMETERS

REPORTING PROFILE	
3.1 Reporting Period	January 1, 2012 to December 31, 2012
3.2 Date of most recent previous report	2011 Corporate Responsibility and Sustainability (CRS) Report
3.3 Reporting Cycle	Annual
3.4 Contact point for questions regarding the report or its contents	Karen Weaver, EVP and CFO karen.weaver@firstcapitalrealty.ca Rosemary Martin, Chief Sustainability Officer rosemary.martin@fcrms.ca
3.5 Process for defining materiality, including determining materiality, prioritizing topics within the report and identifying stakeholders who the organization expects to use the report	<p>The Sustainability Council reviewed the list of GRI indicators. The purpose of the review was to identify which indicators were material, could be reported on or required the development of data collection and reporting systems in the future.</p> <p>Materiality was determined based on an analysis of GRI-compliant CRS reports in the real estate sector, a review of REALpac's "A Guide to Corporate Responsibility and Sustainability in the Canadian Real Property Sector," regulatory developments and the professional judgment of the Council.</p> <p>The EVP and CFO and Chief Sustainability Officer prioritized the topics within the report based on the current data collection and reporting systems and the Company's efforts during the reporting period.</p> <p>The Company expects investors, tenants, the community and employees to use the report.</p>

REPORTING PROFILE	
3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	<p>The Company used operational control to establish the report boundaries. It includes all major subsidiaries of the Company:</p> <ul style="list-style-type: none"> • First Capital Asset Management LP • FCR Management Services LP, and • First Capital Holdings Trust
3.7 State any specific limitations on the scope or boundary of the report	<p>The report excludes assets that were not managed by First Capital Realty and suppliers' activities.</p> <p>The following joint ventures were excluded: College Square in Ottawa, Ontario; McLaughlin Corners in Brampton, Ontario; Les Galeries de Lanaudière in Lachenaie, Québec, West Oaks Mall in Abbotsford, British Columbia; Main and Main Developments.</p> <p>These joint ventures represented approximately 1 million square feet of GLA based on 100% ownership or 4% of the Company's entire portfolio.</p>
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations.	Not applicable
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	Refer to Data Assumptions and Methodologies.

GRI REPORTING PARAMETERS

REPORTING PROFILE	
3.10 Explanation of the effect of any restatements of information provided in earlier reports and the reasons for such restatements (e.g., mergers/acquisitions, change of base years, periods, nature of business, measurement methods).	2010 and 2011 water and energy consumption and costs, and GHG emissions were updated to reflect the Company's portfolio as of December 31, 2011 for comparability purposes.
3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	Not applicable
3.12 Table identifying the location of the Standard Disclosures in the report.	Refer to GRI index.
3.13 Policy and current practice with regard to seeking external assurance for the report.	The Company sought the services of PricewaterhouseCoopers LLP to provide "limited assurance" on the following six indicators: EN3 – Direct energy consumption by primary energy source EN4 – Indirect energy consumption by primary energy source EN8 – Total water withdrawal by source EN16 – Total direct and indirect GHG emissions by weight LA1 – Total workforce by employment type, employment contract and region broken down by gender LA12 – Percentage of employees receiving regular performance and career development reviews by gender.

The Chief Sustainability Officer has determined that this report complies with an Application Level B+ GRI compliant report.

REPORT APPLICATION LEVEL		C	C+	B	B+	A	A+
STANDARD DISCLOSURES	PROFILE DISCLOSURES	Report on: 1.1 2.1–2.10 3.1–3.8, 3.10–3.12 4.1–4.4, 4.14–4.15	REPORT ON EXTERNALLY ASSURED	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5–4.13, 4.16–4.17	REPORT ON EXTERNALLY ASSURED	Same requirements for Level B	REPORT ON EXTERNALLY ASSURED
	DISCLOSURES ON MANAGEMENT APPROACH	Not Required		Management Approach disclosed for each Indicator Category		Management Approach disclosed for each Indicator Category	
	PERFORMANCE INDICATORS & SECTOR SUPPLEMENT PERFORMANCE INDICATORS	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic and environment.**		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labour, product responsibility.***		Respond on each core and Sector Supplement* Indicator with due regard to the materiality principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

* Sector supplement in final version.

** Performance Indicators may be selected from any finalized Sector Supplement, but 7 of the 10 must be from the original GRI Guidelines.

*** Performance Indicators may be selected from any finalized Sector Supplement, but 14 of the 20 must be from the original GRI Guidelines.

COMPANY OVERVIEW

First Capital Realty (TSX:FCR) is Canada's leading owner, developer and manager of well-located, high quality urban retail-centred properties where people live and shop for everyday life. First Capital Realty's primary strategy is the creation of value over the long term by generating sustainable cash flow and capital appreciation of its shopping centre portfolio. To achieve the Company's strategic objectives, management continues to be focussed and disciplined in acquiring well-located properties, primarily centres where there are value creation opportunities and sites adjacent to existing properties in the Company's target urban markets. First Capital Realty undertakes selective development, redevelopment and repositioning activities on its properties including land use intensification. The Company proactively manages its existing shopping centre portfolio to drive rent growth, increases efficiency and productivity of operations, and maintains financial strength to achieve the lowest cost of capital.

First Capital Realty owns, develops and manages properties that provide consumers with products and services that are considered to be daily necessities or non-discretionary expenditures. Currently, over 80% of the Company's revenues come from tenants providing these daily necessity products and services, including supermarkets, drugstores, banks, liquor stores, national discount retailers, quick service restaurants, fitness, medical and other personal services. Management looks to implement a specific complementary tenant offering at each of its properties to best serve the needs of the local community. The Company is highly focussed on ensuring the competitive position of its assets in various urban and retail trade areas and closely follows demographics and shopping trends for both goods and services.

The Company continues to observe two demographic trends that may affect retail goods and service needs: first, a new and younger generation of consumers whose shopping patterns are influenced by wireless communications and on-line business and information; second, an aging population whose needs will increasingly focus on convenience and health-related goods and services. In management's view, shopping centres and mixed-use properties located in urban markets with tenants providing daily necessities including non-discretionary services and other personal services will be less sensitive to both economic cycles and the current demographic trends, thus providing stable and growing cash flow over the long term.

First Capital Realty targets specific urban markets with stable and/or growing populations. Specifically, the Company intends to continue to operate primarily in and around its target urban markets of the greater Toronto area including the Golden Horseshoe area and London, the Calgary and Edmonton area, the greater Vancouver area including Vancouver Island, the greater Montréal area, the Ottawa and Gatineau region and Québec City. Over 95% of the Company's annual minimum rent is derived from these urban markets.

The Company has achieved critical mass in target markets, which helps generate economies of scale and operating synergies, as well as real-time local knowledge of its properties, tenants, neighbourhoods and the markets in which it operates. Within each of these markets, the Company targets well-located properties with strong demographics that management expects will attract quality tenants with long lease terms. First Capital Realty assesses the quality of locations based on a number of factors in the trade area of a property, including demographic trends, potential for competitive retail space and existing and potential tenants in the market. The Company is an active member of the Canadian real estate business community. First Capital Realty is a member of the International Council of Shopping Centers (ICSC), the Real Property Association of Canada (REALpac), the Building Owners and Management Association (BOMA) of Canada and the Canadian Green Building Council (CaGBC). First Capital Realty is an active sponsor of Corporate Real Estate Women (CREW). Many employees are active members in these associations as well.

The President and CEO of First Capital Realty was the chair of REALpac during 2011 and 2012. The EVP and CFO of the Company is a board member of the Ontario Science Centre. The President of FCR Management Services LP serves as a board member of BOMA Toronto, the Ontario Chapter of ICSC and the University of Guelph's Real Estate Program Advisory Board.

The Chief Sustainability Officer is a member of REALpac's Corporate Responsibility and Sustainability Committee. She participates on Greening Greater Toronto's Commercial Building Energy Leadership Council and Race to Reduce Working Group.



COMPANY OVERVIEW

Legal Name	First Capital Realty Inc.
Business	Canada's leading owner, developer and manager of well-located, high quality urban retail-centred properties where people live and shop for everyday life.
Headquarters	85 Hanna Avenue, Suite 400 Toronto, Ontario, Canada, M6K 3S3
Ownership	Publically traded on the Toronto Stock Exchange (TSX:FCR)
Major Shareholder	Gazit-Globe Ltd. and its affiliates 45.6% ownership
Nature of Legal Form	Public corporation
Major Subsidiaries	First Capital Asset Management LP, FCR Management Services LP, First Capital Holdings Trust
Joint Ventures	College Square, McLaughlin Corners East and West, Les Galeries de Lanaudière, West Oaks Mall, Kings Club/ Fuzion, Hunt Club Place, Meadowbrook II, Main and Main Developments, Sherwood Park JV, West Springs
Markets	Vancouver Island, Greater Vancouver Area, Edmonton, Calgary, Greater Toronto Area including the Golden Horseshoe and London, Ottawa and Gatineau Region, Greater Montréal Area, Québec City
Geographic Concentration by Province (based on GLA)	Ontario (44%), Québec (26%), Alberta (21%), British Columbia (9%) ¹
Occupancy Rate	95.6% ¹
Customers	Canada's leading supermarkets, drugstores, banks, liquor stores, national discount retailers, quick service restaurants, fitness, medical and other personal services
Number of Employees	399 employees
Number of Properties	175 ¹
GLA	25.0 million ¹
Number of Sites Under Development	5 ¹

Net Operating Income (000s)	\$371,500 ¹
Enterprise Value (000s)	\$7,315,810 ¹
Debt to Total Market Capitalization	41.8% ¹
Awards/Recognition Received	Upgraded credit ratings from Dominion Bond Rating Service to BBB (High) and Moody's Investor Services to Baa2
Significant changes during the reporting period regarding size, structure or ownership, including location of or changes in operations, changes in share capital structure and other capital formation.	GLA increased by a net 1.8 million square feet. 0.7 million square feet of new development was added. 16 properties and 28 additional and adjacent land parcels in existing properties comprising 2.4 million square feet was acquired (not including the additional interest in one property comprising 150,000 square feet that was also acquired). 13 properties comprising 1.1 million square feet were disposed of and 0.2 million square feet was demolished in the context of ongoing development.
Number of Acres	1,975 ¹
Greenfields	9% ¹
Brownfields	19% ^{1, 2}
GLA certified to LEED	548,829 ft ² (2.2%) ¹
GLA to be certified to LEED	2.3 million ft ² (9.1%) ¹
GLA certified to BOMA BEST	1,580,169 ft ² (6.3%) ¹
Energy Consumed	143,527 MWh
Water Consumed (000s)	1,358,000 L
GHG Emissions	38,954 tCO ₂ e tonnes
Net Operating Income/Acre	\$188,101/acre ¹

¹As of December 31, 2012.

²A property and its entire acreage were identified as brownfield regardless of the degree or extent of contamination on the property.

GOVERNANCE STRUCTURE

The Board of Directors believes that sound corporate governance practices are the essential foundation to the well-being of the Company and the promotion and protection of its shareholders' interests. The Company is led by its President and CEO and overseen by a board of directors. The fundamental responsibility of the Board is to supervise the management of the business and affairs of the Company with a view to sustainable value creation for all shareholders. The Board promotes full, true and plain reporting, including financial reporting, to shareholders of the Company and other interested persons as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls. The Board believes that the Company is best served by a board of directors which functions independently of management and is informed and engaged.

The Company has adopted certain practices and procedures to ensure that effective corporate governance practices are followed and that the Board functions independently of management. The Compensation and Corporate Governance Committee and the Board periodically review the various components of the Company's overall approach to corporate governance, including corporate governance practices and procedures to ensure that these adequately address the guidelines set forth in National Policy 58-201 – Corporate Governance Guidelines and other significant corporate governance matters.



GOVERNANCE STRUCTURE

Board of Directors

The Notice of Annual Meeting of Shareholders and Management Information Circular dated March 28, 2013, available on the Company's website at www.firstcapitalrealty.ca/MeetingMaterials.aspx, identifies and describes the experience of the Company's board members.

The Board has adopted a formal written mandate, which reflects the Company's commitment to high standards of corporate governance, to assist the Board in supervising the management and affairs of the Company as required under applicable law and stock exchange rules and requirements.

The main duties and responsibilities of the Board encompass:

1. Overseeing the Company's strategic planning process and overall business strategies and their implementation;
2. Assessing and overseeing the management of the principal risks arising from or incidental to the operations of the Company, including financial, operational, regulatory and environmental risks;
3. Appointing senior management of the Company as deemed appropriate;
4. Overseeing the Company's executive compensation plans and policies and succession planning and reviewing the performance of senior management in line with corporate policies and applicable annual and long-term business strategies and other objectives of the Company;
5. Overseeing shareholder, investor and public communication policies and their implementation, including timely disclosure of material information; and
6. Monitoring and assessing the scope, implementation and integrity of the Company's audit, internal accounting control and management information systems.

Audit Committee

The Audit Committee is composed of four directors, all of whom are "independent" and "financially literate" as defined by Multilateral Instrument 52-110 (MI 52-110). The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- The integrity of the Company's financial statements;
- The Company's compliance with legal and regulatory requirements related to financial reporting;
- The internal audit function of the Company;
- The qualifications, independence and performance of the Company's auditor;
- The design and implementation of internal controls and disclosure controls; and
- Any additional matters delegated to the Audit Committee by the Board.

A further description of matters relating to the Audit Committee is set forth under "Audit Committee" in the Company's Annual Information Form dated March 8, 2013, which is available on SEDAR at www.sedar.com. As well, the Audit Committee reviews procedures established in the Whistleblower Policy for receipt and follow-up of reports and complaints.

Compensation and Corporate Governance Committee

The Compensation and Corporate Governance Committee is composed of four directors, all of whom are "independent" as defined by MI 52-110.

The Compensation and Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- The selection and retention of senior management;
- The compensation of senior management;
- Professional development for senior management;
- The management of benefit plans for employees;
- The Company's overall approach to corporate governance;
- The size, composition and structure of the Board and its committees;
- Orientation and continuing education for directors;
- Related party transactions and other matters involving conflicts of interest; and
- Any additional matters delegated to the Compensation and Corporate Governance Committee by the Board.

GOVERNANCE STRUCTURE

Executive Committee

The Executive Committee consists of five directors, including the Chair of the Board, the President and Chief Executive Officer of the Company and three other directors, who are “independent” as defined in MI 52-110.

The Executive Committee has the authority, on behalf of the Board and subject to certain monetary limits determined by the Board, to:

- Approve investments in and divestitures of real property assets, including:
 - (i) Acquisition and dispositions of property;
 - (ii) Development budgets including the cost of land; and
 - (iii) Acquisitions and dispositions of raw land;
- Approve investments in and divestitures of marketable securities; and
- Approve entering into derivatives for hedging purposes only.

Board Evaluation

The Compensation and Corporate Governance Committee assesses, on a periodic basis, the competencies, skills and effectiveness of the Board, Board committees and individual Board members as well as the operations of the Board and Board committees. In particular, at least annually, the Compensation and Corporate Governance Committee reviews and assesses the Board’s mandate, the charter of each committee and position description of the Chair of the Board and Lead Director. The Compensation and Corporate Governance Committee, on behalf of the Board, maintains a formal process for assessing the competencies, skills and effectiveness of the Board, Board committees and individual directors. The assessment is conducted internally by written self-assessment and peer reviews of the Board, its committees and individual directors.

Share Ownership Guidelines

The Board believes that share ownership by executive officers and the Board is a key element of strong corporate governance. The Board believes that long-term equity ownership further aligns the interests of directors and executives with those of the Company’s shareholders and also enables them to share in the long-term growth and success of the Company.

The Company has a Policy on Director and Senior Management Share Ownership that applies to all directors and executive officers. Directors are required to acquire within five years of their appointment and thereafter maintain an equity interest in the Company with a value equal to five times their annual retainer (consisting of their annual cash retainer and deferred share unit grant). The Chair of the Board is required to acquire and maintain an equity interest in the Company with a value equal to three times his/her annual cash engagement retainer. The executive officers of the Company are required to acquire over time from grants under the Company’s Restricted Share Unit Plan, and thereafter maintain Restricted Share Units and common shares acquired through vesting thereof, a specified equity interest in the Company. The President and Chief Executive Officer, Executive Vice President and Chief Financial Officer, and Executive Vice President, Western Canada are required to acquire and maintain an equity interest in the Company equal to five times, three times and two times their respective annual base salary. The other executives of the Company are required to acquire and maintain an equity interest in the Company ranging from 1.5 times to one time their respective annual base salary.

Related-Party Transactions and Conflicts of Interest

In the case of any transaction or agreement in respect of which a director or executive officer of the Company has a material interest, the director or officer is required to disclose his or her interest. Where applicable, he or she is also generally required to exclude him or herself from any deliberations or votes relating to such transaction or agreement.

The Compensation and Corporate Governance Committee reviews all proposed related-party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an “independent special committee” pursuant to securities law or that have not otherwise been considered by another committee of independent directors. Any member of the Compensation and Corporate Governance Committee who is a party to or has a potential conflict of interest in a proposed transaction or who has a material interest in any related-party transaction must abstain from any vote on that transaction.

GOVERNANCE STRUCTURE

Appointment of Directors

The Company supports the appointment of directors nominated by its principal shareholders, independent directors and directors drawn from senior management. This combination leads to a healthy exchange in Board deliberations, resulting in objective, well-balanced and informed discussion and decision making.

Orientation and Continuing Education

All new directors receive a comprehensive orientation, including an overview of the Company's business and strategy, its current year business plan, the role of the Board and its mandate, the roles of the committees and their respective charters, and the role of the Lead Director. Upon appointment or election to the Board, each new director receives a package or is referred to convenient online sources containing up-to-date information on the Company's corporate and organizational structure, recent filings and financial information, corporate governance documents and important policies. A formal orientation session is given to new directors to familiarize them with the Company, its business, industry, senior management team and the contribution individual directors are expected to make.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. To facilitate ongoing education:

- Directors are provided an opportunity to meet individually in work sessions with senior management to obtain further insight into the operations of the Company, and are involved on a regular basis in discussion with management;
- Education is provided to directors through presentations to the Board and committees by management and outside advisors when key business decisions are sought and at strategic planning meetings; and
- Board members are encouraged to attend conferences, seminars or courses at the Company's expense. Conferences, seminars or courses can deal with any subject matter that is applicable to a director's role on the Board or Board committee or to increase a director's knowledge of developments in the real estate industry.

Directors' Compensation

The Company's director compensation philosophy integrates the following objectives:

- (i) To align the interests of the directors with the interests of the Company's shareholders;
- (ii) To attract, retain and motivate directors who will contribute to the success of the Company;
- (iii) To provide fair and competitive compensation that takes into account the time commitment, risks and responsibilities of the directors; and
- (iv) The types of compensation and the amounts paid to directors of comparable publicly-traded Canadian entities.

Executive Compensation

The objectives of the Company's executive compensation programs are to attract, retain and motivate outstanding executives who are committed to improving the Company's performance and creating value for its shareholders. Four core principles underlie the Company's executive compensation programs:

1. Pay for Performance

The Company structures its executive compensation programs to align executive compensation with the financial performance of the Company and with the performance of its common shares. A significant portion of executive compensation is in the form of at-risk pay. This creates a performance-based corporate culture that rewards the individual and team-based contributions to the achievement of the Company's goals and to the increase in shareholder value.

2. Competitive Compensation

Competitive compensation is important as it enables the Company to attract and retain talented and qualified individuals to lead the business. The Company has developed processes to ensure that its executive compensation programs are competitive with market and industry practices and support the attraction, development and retention of high-quality executives.

GOVERNANCE STRUCTURE

3. Alignment of Executive Compensation Programs with Long-Term Shareholder Interests

The Company structures its executive compensation programs to align the interests of its executives with those of its shareholders. A significant portion of executive compensation takes the form of long-term equity-based awards. Structuring executive compensation in this manner ensures that executives are properly motivated to increase long-term shareholder value.

4. Effective Risk Management

The compensation program must not encourage management to take excessive or inappropriate risks. Within this philosophy, compensation for individual executives reflects the functions they perform, the short-term and long-term risks associated with their responsibilities, their contributions to the Company, their ability to improve the financial performance of the Company, their commitment to achieving corporate objectives and their ability to create shareholder value. Several measures are implemented to avoid excessive or inappropriate risk-taking by non-executive officers. The Management Information Circular dated March 28, 2013, available on the Company's website at www.firstcapitalrealty.ca/MeetingMaterials.aspx, outlines these measures in detail.

Performance and Compensation

The Board receives periodic reports on the Company's actual compared to planned financial and operating performance, including social, human resources and environmental initiatives. The Compensation and Corporate Governance Committee uses the actual versus planned annual results to evaluate management performance and to allocate discretionary compensation.

Departure Arrangements

The Management Information Circular dated March 28, 2013, available on the Company's website at www.firstcapitalrealty.ca/MeetingMaterials.aspx, describes the departure arrangements for named executive officers for termination and change of control scenarios.

Shareholder/Investor Communications and Feedback

The Company has in place procedures to effectively communicate with its stakeholders, including its shareholders, employees and the general public. The fundamental objective of these procedures is to ensure an open, accessible and timely exchange of information with shareholders, employees and other stakeholders concerning the business, affairs and performance of the Company. This includes quarterly conference calls open to investors, industry analysts and media representatives in conjunction with the release of the Company's financial results, as well as regular presentations to or meetings with industry analysts and institutional investors. Through the Company's website, shareholders and other stakeholders may access the Company's most recent conference call recording and its most recent presentation made to the investment community. The Company also discloses recent developments via social media (e.g., Facebook or Twitter). In addition, the Company has in place procedures to ensure that inquiries or other communications from investors are answered by an appropriate person in the Company.

APPROACH TO CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Sustainability Vision

To enhance the long-term value of the Company by minimizing our impact on the natural environment and positively affecting our people and the communities in which we live and work.

First Capital Realty believes that living up to our social and environmental responsibilities simply makes good business sense. It gives us a stronger foundation to prosper; it ensures the long-term viability of the properties we own; it helps us to attract and retain the best tenants; and it defines our presence and reputation as a contributor to the communities in which we live and work. We stand by this philosophy. It is right for our business.

The Company has embedded corporate responsibility and sustainability into the organization. First, we have an established Sustainability Council consisting of representatives from various departments. The Council's role is to provide oversight and guidance on national sustainability issues. It meets periodically to review progress on sustainability. Second, the Company is continuing to build and integrate sustainability practices into our operations through various departments such as Legal, Human Resources, Acquisitions and Development, Construction, Leasing, Finance and Property Management. Third, we have a Chief Sustainability Officer to lead the Company with the development and implementation of our strategy to attain our vision.

2012 Sustainability Council



Top row:

Alex Correia, Corporate Administrator
Ralph Huizinga, Vice-President, Acquisitions and Development, Western Region
Roger Chouinard, General Counsel
Gregory Menzies, EVP, Eastern Region
Stephen Michniewicz, Vice-President, Operations, FCR Management Services LP
Maryanne McDougald, President, FCR Management Services LP
Mary Raichinis, National Director, Marketing, FCR Management Services LP

Bottom row:

Brian Kozak, EVP, Western Region
Karen Weaver, EVP and CFO
Dori Segal, President and CEO
Rosemary Martin, Chief Sustainability Officer
Paul Cameron, Vice-President, Construction, Central Region
Anne-Marie Royer, Manager, Human Resources

Absent: Albert Ho, Director, Environmental Programs; Angelo Petritsis, Regional Director, FCR Management Services LP Eastern Region; Hélène Roy, Vice-President, Construction, Eastern Region; Sid Schraeder, Vice-President, Construction, Western Region

APPROACH TO CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Based on the Company's direct and indirect impacts on specific groups, the Company identified and selected stakeholders with whom to engage. First Capital Realty used a number of mechanisms to interact with stakeholders:

STAKEHOLDERS	MECHANISMS FOR ENGAGEMENT
Investors	<ul style="list-style-type: none"> • Annual General Meeting • Quarterly conference calls on financial results, including question-and-answer period • Press releases announcing significant business developments • Conferences • Meetings • Website • Dedicated email account for investor relations
Tenants	<ul style="list-style-type: none"> • Annual tenant and industry events • Meetings with tenants • Website • TenantTalk newsletters
Employees	<ul style="list-style-type: none"> • Periodic meetings/conference calls with Senior Management • Training and education • Performance reviews • Annual attestation – Anti-Corruption Compliance Policy, Code of Conduct and Ethics and Whistleblower Policy • Social events • Town halls
Community	<ul style="list-style-type: none"> • Sponsorship events • Earth Day events • Municipal urban planning forums • Websites • Community boards • Social media
Environment	<ul style="list-style-type: none"> • Environmental assessments • Site remediation and site monitoring • Participation on REALpac's Corporate Responsibility and Sustainability Committee • CaGBC membership • Participation on Greening Greater Toronto's Commercial Building Energy Leadership Council and Race to Reduce Working Group • Environmental surveys, e.g., 2012 Carbon Disclosure Project



CARREFOUR ST. HUBERT, LONGUEUIL, QC

CODE OF CONDUCT AND ETHICS

At First Capital Realty, employees are our greatest asset. They are the very foundation of our success. Their attitudes, values and behaviour deliver results to our investors, tenants, communities and the environment each and every day. Our employees are engaged, entrepreneurial, energetic and dedicated.

We expect a lot from our employees – conduct that maintains an outstanding reputation in our communities that we serve. Integrity and a high standard of ethics are fundamental to our beliefs. The Company is committed to doing what is right and deterring wrongdoing.

PRINCIPLES TO WORK BY	VALUES TO LIVE BY
<ul style="list-style-type: none"> • Conduct ourselves in a forthright and honest manner; • Be fair and considerate in all dealings; • Maintain professional behaviour in all relationships; • Make only commitments we believe that we can keep – and keep them; • Respect the rights and dignity of all individuals; and • Obey the law 	<ul style="list-style-type: none"> • Equity • Fairness • Dignity

First Capital Realty has clearly defined its expectations of employees, officers and directors in its Code of Conduct and Ethics, Anti-Corruption Compliance Policy and Whistleblower Policy. Employees, officers and directors are required to acknowledge having read these documents and agree to comply with these policies upon joining the organization. Employees are required to re-acknowledge these documents annually thereafter. The employee's manager is responsible for ensuring that he/she completes this acknowledgement. The Vice-President, Business Process and Risk Management tracks and reports compliance with this directive, which was 98% for 2012, to the EVP and CFO. During the reporting period there were no reported incidents of harassment or discrimination.

The fundamentals of our Code of Conduct and Ethics include:

1. Dealing fairly and honestly with shareholders, tenants, suppliers, competitors and other employees.
2. Behaving in an ethical manner.
3. Showing loyalty to the Company.
4. Avoiding conflicts of interest.
5. Complying with all applicable laws, rules and regulations.
6. Prohibition from the purchase or sale of the Company's securities while aware of material nonpublic information about the Company.
7. Prohibition from disclosing material nonpublic information to others who then trade in the Company's securities.
8. Not offering excessive or inappropriate gifts or other benefits to persons, including public officials and political parties that might influence or be perceived as influencing business decisions.
9. Not accepting excessive or inappropriate gifts or other benefits from persons conducting business with the Company.
10. Prohibition from soliciting, encouraging or receiving bribes or other payment, contribution, gift or favour that could influence any decision.
11. Not taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information or misrepresentation of material facts, or any unfair-dealing practice.
12. Not using their positions improperly to profit personally or to assist others in profiting at the expense of the Company.
13. Zero tolerance for workplace discrimination and harassment.

COMPLIANCE AND LOBBYING

Every director, officer and employee has a duty to report any activity or suspected activity that impairs the integrity of the Company's reputation, including the integrity of its financial reporting, to the Chair of the Audit Committee.

The Whistleblower Policy identifies the types of activities that must be reported:



Any non-compliance incidents with the Company's policy documents were handled in accordance with the directives identified in the policies. First Capital Realty reinforced these policies through several mechanisms, such as company-wide email reminders, and the annual attestation requirements.

The Company was not involved directly in public policy development. Through participation in industry associations such as REALpac, ICSC, CaGBC and BOMA, First Capital Realty indirectly contributed to industry-related public policy discussions. The Company provided temporary rental space equivalent to 100 square feet at a property to one political party during 2012. The value of the rental income from this transaction was less than \$200.

As a real-estate developer in Canada, First Capital Realty makes submissions to municipal governments to obtain approval for development plans. During the process of obtaining regulatory approvals, First Capital Realty employees and its consultants regularly communicate with municipal staff and politicians to understand regulatory requirements and community feedback on proposed developments, explain the Company's development plans and persuade officials to approve our plans.

EMPLOYEE DEVELOPMENT

Right People in the Right Places

First Capital Realty believes that it has the right people in the right places to profitably and efficiently manage its operations and its growth. Our national team possesses decades of experience with the right level of skill, expertise and knowledge to execute our business strategy. We strive to deliver a rewarding, stimulating and fun place to work where individuals are treated with respect and dignity.

Employee Training and Education

The Company encourages employees to advance in their careers. Managers are required to conduct annual formal performance appraisals of their employees to ensure that expectations are understood and performance is acknowledged and rewarded. Employees are encouraged to take professional development courses and seminars. The Company also provides internal training related to Company programs and process changes (e.g., new computer software, employee benefit programs).

In 2012 First Capital Realty introduced a number of new training and communication programs. Five programs from HarvardManageMentor®: Career Management, Difficult Interactions, Feedback Essentials, Goal Setting, and New Manager Transitions were made available to employees. A management training program for new and mid-level managers was launched to enhance the skills of our managers. The program focussed on the role of the manager, recruitment and performance management. The Company hosted lunch and learn sessions on well-being, personal safety, stress management, seasonal stress and gardening with native plants. In addition, monthly newsletters from our Employee Assistance Program were posted on the Company's portal.

As a result of our significant growth, many employees have enjoyed opportunities to expand their skills and expertise. The Company offers a generous employee training and assistance program to its full-time permanent employees. Employees can receive up to a maximum of \$1,500 annually towards tuition reimbursement providing the area of study is relevant to his or her current role or will develop new skills of mutual benefit to the Company and individual. Costs that are eligible for reimbursement include tuition for in-class, on-line/distance learning courses, exams and books.

Employee Transition Programs for Retiring and Terminated Employees

First Capital Realty provides transition assistance for retiring and terminated employees. The Human Resources Department and the Company's RRSP service provider offer assistance to employees with pre-retirement planning. The service provider supplies investment information, regulatory expertise and guidance to employees. When a decision is made to terminate an employee, the Company uses a third-party provider to support the employee in this transition. Services include skills assessment and employment counselling. Individual employment contracts and human resources expertise define the basis of the severance pay.

EMPLOYEE DEVELOPMENT

AVERAGE NUMBER OF HOURS OF TRAINING BY GENDER AND EMPLOYMENT CATEGORY

EMPLOYMENT CATEGORY	2010	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Senior Management	21	21	20	21	17	23	20	-19	16	-7
Middle Management	7	12	11	11	16	22	18	31	97	66
Professional/Technical	9	12	15	14	6	5	5	-46	-67	-61
Administrative	3	0	8	8	0	3	3	N/A	-63	-65
Building Support	0	8	N/A	8	0	N/A	0	-94	N/A	-94
TOTAL	N/R	11	11	11	9	7	8	-16	-32	-26

PERCENTAGE OF EMPLOYEES WHO RECEIVED FORMAL PERFORMANCE REVIEWS BY GENDER AND EMPLOYMENT CATEGORY

EMPLOYMENT CATEGORY	2010	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Senior Management	100	100	100	100	100	100	100	0	0	0
Middle Management	91	97	97	97	100	100	100	3	3	3
Professional/Technical	97	97	94	95	100	100	100	3	6	5
Administrative	88	100	95	96	75	98	97	-25	2	1
Building Support	83	95	N/A	95	92	N/A	92	-3	N/A	-3
TOTAL	N/R	97	95	96	97	99	98	0	4	2

EMPLOYEE PROFILE

In 2012 Joe Twyman, Senior Operations Supervisor at Westmount Shopping Centre in Edmonton, Alberta was awarded a Queen Elizabeth II Diamond Jubilee medal by the Governor-General of Canada for his extensive volunteer work with the Royal Canadian Air Force Association (RCAFA). The medal recognizes outstanding Canadians of all ages and from all walks of life who have built and continue to build a caring society and country through their service and achievements.

For more than thirty-five years, Joe has worked tirelessly on behalf of the RCAFA through his involvement with the 700 (City of Edmonton) Wing. The mandate of the RCAFA, a not-for-profit community organization, is to advocate for veterans' rights, educate new generations of Canadians about the importance and history of their country's air force, and sponsor aviation heritage and youth projects, particularly those supporting the Royal Canadian Air Cadets.

Joe became interested in the RCAFA because of his father, Joe Senior, who was an original member of the RCAFA's 700 (City of Edmonton) Wing. Joe Senior served in the Royal Canadian Air Force in England and France as a "Rigger" in the Bomber Command during World War II. As a young boy, Joe joined the 504 Squadron of the Royal Canadian Air Cadets, which was sponsored by the 700 Wing. In 1974, he joined RCAFA as an associate and volunteered extensively with the Pipes and Drums Band. Since then, Joe has become a regular member and held numerous roles in the organization including cadet liaison, recruitment and president. He was instrumental in re-establishing the 700 Wing's Annual Battle of Britain Parade, which has grown to be one of the largest in the Commonwealth.

First Capital Realty is proud to have Joe Twyman, an outstanding Canadian, on our team.



JOE TWYMAN, SENIOR OPERATIONS SUPERVISOR,
WESTMOUNT SHOPPING CENTRE

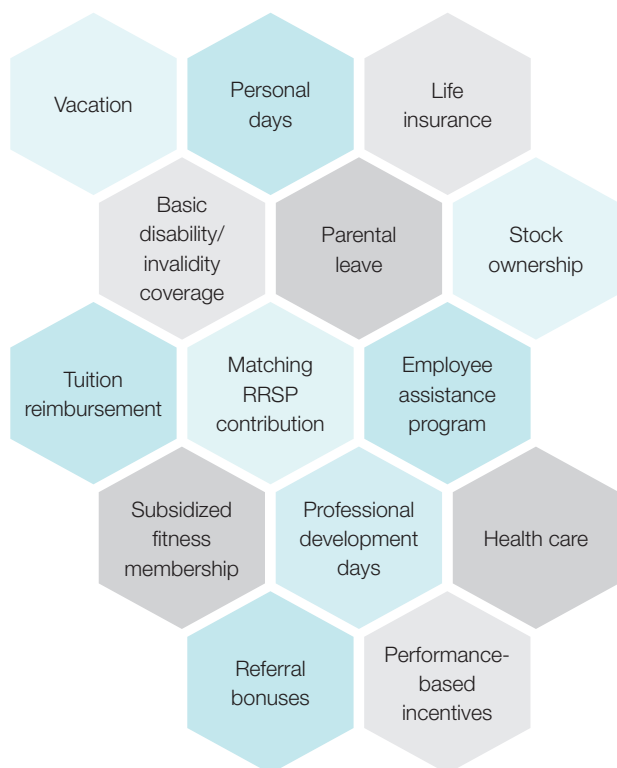
"Given my keen interest in aviation and experience with the Royal Canadian Air Cadets as a young boy, volunteering with the RCAFA was a natural fit for me. It provided me with an opportunity to give back to the Royal Canadian Air Cadet Program and the community through the RCAFA. I learned so many life skills from the program that I carry and use to this day – leadership, citizenship, the importance of physical fitness. Finally, my work with the RCAFA has allowed me to honour my parents' generation who often made the ultimate sacrifice to protect our freedom."

Joe Twyman

EMPLOYEE BENEFITS

The Company is dedicated to recruiting the best talent and providing employees with competitive remuneration, generous benefits, training, educational opportunities and career advancement. First Capital Realty provides a comprehensive benefits package to its full-time employees. In 2012 the Company decided to expand its performance-based incentive program to include administrative and building support staff. First Capital Realty does not provide a benefits package to casual and part-time employees. Paid sabbaticals are not currently part of the employment retention plan; however, the Company is exploring other incentives to reward long-tenured employees.

Employee Benefits



EMPLOYEE BENEFITS

MONETARY VALUE OF EMPLOYEE BENEFITS

EMPLOYEE BENEFITS	2011 MONETARY VALUE OF EMPLOYEE BENEFITS TAKEN BY EMPLOYEES (\$)	2012 MONETARY VALUE OF EMPLOYEE BENEFITS TAKEN BY EMPLOYEES (\$)	2012 VERSUS 2011 CHANGE (%)
Vacation	1,372,700	1,586,500	16
Personal days	266,600	317,300	19
Life insurance	90,700	135,100	49
Health care	805,000	1,076,800	34
Gym membership	48,700	70,700	45
Tuition reimbursement	30,000	40,100	34
Company's contribution to employee RRSPs	610,300	705,700	16
Employee assistance program	16,200	18,700	16
Professional development days	16,200	24,500	51
Seminars/courses	144,000	146,700	2
TOTAL	3,400,400	4,122,100	21

EMPLOYEE BENEFITS	2011 AVERAGE MONETARY VALUE OF EMPLOYEE BENEFITS TAKEN PER EMPLOYEE (\$)	2012 AVERAGE MONETARY VALUE OF EMPLOYEE BENEFITS TAKEN PER EMPLOYEE (\$)	2012 VERSUS 2011 CHANGE (%)
Vacation	3,960	4,100	3
Personal days	790	800	3
Life insurance	270	300	29
Health care	2,390	2,800	16
Gym membership	140	200	25
Tuition reimbursement	90	100	15
Company's contribution to employee RRSPs	1,810	1,800	0
Employee assistance program	50	50	0
Professional development days	50	60	31
Seminars/courses	430	400	-12
TOTAL	9,970	10,600	6

EMPLOYEE STATISTICS

ENTIRE WORKFORCE

CATEGORY	2010	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age										
Employees < 30 Years	23	9	26	35	7	41	48	-22	58	37
Employees 30-50 Years	209	71	143	214	84	149	233	18	4	9
Employees > 50 Years	76	43	55	98	52	66	118	21	20	20
Type of Contract										
Permanent Contract	301	122	215	337	140	250	390	15	16	16
Casual Contract	7	1	9	10	3	6	9	300	-33	-10
Type of Employment										
Full-time	298	122	209	331	143	244	387	17	17	17
Part-time	10	1	15	16	0	12	12	-100	-20	-25
Geographic Region										
Western	69	28	48	76	37	53	90	32	10	18
Central	187	75	141	216	85	162	247	13	15	14
Eastern	52	20	35	55	21	41	62	5	17	13
Employment Category										
Senior Management	N/R	10	5	15	14	9	23	40	80	53
Middle Management	N/R	41	34	75	54	42	96	32	24	28
Professional/Technical	N/R	36	78	114	35	80	115	-3	3	1
Administrative	N/R	6	107	113	6	125	131	0	17	16
Building Support	N/R	30	0	30	34	0	34	13	0	13
TOTAL	308	123	224	347	143	256	399	16	14	15

EMPLOYEE STATISTICS

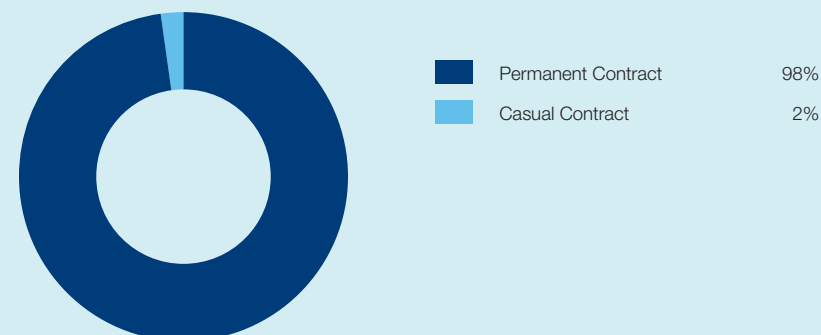
EMPLOYMENT CATEGORY BY AGE

	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	< 30 YEARS	30-50 YEARS	> 50 YEARS	< 30 YEARS	30-50 YEARS	> 50 YEARS	< 30 YEARS	30-50 YEARS	> 50 YEARS
Senior Management	0	10	5	0	11	12	0	10	140
Middle Management	2	41	32	4	57	35	100	39	9
Professional/Technical	10	84	20	12	84	19	20	0	-5
Administrative	22	65	26	30	68	33	36	5	27
Building Support	1	14	15	2	13	19	100	-7	27
TOTAL	35	214	98	48	233	118	37	9	20

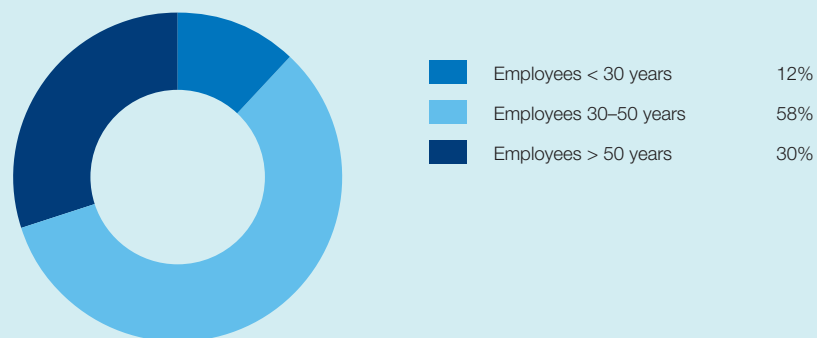
EMPLOYMENT CATEGORY BY TYPE OF EMPLOYMENT

	2011		2012		2012 VERSUS 2011 CHANGE (%)	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
Senior Management	15	0	23	0	53	0
Middle Management	74	1	95	1	28	0
Professional/Technical	112	2	115	0	3	-100
Administrative	100	13	120	11	20	-15
Building Support	30	0	34	0	13	0
TOTAL	331	16	387	12	17	-25

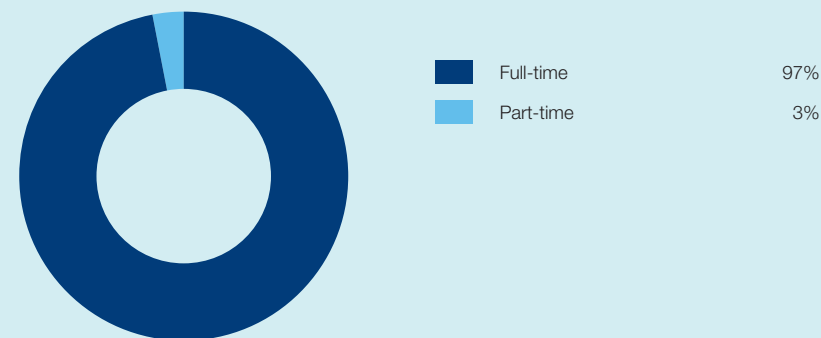
2012 ENTIRE WORKFORCE BY TYPE OF CONTRACT



2012 ENTIRE WORKFORCE BY AGE

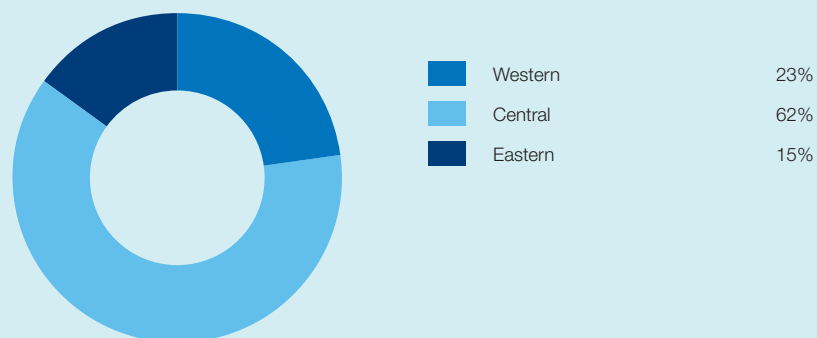


2012 ENTIRE WORKFORCE BY TYPE OF EMPLOYMENT

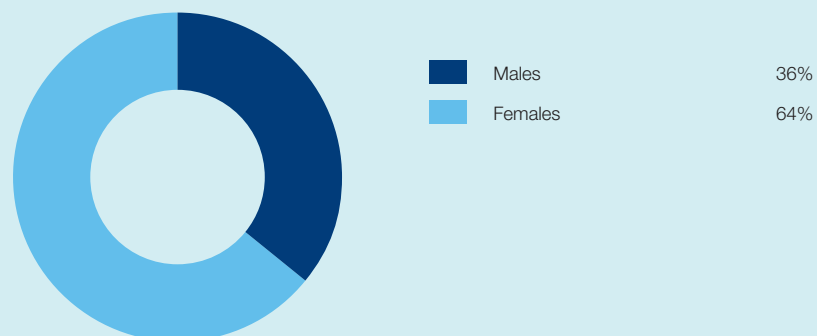


EMPLOYEE STATISTICS

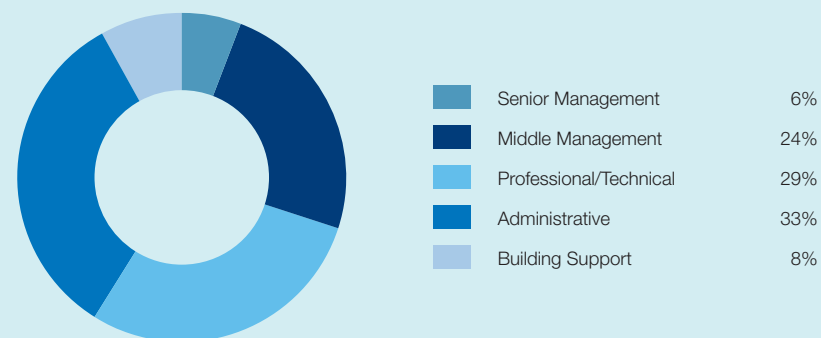
2012 ENTIRE WORKFORCE BY GEOGRAPHIC REGION



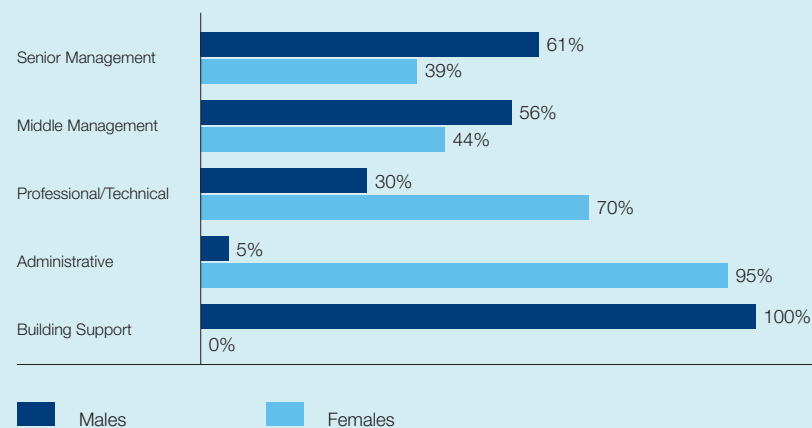
2012 ENTIRE WORKFORCE BY GENDER



2012 ENTIRE WORKFORCE BY EMPLOYMENT CATEGORY



2012 EMPLOYMENT CATEGORY BY GENDER



EMPLOYEE STATISTICS

PERMANENT WORKFORCE

	2010			2011			2012			2012 VERSUS 2011 CHANGE (%)		
	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age												
Employees < 30 Years	N/R	N/R	N/R	9	20	29	7	35	42	-22	75	45
Employees 30-50 Years	N/R	N/R	N/R	70	140	210	82	149	231	17	6	10
Employees > 50 Years	N/R	N/R	N/R	43	55	98	51	66	117	19	20	19
Type of Employment												
Full-time	N/R	N/R	N/R	121	202	323	140	238	378	16	18	17
Part-time	N/R	N/R	N/R	1	13	14	0	12	12	-100	-8	-14
Geographic Region												
Western	26	41	67	27	45	72	35	52	87	30	16	21
Central	70	112	182	75	136	211	85	159	244	13	17	16
Eastern	17	35	52	20	34	54	20	39	59	0	15	9
Employment Category												
Senior Management	9	3	12	10	4	14	14	9	23	40	125	64
Middle Management	34	35	69	41	34	75	53	42	95	29	24	27
Professional/Technical	37	59	96	36	76	112	34	78	112	-6	3	0
Administrative	9	91	100	6	101	107	6	121	127	0	20	19
Building Support	24	0	24	29	0	29	33	0	33	14	0	14
TOTAL	113	188	301	122	215	337	140	250	390	15	16	16

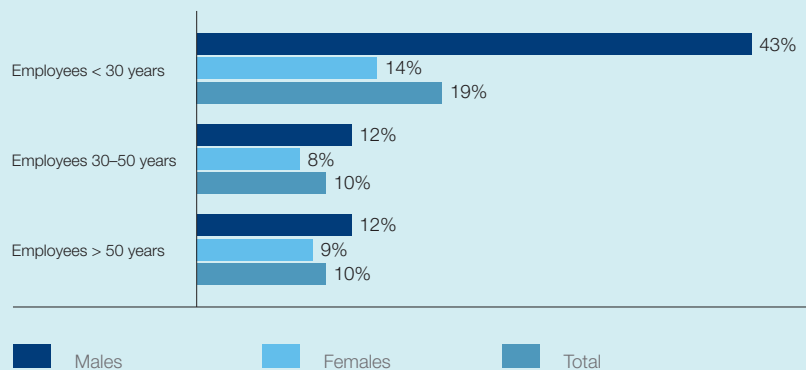
EMPLOYEE STATISTICS

PERMANENT EMPLOYEES LEAVING

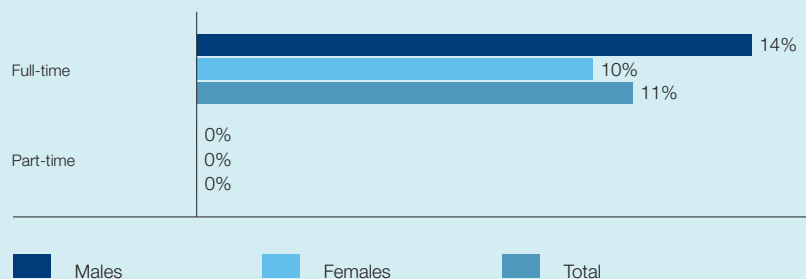
CATEGORY	TOTAL	2011			2012			2012 VERSUS 2011 CHANGE (%)		
		MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age										
Employees < 30 years	10	3	4	7	3	5	8	0	25	14
Employees 30–50 years	41	18	26	44	10	12	22	–44	–54	–50
Employees > 50 years	9	2	13	15	6	6	12	300	–54	–20
Type of Employment										
Full-time	60	23	43	66	19	23	42	–17	–47	–36
Part-time	0	0	0	0	0	0	0	0	0	0
Geographic Region										
Western	15	7	16	23	9	7	16	29	–56	–30
Central	35	16	21	37	8	13	21	–50	–38	–43
Eastern	10	0	6	6	2	3	5	N/A	–50	–17
Employment Category										
Senior Management	N/R	1	0	1	0	1	1	–100	N/A	0
Middle Management	N/R	2	6	8	4	2	6	100	–67	75
Professional/Technical	N/R	9	7	16	6	6	12	–33	86	75
Administrative	N/R	4	30	34	1	14	15	–75	–53	–56
Building Support	N/R	7	0	7	8	0	8	114	0	114
By Type of Separation										
Voluntary	40	15	28	43	11	18	29	–27	–36	–33
Involuntary	20	8	15	23	8	5	13	0	–67	–43
TOTAL	60	23	43	66	19	23	42	–17	–47	–36

EMPLOYEE STATISTICS

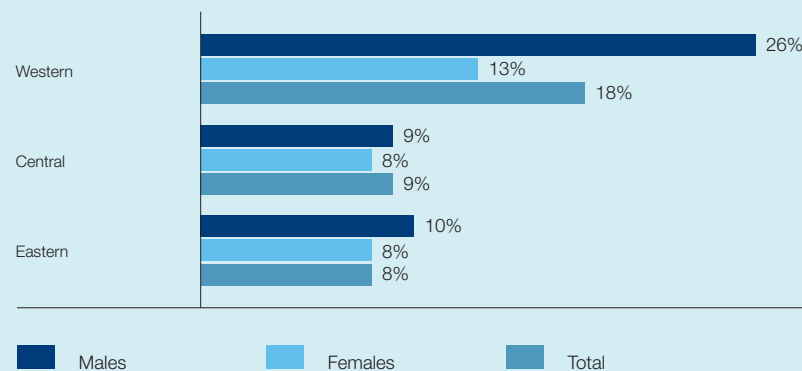
2012 TURNOVER RATES OF PERMANENT EMPLOYEES BY AGE



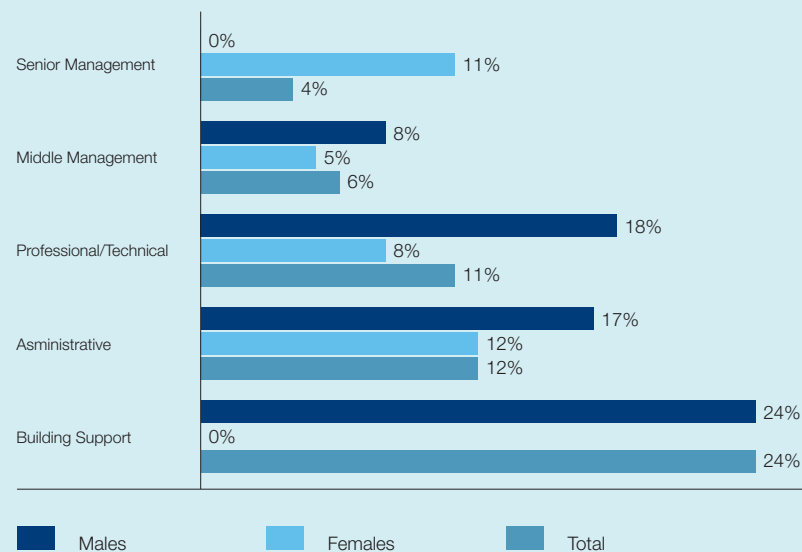
2012 TURNOVER RATES OF PERMANENT EMPLOYEES BY TYPE OF EMPLOYMENT



2012 TURNOVER RATES OF PERMANENT EMPLOYEES BY GEOGRAPHIC REGION

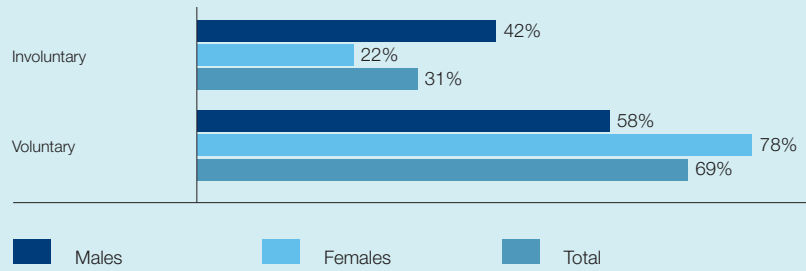


2012 TURNOVER RATES OF PERMANENT EMPLOYEES BY EMPLOYMENT CATEGORY



EMPLOYEE STATISTICS

2012 TURNOVER RATES OF PERMANENT EMPLOYEES BY TYPE OF SEPARATION



CASUAL WORKFORCE

	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age									
Employees < 30 Years	0	6	6	0	6	6	0	0	0
Employees 30–50 Years	1	3	4	2	0	2	100	–100	–50
Employees > 50 Years	0	0	0	1	0	1	N/A	0	N/A
Type of Employment									
Full-time	1	7	8	3	6	9	200	–14	13
Part-time	0	2	2	0	0	0	0	–100	–100
Geographic Region									
Western	1	3	4	2	1	3	100	–67	–25
Central	0	5	5	0	3	3	0	–40	–40
Eastern	0	1	1	1	2	3	N/A	100	200
Employment Category									
Senior Management	0	1	1	0	0	0	0	–100	–100
Middle Management	0	0	0	1	0	1	N/A	0	N/A
Professional/Technical	0	2	2	1	2	3	N/A	0	50
Administrative	0	6	6	0	4	4	0	–33	–33
Building Support	1	0	1	1	0	1	0	N/A	0
TOTAL	1	9	10	3	6	9	300	–33	–10

EMPLOYEE STATISTICS

NEW EMPLOYEES JOINING

	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age									
Employees < 30 years	5	17	22	6	23	29	20	35	32
Employees 30–50 years	20	38	58	26	23	49	30	–39	–16
Employees > 50 years	6	9	15	4	10	14	–33	11	–7
Type of Contract									
Permanent Contract	30	57	87	34	52	86	13	–9	–1
Casual Contract	1	7	8	2	4	6	100	–43	–25
Type of Employment									
Full-time	31	61	92	36	55	91	16	–10	–1
Part-time	0	3	3	0	1	1	0	–67	–67
Geographic Region									
Western	6	19	25	14	11	25	133	–42	0
Central	22	41	63	17	36	53	–23	–12	–16
Eastern	3	4	7	5	9	14	67	125	100
Employment Category									
Senior Management	6	2	8	2	3	5	–67	50	–38
Middle Management	10	7	17	15	6	21	50	–14	24
Professional/Technical	6	18	24	7	16	23	17	–11	–4
Administrative	1	37	38	2	31	33	100	–16	–13
Building Support	12	2	14	10	0	10	–17	–100	–29
TOTAL	31	64	95	36	56	92	16	–13	–3

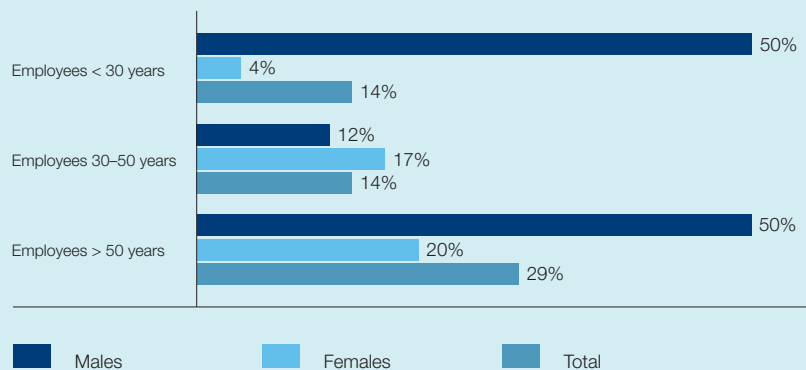
EMPLOYEE STATISTICS

NEW EMPLOYEES LEAVING

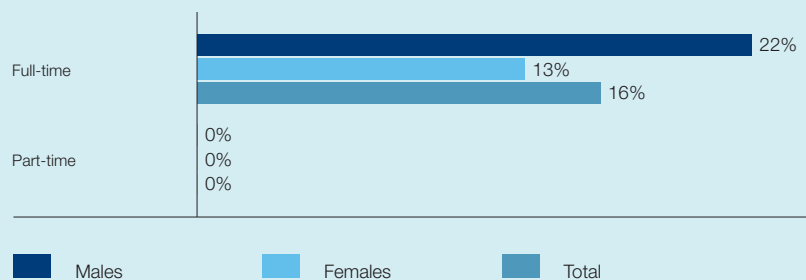
	2011			2012			2012 VERSUS 2011 CHANGE (%)		
	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL	MALES	FEMALES	TOTAL
Age									
Employees < 30 years	1	5	6	3	1	4	300	-80	-33
Employees 30-50 years	2	4	6	3	4	7	50	0	17
Employees > 50 years	0	3	3	2	2	4	N/A	-33	33
Type of Employment									
Full-time	3	12	15	8	7	15	167	-42	0
Part-time	0	0	0	0	0	0	0	0	0
Geographic Region									
Western	3	4	7	5	2	7	67	-50	0
Central	0	6	6	3	4	7	N/A	-33	17
Eastern	0	2	2	0	1	1	N/A	-50	-50
Employment Category									
Senior Management	0	0	0	0	0	0	0	0	0
Middle Management	0	1	1	1	0	1	N/A	-100	0
Professional/Technical	0	3	3	2	2	4	N/A	-33	133
Administrative	2	8	10	2	5	7	0	-38	-30
Building Support	1	0	1	3	0	3	300	0	300
By Type of Separation									
Voluntary	2	5	7	3	5	8	50	0	14
Involuntary	1	7	8	5	2	7	400	-71	-13
TOTAL	3	12	15	8	7	15	167	-42	0

EMPLOYEE STATISTICS

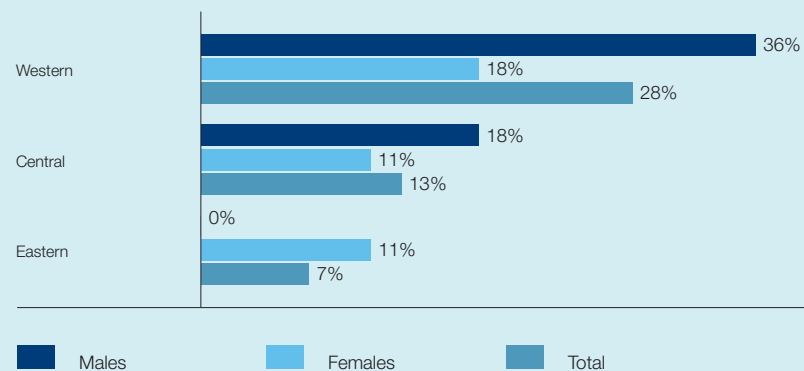
2012 TURNOVER RATE OF NEW EMPLOYEES BY AGE



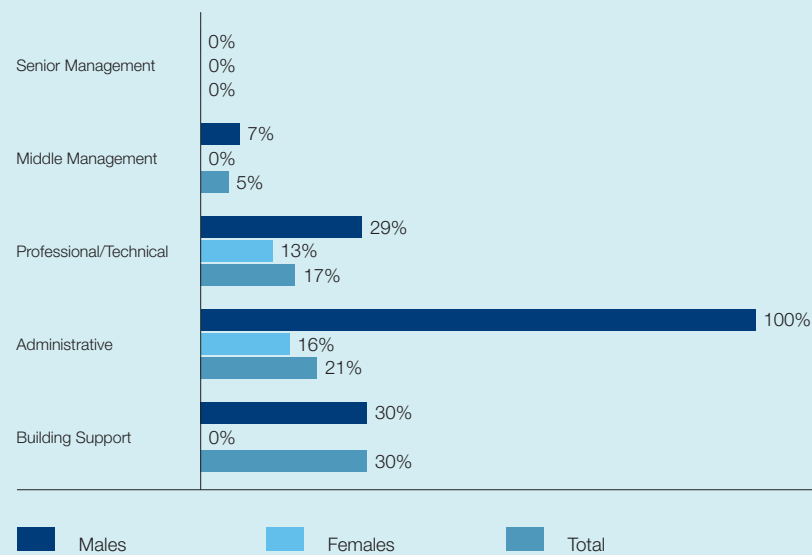
2012 TURNOVER RATE OF NEW EMPLOYEES BY TYPE OF EMPLOYMENT



2012 TURNOVER RATE OF NEW EMPLOYEES BY GEOGRAPHIC REGION

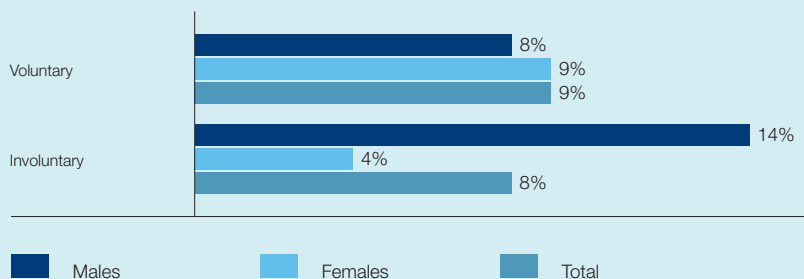


2012 TURNOVER RATE OF NEW EMPLOYEES BY EMPLOYMENT CATEGORY



EMPLOYEE STATISTICS

2012 TURNOVER RATE OF NEW EMPLOYEES BY TYPE OF SEPARATION



PERCENTAGE OF SENIOR MANAGEMENT HIRED FROM LOCAL REGION



LAND USE

Land use is a significant environmental aspect of the real estate sector. First Capital Realty's business strategy focuses on acquiring, developing or redeveloping properties in existing urban markets. As a result, urban sprawl from our activities is limited. Greenfields comprise less than 9% of our portfolio in acres.

The Company also pursues intensification by constructing mixed-use retail, commercial and residential developments on selected properties. This activity promotes the reduction of regional GHG emissions by providing consumers in these communities with places to work, live and play. As of December 31, 2012, the Company completed a residential density project at a redevelopment property, Broadmoor Shopping Centre/Circa Residences, in Richmond, British Columbia. Another residential density project, an expansion of King Liberty Village in Toronto, Ontario, was still under construction.

First Capital Realty's philosophy of risk mitigation applies equally to the acquisition and management of land. The Company requires comprehensive environmental liability insurance on all acquisitions. This management approach minimizes potential financial liabilities in the event that historical contamination is discovered on our properties after acquisition (e.g., soil contamination underneath an existing building) or if off-site contamination migrates on to our property.

The Company conducts comprehensive environmental assessments to evaluate possible environmental contamination prior to acquiring property. The Regional EVPs and SVPs are accountable for ensuring that we comply with this mandate. If contamination is identified, First Capital Realty works with the vendor to remediate the site prior to acquisition or to develop a remediation plan. The Company ensures that contamination is remediated in accordance with regulatory requirements. General Counsel tracks and reports on remediation activities quarterly to the Audit Committee. At the end of the reporting period, 19% of our portfolio in acres comprised brownfields. (Note: A property and its entire acreage were identified as a brownfield regardless of the degree or extent of contamination on the property.)

During 2012 First Capital Realty undertook a comprehensive review and audit of environmental conditions of all properties. The purpose of this review was to evaluate and confirm the environmental conditions of each property to determine if changes in conditions or regulatory requirements had any insurance implications.

BUILDINGS

In May 2006 the Company made a commitment to build all new developments to LEED standards¹. First Capital Realty was the first shopping centre developer in Canada to make this commitment. The Vice-President of Construction for each region is accountable for ensuring that all new development projects comply with this Company directive. Quarterly updates on the LEED certification status of these projects are submitted to the Chief Sustainability Officer and the Sustainability Council.

LEED

LEED is an internationally recognized green building rating system. It uses a whole-building approach to sustainability by addressing five key areas: sustainable site development, water efficiency, energy efficiency, material selection and indoor environmental quality. To obtain certification, projects must meet prerequisites in each of these five areas and undergo an independent review. Based on the total points awarded, a project can achieve one of four possible levels of certification: certified, silver, gold, or platinum. There are several rating systems including New Construction (NC), Core and Shell (CS) and Commercial Interiors (CI).

The Canada Green Building Council (CaGBC) or the U.S. Green Building Council (USGBC) administers the certification process. To ensure the integrity of the LEED building rating system, the certification process includes several iterations of document review and auditing certain credits. Because of the complexity of the audit process and number of projects that have applied for LEED certification, the period from application to receipt of LEED certification can be quite lengthy.

As of December 31, 2012, 27 projects at 18 properties comprising 548,829 square feet of GLA or 2.2 % of the Company's GLA were certified to LEED. The Company had another 78 projects at 45 properties encompassing 2.3 million square feet of GLA or 9.1% of the Company's GLA under development, in the process of construction or awaiting LEED certification. These projects combined represent 11.3% of the Company's GLA.

¹The Company's policy is to build to LEED standards subject to tenant acceptance and existing physical limitations.



EAGLESON PLACE, OTTAWA, ON

BUILDINGS

BOMA BEST (Building Environmental Standards)

In 2011 the Company began the process of seeking BOMA BEST certification for existing properties. BOMA BEST is the largest environmental assessment and certification program for existing buildings in Canada. Building owners complete a questionnaire that critically evaluates six key areas of environmental performance and management: energy, water,

waste, emissions and effluents, indoor environment, and environmental management systems. These standards address the environmental performance of existing buildings based on independently verified information. As of December 31, 2012, 20 properties comprising 1,580,169 million square feet or 6.3% of the Company's GLA were certified to these standards.

LEED CERTIFICATIONS OBTAINED IN 2012

PROJECT	PROPERTY	LOCATION	RATING SYSTEM	LEVEL OF CERTIFICATION	CERTIFICATION COUNCIL	DATE CERTIFICATION ACHIEVED	GLA CERTIFIED (FT ²)
Eagleson Place – Shoppers Drug Mart	Eagleson Place	Ottawa, ON	CS	Certified	CaGBC	June 28, 2012	17,082
Fairway Plaza – LCBO	Fairway Plaza	Kitchener, ON	CS	Silver	CaGBC	January 27, 2012	9,933
Morningside Crossing – Phase 2	Morningside Crossing	Toronto, ON	CS	Certified	CaGBC	March 2, 2012	179,630
Steeple Hill Shopping Centre – Sherwin Williams	Steeple Hill Shopping Centre	Pickering, ON	NC	Certified	CaGBC	January 24, 2012	5,000
Steeple Hill Shopping Centre – Shoppers Drug Mart	Steeple Hill Shopping Centre	Pickering, ON	CS	Certified	CaGBC	December 11, 2012	5,000
Westney Heights Plaza – Starbucks	Westney Heights Plaza	Ajax, ON	NC	Certified	CaGBC	March 2, 2012	1,600
TOTAL GLA CERTIFIED							218,245

BUILDINGS

**PROJECTS UNDER DEVELOPMENT, UNDER CONSTRUCTION OR AWAITING
LEED CERTIFICATION AS OF DECEMBER 31, 2012**

PROJECT	PROPERTY	LOCATION	RATING SYSTEM	LEVEL OF CERTIFICATION	CERTIFICATION COUNCIL	GLA TARGETED FOR CERTIFICATION (FT²)
120 Lynn Williams	Shops at King Liberty	Toronto, ON	CS	Silver	CaGBC	21,643
146 – 150 Lakeshore Road West	134, 146–150 Lakeshore Road West	Oakville, ON	CS	Silver	CaGBC	28,965
51 Hanna Ave – Boiler Room	Shops at King Liberty	Toronto, ON	CS	Silver	CaGBC	20,000
85 Hanna Avenue ¹	Shops at King Liberty	Toronto, ON	EBOM	Silver	CaGBC	85,377
9 Nichol Street – TD Canada Trust	Port Place Shopping Centre	Nanaimo, BC	CS	Certified	CaGBC	5,044
Appleby Mall	Appleby Village	Burlington, ON	CS	Silver	CaGBC	183,404
Broadmoor Shopping Centre	Broadmoor Shopping Centre	Richmond, BC	NC	Gold	CaGBC	61,472
Brooklin Towne Centre – LCBO	Brooklin Towne Centre	Whitby, ON	CS	Silver	CaGBC	7,976
Brooklin Towne Centre – The Beer Store	Brooklin Towne Centre	Whitby, ON	CS	Certified	CaGBC	6,587
Brooklin Towne Centre – New Retail Buildings	Brooklin Towne Centre	Whitby, ON	CS	Silver	CaGBC	7,717
Carrefour Charlemagne – Metro	Carrefour Charlemagne	Charlemagne, QC	NC	Silver	CaGBC	40,852
Carrefour Charlemagne – New Retail Building	Carrefour Charlemagne	Charlemagne, QC	CS	Silver	CaGBC	6,716
Carrefour des Forges – Dollarama, National Bank of Canada	Carrefour des Forges	Drummondville, QC	CS	Certified	CaGBC	16,255
Carrefour du Plateau des Grives – IGA ¹	Carrefour du Plateau des Grives	Gatineau, QC	NC	Certified	CaGBC	50,230
Carrefour du Plateau des Grives – Dollarama	Carrefour du Plateau des Grives	Gatineau, QC	CS	Silver	CaGBC	13,000
Carrefour du Plateau des Grives – National Bank of Canada	Carrefour du Plateau des Grives	Gatineau, QC	CS	Silver	CaGBC	10,000
Carrefour du Plateau des Grives – Second Cup	Carrefour du Plateau des Grives	Gatineau, QC	NC	Silver	CaGBC	4,500
Carrefour du Versant Est – SAQ	Carrefour du Versant	Gatineau, QC	CI	Silver	CaGBC	4,540
Carrefour du Versant Ouest – Canadian Imperial Bank of Commerce (CIBC)	Carrefour du Versant	Gatineau, QC	CS	Silver	CaGBC	5,300

¹ These LEED projects were certified after December 31, 2012

BUILDINGS

**PROJECTS UNDER DEVELOPMENT, UNDER CONSTRUCTION OR AWAITING
LEED CERTIFICATION AS OF DECEMBER 31, 2012**

PROJECT	PROPERTY	LOCATION	RATING SYSTEM	LEVEL OF CERTIFICATION	CERTIFICATION COUNCIL	GLA TARGETED FOR CERTIFICATION (FT ²)
Carrefour du Versant Ouest – Second Cup	Carrefour du Versant	Gatineau, QC	CS	Silver	CaGBC	1,900
Carrefour du Versant Ouest – Dollarama	Carrefour du Versant	Gatineau, QC	NC	Silver	CaGBC	9,200
Carrefour du Versant Ouest – Royal Bank of Canada, Quiznos	Carrefour du Versant	Gatineau, QC	CS	Certified	USGBC	11,000
Carrefour St. David Est – Canadian Imperial Bank of Commerce (CIBC)	Carrefour St. David	Québec City, QC	CS	Silver	CaGBC	6,330
Carrefour St. David Est – New Retail Building	Carrefour St. David	Québec City, QC	CS	Silver	CaGBC	8,210
Carrefour St. David Est – SAQ ¹	Carrefour St. David	Québec City, QC	NC	Silver	CaGBC	10,000
Carrefour St. David Ouest – National Bank of Canada ¹	Carrefour St. David	Québec City, QC	CS	Silver	CaGBC	15,597
Carrefour St. David Ouest – The Co-operators	Carrefour St. David	Québec City, QC	CS	Certified	CaGBC	7,055
Carrefour St. Hubert – Main B – Canadian Imperial Bank of Canada (CIBC)	Carrefour St. Hubert	Longueuil, QC	CS	Silver	CaGBC	4,760
Carrefour St. Hubert – Main B – New Retail Building	Carrefour St. Hubert	Longueuil, QC	CS	Silver	USGBC	62,183
Carrefour St. Hubert – Main B – New Retail Building	Carrefour St. Hubert	Longueuil, QC	CS	Silver	CaGBC	5,305
Chartwell Shopping Centre – New Retail Buildings	Chartwell Shopping Centre	Toronto, ON	CS	Silver	CaGBC	101,729
Deer Valley Market Place – New Retail Building	Deer Valley	Calgary, AB	CS	Silver	CaGBC	13,068
Deer Valley Market Place – Royal Bank of Canada (RBC), Liquor Depot	Deer Valley	Calgary, AB	CS	Silver	CaGBC	9,246
Derry Heights Plaza	Derry Heights Plaza	Milton, ON	CS	Silver	CaGBC	98,920
Eagleson Place – GoodLife Fitness	Eagleson Place	Ottawa, ON	CS	Silver	CaGBC	20,340
Eagleson Place – The Beer Store	Eagleson Place	Ottawa, ON	CS	Silver	CaGBC	6,613

¹ These LEED projects were certified after December 31, 2012

BUILDINGS

PROJECTS UNDER DEVELOPMENT, UNDER CONSTRUCTION OR AWAITING LEED CERTIFICATION AS OF DECEMBER 31, 2012

PROJECT	PROPERTY	LOCATION	RATING SYSTEM	LEVEL OF CERTIFICATION	CERTIFICATION COUNCIL	GLA TARGETED FOR CERTIFICATION (FT²)
Fuzion	Shops at King Liberty	Toronto, ON	CS	Certified	CaGBC	9,649
Gloucester City Centre – LCBO	Gloucester City Centre	Ottawa, ON	CS	Silver	CaGBC	11,646
Grimsby Square Shopping Centre ¹	Grimsby Square Shopping Centre	Grimsby, ON	CS	Certified	CaGBC	39,085
Halton Hills – LCBO	Halton Hills Village	Georgetown, ON	CS	Certified	CaGBC	11,657
Harbour Plaza ¹	Harbour Front Centre	Vancouver, BC	CS	Certified	USGBC	19,890
Hunt Club Place – Phase 1	Hunt Club Place	Ottawa, ON	CS	Certified	CaGBC	90,589
Hunt Club Place – Phase 2	Hunt Club Place	Ottawa, ON	CS	Certified	CaGBC	25,039
Jardins Millen – IGA	Jardins Millen	Montréal, QC	CI	Certified	CaGBC	33,000
Jardins Millen – TD Canada Trust	Jardins Millen	Montréal, QC	CI	Certified	CaGBC	5,258
La Porte de la Gatineau – SAQ	La Porte de Gatineau	Gatineau, QC	CI	Certified	CaGBC	2,789
Leaside Village	85 Laird Drive	Toronto, ON	CS	Silver	CaGBC	106,180
Les Galeries de Repentigny – Laurentian Bank	Les Galeries de Repentigny	Repentigny, QC	NC	Certified	CaGBC	7,000
Loblaws Plaza – Royal Bank of Canada	Loblaws Plaza	Ottawa, ON	NC	Silver	CaGBC	5,600
McKenzie Towne Centre – Phase 2	McKenzie Towne Centre	Calgary, AB	CS	Silver	CaGBC	32,138
McKenzie Towne Park – Edleun	McKenzie Towne Centre	Calgary, AB	NC	Silver	CaGBC	30,000
McKenzie Towne Park – New Retail Building	McKenzie Towne Centre	Calgary, AB	CS	Silver	CaGBC	14,820
McKenzie Towne Park – Servus Credit Union	McKenzie Towne Centre	Calgary, AB	NC	Silver	CaGBC	8,064
McKenzie Towne Park – TD Canada Trust	McKenzie Towne Centre	Calgary, AB	NC	Silver	USGBC	6,970
Mount Royal Village – First Capital Realty Inc.	Mount Royal Village	Calgary, AB	CI	Silver	CaGBC	9,445
Olde Oakville Market Place – LCBO	Olde Oakville Market Place	Oakville, ON	CS	Certified	CaGBC	9,935
Pergola Commons	Clairfield Commons	Guelph, ON	CS	Silver	CaGBC	149,595
Place Kirkland – SAQ	Centre Kirkland	Kirkland, QC	CS	Certified	CaGBC	7,746
Place Kirkland – SAQ	Centre Kirkland	Kirkland, QC	CI	Certified	CaGBC	2,900

¹ These LEED projects were certified after December 31, 2012

BUILDINGS

PROJECTS UNDER DEVELOPMENT, UNDER CONSTRUCTION OR AWAITING LEED CERTIFICATION AS OF DECEMBER 31, 2012

PROJECT	PROPERTY	LOCATION	RATING SYSTEM	LEVEL OF CERTIFICATION	CERTIFICATION COUNCIL	GLA TARGETED FOR CERTIFICATION (FT²)
Place Nelligan – Main Site – Brunet Pharmacy	Place Nelligan	Gatineau, QC	CS	Silver	CaGBC	9,181
Place Nelligan – Main Site – Dollarama	Place Nelligan	Gatineau, QC	CS	Silver	CaGBC	11,194
Place Viau	Place Viau	Montréal, QC	CS	Silver	CaGBC	233,000
Plaza Actuel – Royal Bank of Canada (RBC)	Carrefour St. Hubert	Longueuil, QC	NC	Certified	CaGBC	4,000
Plaza Beaconsfield – TD Canada Trust	Centre commercial Beaconsfield	Beaconsfield, QC	NC	Silver	CaGBC	5,200
Port Place Shopping Centre – New Retail Building	Port Place Shopping Centre	Nanaimo, BC	NC	Silver	CaGBC	27,330
Port Place Shopping Centre – New Retail Building	Port Place Shopping Centre	Nanaimo, BC	NC	Silver	CaGBC	27,330
Red Deer Village – Costa Vida	Red Deer Village	Red Deer, AB	NC	Silver	CaGBC	6,473
Rutherford Marketplace	Rutherford Marketplace	Vaughan, ON	CS	Certified	CaGBC	154,943
Sherwood Centre – 1000 Alder Ave – Starbucks, Quiznos	Sherwood Park JV	Sherwood Park, AB	NC	Silver	CaGBC	5,720
Shoppes on Dundas	Shoppes on Dundas	Oakville, ON	CS	Certified	CaGBC	65,789
Shops at New West Station – First Capital Realty Inc. Office	Shops at New West Station	New Westminster, BC	CI	Silver	CaGBC	1,465
Thickson Place – LCBO	Thickson Place	Whitby, ON	CS	Silver	CaGBC	8,500
Thickson Place – Starbucks	Thickson Place	Whitby, ON	CS	Silver	CaGBC	1,714
Time Marketplace – TD Canada Trust, Boston Pizza ¹	Time Marketplace	Vancouver, BC	CS	Silver	CaGBC	54,000
Towerlane Centre – TD Canada Trust, Starbucks, Booster Juice	Towerlane Centre	Airdrie, AB	CS	Certified	USGBC	21,705
Westmount Village – Rexall	Westmount Shopping Centre	Edmonton, AB	NC	Silver	CaGBC	11,846
York Mills Gardens – 1859 Leslie – Bank of Montreal (BMO), Shoppers Drug Mart	York Mills Gardens	Toronto, ON	CS	Silver	CaGBC	22,820
TOTAL						2,282,239

¹ These LEED projects were certified after December 31, 2012

BUILDINGS

BOMA BEST CERTIFICATIONS OBTAINED IN 2012

PROPERTY	LOCATION	LEVEL OF CERTIFICATION	GLA CERTIFIED (FT ²)
Carrefour Don Quichotte	Île Perrot, QC	1	71,406
Carrefour du Versant East	Gatineau, QC	1	87,330
Carrefour du Versant West	Gatineau, QC	1	25,626
Carrefour St. Hubert	Longueuil, QC	1	158,142
Centre commercial Beaconsfield	Beaconsfield, QC	1	110,933
Centre commercial Van Horne	Montréal, QC	1	79,699
Centre Kirkland – St. Charles	Kirkland, QC	1	116,853
Centre Maxi Trois Rivières	Trois Rivières, QC	1	121,319
Galleries Don Quichotte	Île Perrot, QC	1	26,742
Le Campanile	Montréal, QC	1	54,410
Midland Lawrence Plaza	Toronto, ON	1	80,932
Place Michelet	Montréal, QC	1	58,888
Place Nelligan	Gatineau, QC	1	53,266
Place Seigneuriale	Québec City, QC	1	49,828
Plaza Don Quichotte	Île Perrot, QC	1	107,083
Queen Mary	Montréal, QC	1	21,141
TOTAL			1,223,598

Transforming a Former Railway Locomotive Shop into a Grocery Store

First Capital Realty is seeking LEED Core and Shell Silver certification from the CaGBC for a historic building that was repurposed and is occupied by Longos, which opened on August 22, 2012 at Leaside Village in Toronto.



CANADIAN NATIONAL RAILWAY LOCOMOTIVE SHOP, TORONTO, ON (1919)
Credit: Canada Science and Technology Museum/CN Collection: Image CN003958.

Sustainable Sites

In April 2009 First Capital Realty purchased 85 Laird Avenue in the Leaside community of Toronto. It was a 3.5 hectare contaminated industrial property with an abandoned building marked by graffiti and broken windows. The original 48,000 square foot edifice was constructed in 1919 as a railway locomotive shop. The Company repurposed the Ontario heritage designated building as a retail grocery store and redeveloped the site as a community neighbourhood shopping centre. Before embarking on the redevelopment process, First Capital Realty remediated the heavy metal and polycyclic aromatic hydrocarbon contamination in the soil resulting from previous industrial uses.

BUILDINGS



FORMER INDUSTRIAL PROPERTY, 85 LAIRD DRIVE, TORONTO, ON (2009)

Energy and Atmosphere

To improve the energy efficiency of the building, 3.5 inches of spray polyurethane insulation was applied on the interior side of the exterior masonry walls. This process increased the insulation value of the walls from a R value of 3 to 25. The building was equipped with high efficiency rooftop air-conditioning units, energy recovery ventilators and demand control ventilation. Furthermore, the design reduced the lighting power by 20 percent compared to the LEED reference lighting power levels. These building features are expected to decrease the building's energy consumption by 20 percent based on the energy reference model.

A measurement and verification plan was developed to ensure optimization of the building's energy and water performance over time. First Capital Realty also established a two-year contract to purchase green power equivalent to 50 percent of the building's annual energy consumption. Lastly, the Company installed plug-in hybrid vehicle charging stations as an amenity to the shopping centre's customers. Three percent of the total number of parking spaces is equipped with this plug-in service.

Materials and Resources

By retrofitting the building for a new purpose and maintaining 75 percent of the existing walls, floors and roof, First Capital Realty was able to reduce material and resource consumption. More than 25 percent of the construction materials, by cost, used in this project were sourced locally. For materials transported by truck, they were sourced within 800 km of Leaside Village. For materials transported by rail or ship, they travelled a distance of less than 2,400 km. By sourcing local materials, the Company supported the local economy and reduced the energy consumption and greenhouse gas (GHG) emissions associated with transporting materials to our property. The construction materials used in this project contained more than 20 percent recycled content based on cost. Finally, over 80 percent of the construction waste generated by this retrofit was diverted from landfill for recycling or reuse.

Indoor Environmental Quality

To ensure the safety, comfort and well-being of Longos' employees and its customers, First Capital Realty implemented several measures during the retrofit. First, the Company removed the paint contaminated with lead from the building's ceiling. Second, the building's ventilation systems were designed to deliver and mix supply air providing an air change effectiveness of 0.9. (Air change effectiveness is a comparison of the age of air in occupied areas to the age of air that would exist if ventilation air was perfectly mixed.) Third, prior to occupancy, indoor air quality testing was performed to verify that potential contaminants such as formaldehyde, VOCs, carbon monoxide and particulate matter caused by construction work did not exceed the maximum concentrations permitted by LEED. Fourth, the lighting contains very low levels of mercury such that the total overall average mercury of all mercury-containing lamps does not exceed 70 picograms per lumen-hour.



LEASIDE VILLAGE, TORONTO, ON (2012)

Water Efficiency

Water-efficient plumbing fixtures were installed to minimize water usage for sewage conveyance. By carefully selecting the planting materials, the use of potable water for landscape irrigation was reduced by 50 percent.

Benefits

The benefits of this redevelopment project were multi-dimensional. First Capital Realty fully remediated an abandoned contaminated industrial property transforming it into an attractive neighbourhood community shopping centre. A historic building in the Leaside community was preserved and repurposed and more importantly, re-established its historic prominence in the community. The improvements incorporated strong environmental and sustainable attributes.



WATER

Collection and Reporting of Water Data

Our properties use water to supply drinking water, support maintenance cleaning activities, supply landscape irrigation and provide sewage conveyance. Municipal water treatment plants provide potable water to our portfolio, and municipal waste water treatment plants treat our waste water. Typically, there is one water meter installed by the utility at each property. The Province of Québec is an exception. Typically, water consumption is not metered in Québec, and water costs are included in the municipal property tax assessment.

In most cases, tenants in our open-air and enclosed shopping centres and offices are not separately metered for their water consumption. The Company charges back the costs of water consumption proportionately to the tenants based on their square footage. As a result, water consumption and costs associated with our tenants for these properties are included in this report.

Open-air shopping centres comprised 71% of the GLA reporting water consumption and consumed 73% of the water consumption. Enclosed shopping centres comprised 26% of the GLA reporting water consumption and consumed 23% of the water consumption. Office buildings comprised 3% of the GLA reporting water consumption and consumed 4% of the water consumption.

Water Conservation and Management Measures

The Company completed water audits on the irrigation systems at Meadowvale Town Centre, Credit Valley Town Plaza, Derry Heights Plaza and Shoppes on Dundas during 2012.

Great Canadian Shoreline Cleanup

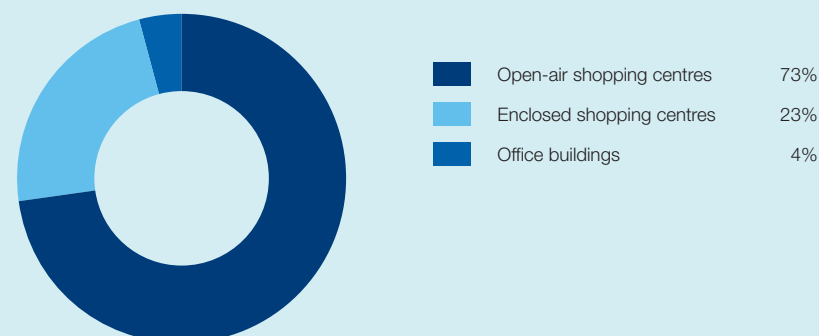
In 2012 our employees participated nationally for the fourth year in the Great Canadian Shoreline Cleanup. This national program is Canada's largest contributor to the International Coastal Cleanup, a global initiative to remove litter and aquatic debris from shorelines. In 2012, 136,036 kilograms of litter were removed from 3,102 kilometres of Canadian shoreline by all program participants combined.

WATER CONSUMPTION¹

ASSET CLASS	2010 (10 ⁶ L)	2011 (10 ⁶ L)	2012 (10 ⁶ L)	2012 VERSUS 2011 CHANGE (%)
Open-air shopping centres	999	974	993	2
Enclosed shopping centres	318	302	305	1
Office buildings	64	55	59	7
ENTIRE PORTFOLIO	1,381	1,331	1,358	2

¹2010 and 2011 water consumption and costs were updated to reflect the Company's portfolio as of December 31, 2011 for comparability purposes.

2012 WATER CONSUMPTION IN ENTIRE PORTFOLIO



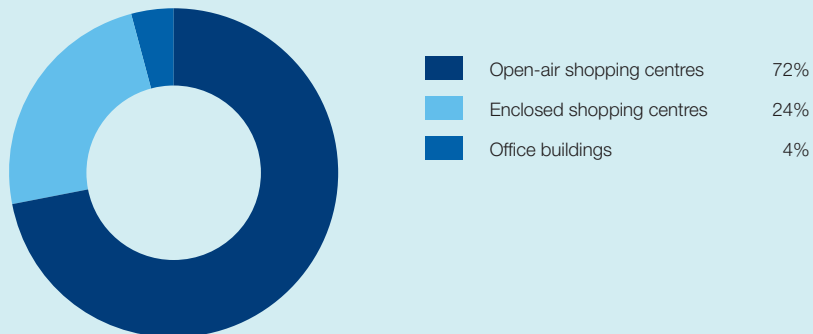
WATER

WATER COSTS¹

ASSET CLASS	2010 (\$)	2011 (\$)	2012 (\$)	2012 VERSUS 2011 CHANGE (%)
Open-air shopping centres	2,065,453	2,158,998	2,396,118	11
Enclosed shopping centres	699,439	744,398	806,570	8
Office buildings	134,014	122,057	142,006	16
ENTIRE PORTFOLIO	2,898,906	3,025,453	3,344,694	11

¹2010 and 2011 water consumption and costs were updated to reflect the Company's portfolio as of December 31, 2011 for comparability purposes.

2012 WATER COSTS IN ENTIRE PORTFOLIO



ENERGY

Collection and Reporting of Energy Data

Energy in the form of natural gas and electricity supplies heating, cooling and power to our properties. In most cases, tenants in our open-air shopping centres are separately metered for natural gas and electricity consumption. They pay the utility companies directly for their energy consumption and, therefore, their energy consumption and costs are not included in our report.

Due to the design of the mechanical and electrical systems of our enclosed shopping centres and offices, not all of our tenants are separately metered for heating, cooling and power. The Company charges back proportionately the cost of energy consumption that is not separately metered to the tenants based on their square footage. As a result, the energy consumption and costs from our tenants' operations are included in our report.

Open-air shopping centres comprised 72% of the GLA reporting energy consumption and consumed 42% of the energy. Enclosed shopping centres comprised 26% of the GLA reporting energy consumption and consumed 50% of the energy. Office buildings comprised 2% of the GLA reporting energy consumption and consumed 8% of the energy.

Because our portfolio comprises primarily open-air shopping centres, most of our energy consumption is used to power exterior common area building and parking lot lighting.

Energy Conservation Measures

In 2012 First Capital Realty continued to implement energy conservation measures in our portfolio. The Company continues to upgrade lighting systems with motion sensors, photo cells and astronomical timers. First Capital Realty retrofitted existing lighting to more energy-efficient technology, such as LED, in numerous properties including Shops at King Liberty, Parkway Mall, Rutherford Marketplace and Southpark. At Wellington Corners, exterior lighting was re-wired to provide flexibility to turn off zones during non-operating periods without compromising public security.

Consequently, the electricity consumption in 2012 at Wellington Corners decreased by 10 percent from 2011. Working with cleaning staff to co-ordinate turning off lights manually after hours, the Tillsonburg Town Centre reduced its energy consumption by 13 percent in 2012 compared to 2011.

Race to Reduce

The Company registered 85 Hanna Avenue and the Barrymore building as participating buildings in Greening Greater Toronto's Race to Reduce, a Greater Toronto CivicAction Alliance initiative. This challenge aims to reduce energy consumption by 10 percent over a four-year period in registered office buildings.

Public Charging Stations for Plug-in Electric Vehicles

First Capital Realty signed a partnership agreement with The Electric Circuit to install forty public charging stations for plug-in electric vehicles at selected shopping centres in Québec over two years. In 2012 a total of twenty charging stations were installed at Carrefour Charlemagne in Charlemagne, Carrefour St. David West and East in Beauport, Carrefour du Versant West in Gatineau, and Carrefour St. Hubert in St. Hubert, Québec.

The Electric Circuit is Canada's first public network for plug-in electric vehicles. At the end of 2012, the network had more than 90 stations in operation, and close to 50 percent of electric vehicle owners had Electric Circuit charging cards. Most electric vehicle owners charge their cars at home. However, the network provides them with the opportunity to charge their vehicles when they are on the road. Charging vehicles for one and a half hours provides average cars with enough electricity to drive another 40 kilometres.

Renewable Energy Systems

In 2012 the Company completed the construction of two geothermal projects: a mixed use residential/retail complex, Broadmoor Shopping Centre/Circa Residences in Richmond, British Columbia, and a new shopping centre, Leaside Village in Toronto, Ontario.

ENERGY

Leaside Village

A hybrid closed loop geothermal exchange system was designed to use the stable temperatures of the earth as a heat exchanger to provide primary heating and cooling to all eight building blocks and CRUs (commercial retail units). Each CRU is equipped with its own ground source heat pump. The design specifies the most efficient heat pumps sold in the market with electronically commutated motors (ECMs).

The hybrid geothermal system provides a heating and cooling capacity of 1,800,000 BTU/hr and 150 tons, respectively. It comprises a vertical field with 70 boreholes at a depth of 500 feet across 30,000 square feet of parking. To the best of the Company's knowledge, it is the only hybrid geothermal multi CRU retail complex of this size in Canada.

A single central plant comprising condensing boilers and an optimally efficient closed circuit cooler provides on-demand secondary support to the geothermal system. A dedicated outdoor air system equipped with an energy recovery ventilator supplies fresh air to building occupants. The energy recovery ventilator captures heat from exhausted air and transfers it to the supply air stream and vice versa during the cooling mode. The design also includes the use of water coils rather than a conventional constant air volume rooftop mechanical system as water rather than air as a medium to distribute heating or cooling is more energy efficient. A building automation system (BAS) controls and monitors the central plant.

Based on energy modelling data, First Capital Realty expects to realize energy savings of more than 35% compared to the Model National Energy Code for Buildings. The expected energy savings will translate into an annual reduction of 210 tonnes of GHG emissions.

Broadmoor Shopping Centre/Circa Residences

A hybrid closed loop geothermal exchange system was designed to use heat stored in the earth to provide primary heating and cooling to all residential units and CRUs. Each residential unit and CRU is equipped with its own fan coil unit and/or air handling unit supplied with hot and chilled water from the central plant.

The hybrid geothermal system provides a heating and cooling capacity of 1,800,000 BTU/hr and 150 tons, respectively. It comprises a vertical field with over 60 boreholes at a depth of 400 feet installed in the adjacent parking lot.

A single central plant comprising five 30 ton water-to-water heat pumps provides hot water and chilled water to the commercial and residential units to satisfy heating and cooling requirements. The design of the central plant allows for both hot and chilled water to be produced by each heat pump simultaneously. This is very efficient when both heating and cooling are required during the long shoulder seasons of the Lower Mainland of British Columbia. Condensing boilers for domestic hot water generation also provides on-demand secondary heating support to the geothermal system. The design allows for the addition of a cooling tower if the usage of the building changes or requires secondary cooling support. A BAS controls and monitors the central plant.

Based on energy modelling data, First Capital Realty expects to realize energy savings of more than 53% compared to the Model National Energy Code for Buildings. The expected energy savings will translate into an annual reduction of 186 tonnes of GHG emissions.

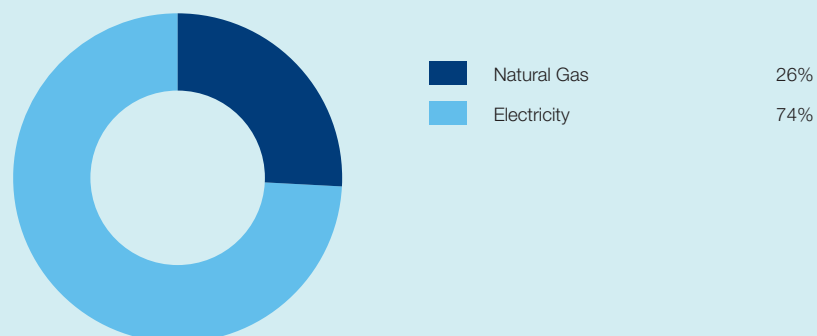
ENERGY

ENERGY CONSUMPTION¹

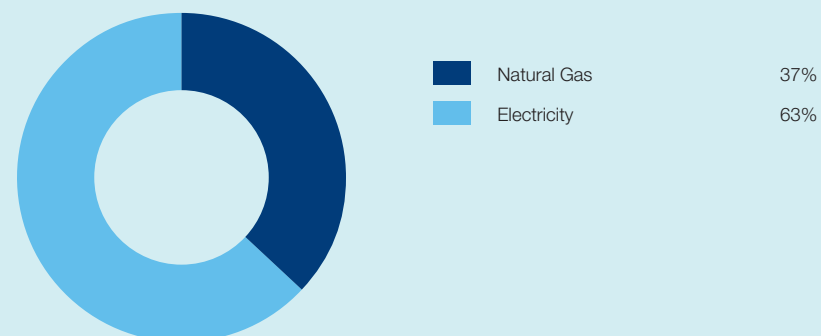
ASSET CLASS	2010 (MWh)	2011 (MWh)	2012 (MWh)	2012 VERSUS 2011 CHANGE (%)
Open-air shopping centres				
Natural Gas	19,452	20,029	15,338	-23
Electricity	47,802	47,010	44,535	-5
TOTAL FOR ASSET CLASS	67,254	67,038	59,874	-11
Enclosed shopping centres				
Natural Gas	23,991	28,693	26,261	-8
Electricity	48,387	46,574	45,504	-2
TOTAL FOR ASSET CLASS	72,377	75,266	71,765	-5
Office buildings				
Natural Gas	5,136	4,734	4,239	-10
Electricity	7,540	7,561	7,649	1
TOTAL FOR ASSET CLASS	12,676	12,295	11,888	-3
ENTIRE PORTFOLIO	152,307	154,599	143,527	-7

¹2010 and 2011 energy consumption and costs were updated to reflect the Company's portfolio as of December 31, 2011 for comparability purposes.

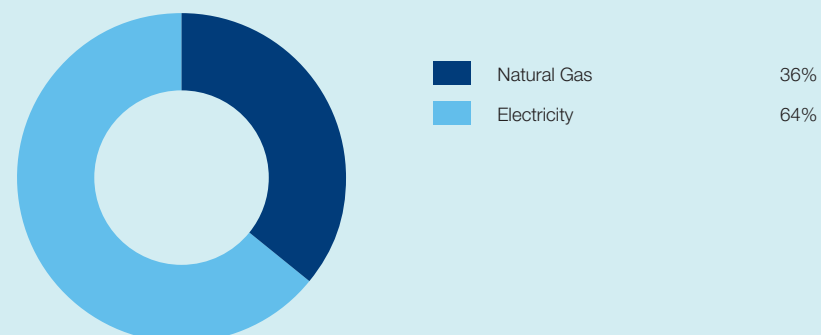
2012 ENERGY CONSUMPTION IN OPEN-AIR SHOPPING CENTRES



2012 ENERGY CONSUMPTION IN ENCLOSED SHOPPING CENTRES

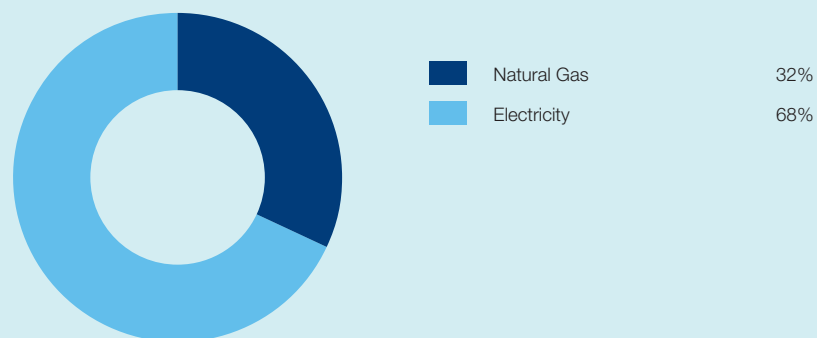


2012 ENERGY CONSUMPTION IN OFFICE BUILDINGS



ENERGY

2012 ENERGY CONSUMPTION IN ENTIRE PORTFOLIO

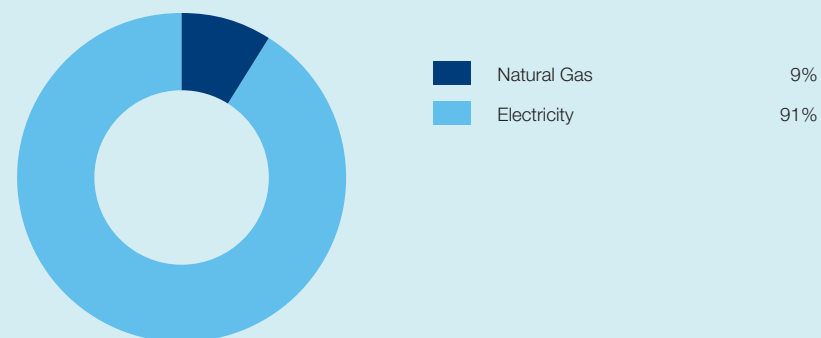


ENERGY COSTS¹

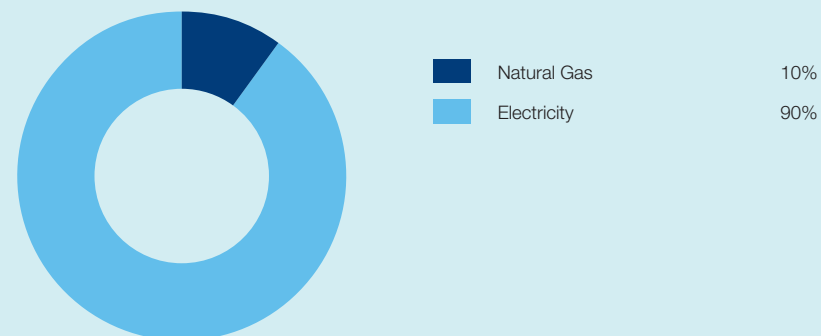
ASSET CLASS	2010 (\$)	2011 (\$)	2012 (\$)	2012 VERSUS 2011 CHANGE (%)
Open-air shopping centres				
Natural Gas	658,991	648,617	459,474	-29
Electricity	4,910,360	5,002,646	4,918,176	-2
TOTAL FOR ASSET CLASS	5,569,351	5,651,263	5,377,650	-5
Enclosed shopping centres				
Natural Gas	617,174	691,775	570,347	-18
Electricity	4,871,863	4,961,326	4,934,388	-1
TOTAL FOR ASSET CLASS	5,489,037	5,653,101	5,504,735	-3
Office buildings				
Natural Gas	103,458	98,015	83,832	-14
Electricity	818,602	870,175	905,806	4
TOTAL FOR ASSET CLASS	922,060	968,190	989,638	2
ENTIRE PORTFOLIO	11,980,448	12,272,554	11,872,023	-3

¹2010 and 2011 energy consumption and costs were updated to reflect the Company's portfolio as of December 31, 2011 for comparability purposes.

2012 ENERGY COSTS IN OPEN-AIR SHOPPING CENTRES

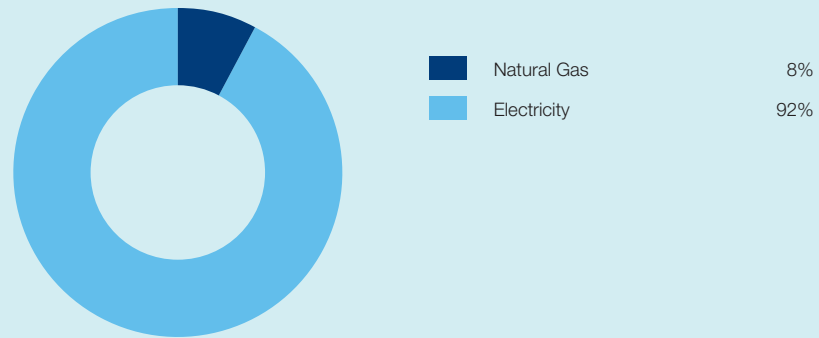


2012 ENERGY COSTS IN ENCLOSED SHOPPING CENTRES

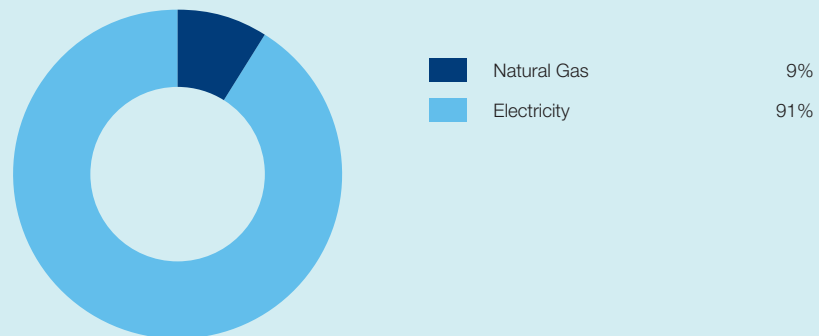


ENERGY

2012 ENERGY COSTS IN OFFICE BUILDINGS



2012 ENERGY COSTS IN ENTIRE PORTFOLIO



GHG EMISSIONS

Collection and Reporting of GHG Emissions

GHG emissions result from the burning of fossil fuels to provide power, heating and cooling to our properties. The majority of tenants in our open-air retail shopping centres are separately metered for natural gas and electricity consumption and pay the utility companies directly for their energy consumption. Therefore, the GHG emissions from these energy sources were not included in our report. However, GHG emissions from energy sources used to provide power, heat and cooling in enclosed shopping centres or office buildings which are not separately metered were included in the report.

Open-air shopping centres comprised 72% of the GLA reporting GHG emissions and generated 34% of the emissions. Enclosed shopping centres comprised 26% of the GLA reporting GHG emissions and generated 58% of the emissions generated. Offices buildings comprised 2% of the GLA reporting GHG emissions and generated 8% of the emissions.

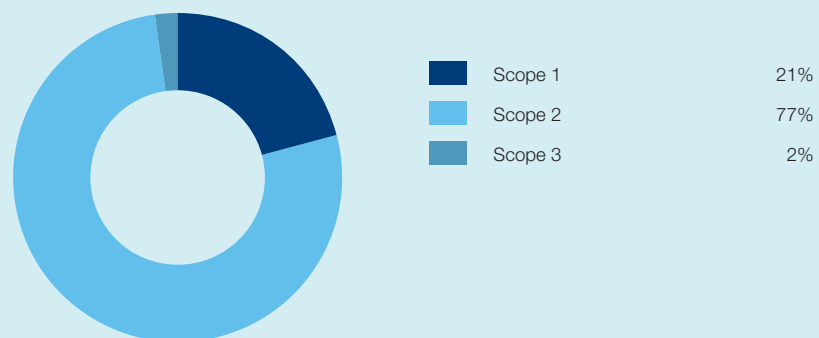
GHG EMISSIONS¹

ASSET CLASS	2010 (CO ₂ e TONNES)	2011 (CO ₂ e TONNES)	2012 (CO ₂ e TONNES)	2012 VERSUS 2011 CHANGE (%)
Open-air shopping centres				
Scope 1	3,530	3,636	2,791	-23
Scope 2	11,352	11,018	10,143	-8
Scope 3	331	308	298	-3
TOTAL FOR ASSET CLASS	15,213	14,962	13,232	-12
Enclosed shopping centres				
Scope 1	4,380	5,235	4,794	-8
Scope 2	17,945	17,495	17,584	1
Scope 3	119	117	114	-3
TOTAL FOR ASSET CLASS	22,444	22,847	22,492	-2
Office buildings				
Scope 1	930	858	769	-10
Scope 2	2,428	2,431	2,442	0
Scope 3	20	18	18	0
TOTAL FOR ASSET CLASS	3,378	3,307	3,229	-2
ENTIRE PORTFOLIO	41,035	41,116	38,954	-5

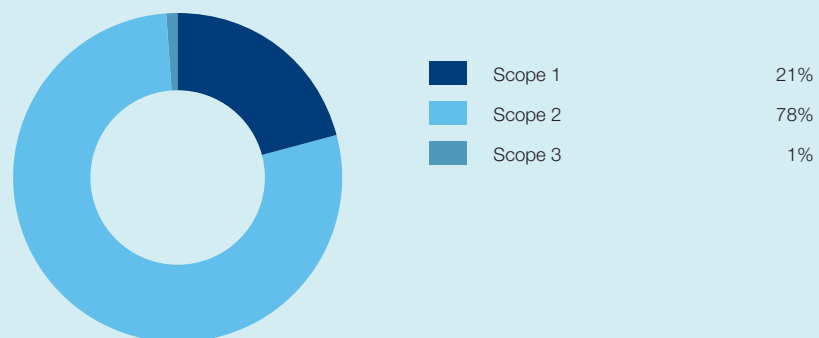
¹2010 and 2011 GHG emissions were updated to reflect the Company's portfolio as of December 31, 2011.

GHG EMISSIONS

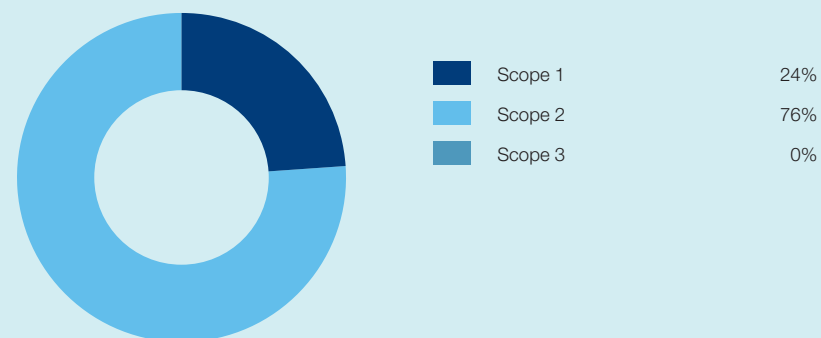
2012 GHG EMISSIONS FROM OPEN-AIR SHOPPING CENTRES



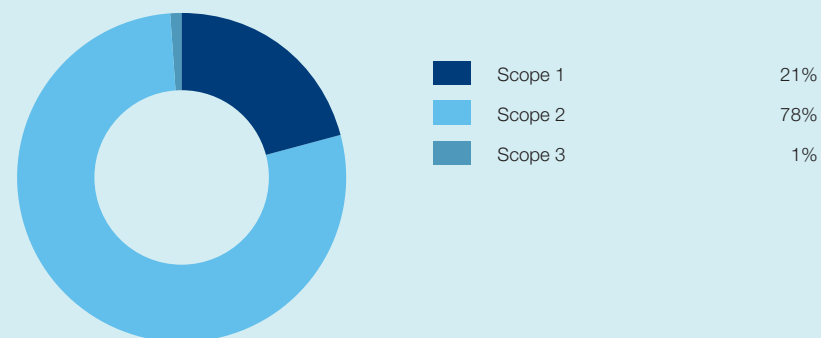
2012 GHG EMISSIONS FROM ENCLOSED SHOPPING CENTRES



2012 GHG EMISSIONS FROM OFFICE BUILDINGS



2012 GHG EMISSIONS FROM ENTIRE PORTFOLIO



WASTE

Collection and Reporting of Waste Data

Due to varying local recycling and waste markets across the country, First Capital Realty currently does not have a national comprehensive, recycling/waste program for our properties. There are a number of factors contributing to this situation. First, different methods of recycling/waste disposal are available depending on local market conditions. Second, the viability of collecting different recycling/waste streams is dependent on the urban markets in which we operate and the market conditions of the recycling/waste sector. Third, the Company uses a number of regionally-based recycling/waste management companies to transport and recycle/dispose of our property recycling/waste streams. Consequently, the Company does not have the ability yet to report on our waste diversion programs nationally. However, the Company can report on our waste expenditures nationally. In 2012, the Company spent \$3.7 million on recycling/waste disposal costs across its entire portfolio.

The Company has a comprehensive waste reporting system in 40% of our portfolio representing 10.1 million square feet of GLA. For each property in these regions, a waste report is generated identifying the recycling/waste stream, quantity of recycling/waste generated and method of disposal or diversion. The report includes tenants' waste where First Capital Realty is responsible for their waste management.

Typically, paper/mixed fibre, cardboard and mixed glass/metal/plastic waste streams were collected from the properties in these regions and sent for recycling. Where organic waste was collected separately, it was sent for composting. Our general waste was sent either to landfill or waste-to-energy facilities.

Community Waste Events

To celebrate Earth Day 2012, the Company hosted electronic waste events at several shopping centres: Northgate Centre in Edmonton, Alberta, Meadowvale Town Centre in Mississauga, Ontario, Cedarbrae Mall in Toronto, Ontario, Gloucester City Centre in Ottawa, Ontario, Place Portobello in Brossard, Québec, and Centre commercial Beaconsfield in Beaconsfield, Québec. The Company collected over 19 tonnes of electronic waste, 1000 litres of unused paint and 15 kilograms of batteries.

QUANTITY OF NON-HAZARDOUS WASTE GENERATED

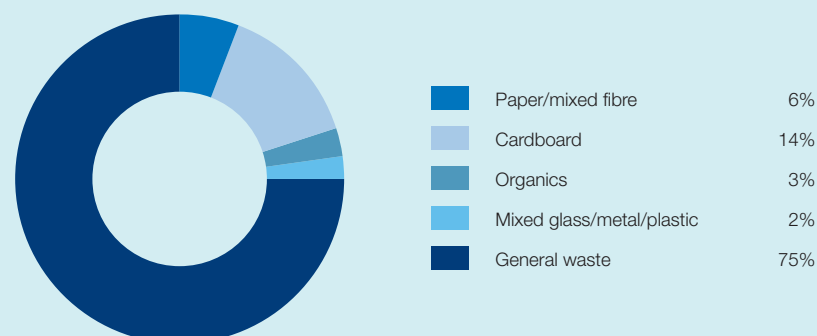
TYPE OF WASTE	2010 (TONNES) ¹	2011 (TONNES) ²	2012 (TONNES) ³	2012 VERSUS 2011 CHANGE (%)
Paper/mixed fibre	710	800	732	-9
Cardboard	1,520	1,910	1,655	-13
Organics	590	500	425	-15
Mixed glass/metal/plastic	210	250	197	-21
General waste	5,890	9,220	9,069	-2
TOTAL	8,920	12,680	12,077	-5

¹2010 data represented waste generated in 9.7 million square feet of our portfolio.

²2011 data represented waste generated in 9.9 million square feet of our portfolio.

³2012 data represented waste generated in 10.1 million square feet of our portfolio.

2012 WASTE PROFILE OF NON-HAZARDOUS WASTE



WASTE

METHOD OF DISPOSAL

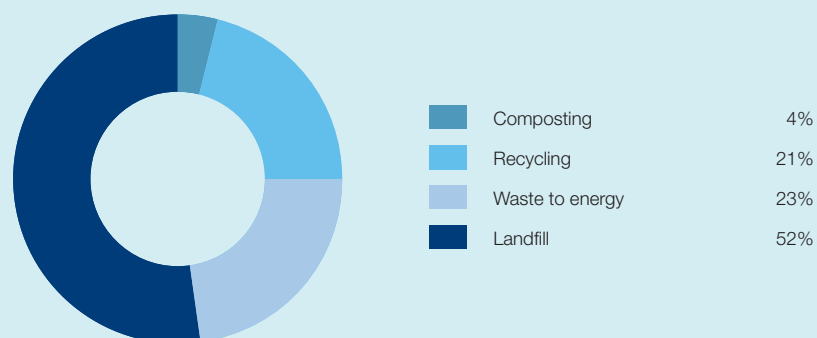
METHOD OF DISPOSAL	2010 (TONNES) ¹	2011 (TONNES) ²	2012 (TONNES) ³	2012 VERSUS 2011 CHANGE (%)
Composting	590	500	425	-15
Recycling	2,440	2,960	2,583	-13
Waste to energy	3,750	4,180	2,762	-34
Landfill	2,140	5,040	6,307	25
TOTAL	8,920	12,680	12,077	-5

¹2010 data represented waste generated in 9.7 million square feet of our portfolio.

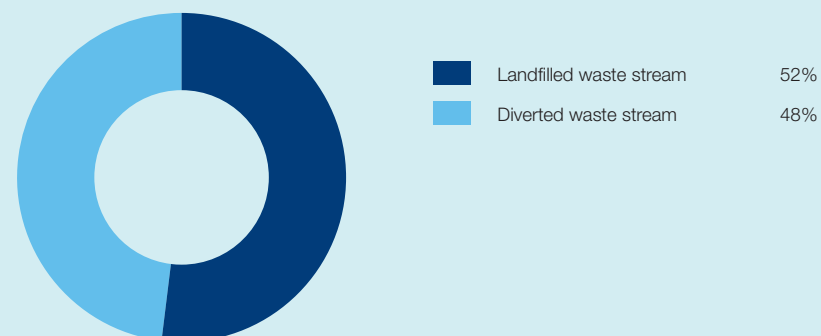
²2011 data represented waste generated in 9.9 million square feet of our portfolio.

³2012 data represented waste generated in 10.1 million square feet of our portfolio.

2012 DISPOSAL PROFILE OF NON-HAZARDOUS WASTE



2012 WASTE DIVERSION RATE OF NON-HAZARDOUS WASTE



INTENSITY OF WASTE GENERATION

TYPE OF WASTE STREAM	2010 (KG/FT ²)	2011 (KG/FT ²)	2012 (KG/FT ²)	2012 VERSUS 2011 CHANGE (%)
Paper/mixed fibre	0.07	0.08	0.07	-9%
Cardboard	0.16	0.19	0.16	-13%
Organics	0.06	0.05	0.04	-15%
Mixed glass/metal/plastic	0.02	0.02	0.02	-2%
General waste	0.61	0.93	0.90	-3%
TOTAL WASTE	0.92	1.28	1.20	-6%

INTENSITY OF WASTE DIVERSION

TYPE OF WASTE STREAM	2010 (KG/FT ²)	2011 (KG/FT ²)	2012 (KG/FT ²)	2012 VERSUS 2011 CHANGE (%)
Paper/mixed fibre	0.07	0.08	0.07	-9%
Cardboard	0.16	0.19	0.16	-13%
Organics	0.06	0.05	0.04	-15%
Mixed glass/metal/plastic	0.02	0.02	0.02	-2%
General waste	0.39	0.42	0.07	-83%
TOTAL WASTE	0.70	0.77	0.57	-25%

ENVIRONMENTAL EXPENDITURES

The Company spent approximately \$5.9 million on environmental expenditures in 2012.

ENVIRONMENTAL EXPENDITURES

CATEGORY	2010 (\$)	2011 (\$)	2012 (\$)	2012 VERSUS 2011 CHANGE (%)
Building certifications	665,000	658,100	1,296,700	97
Consulting	323,000	65,000	186,800	187
Legal	177,000	183,400	82,000	-55
Liability insurance	110,000	143,000	182,600	28
Site assessment and remediation	1,766,000	3,439,500	4,168,400	21
TOTAL	3,041,000	4,489,000	5,916,500	32



ECONOMIC PERFORMANCE¹

First Capital Realty's main economic objective is to generate enhanced value over the long term for our shareholders. To achieve this goal, the Company focuses on seven key areas:

- Specific urban markets with stable and/or growing populations;
- Properties that provide consumers with products and services that are considered to be daily necessities or non-discretionary expenditures;
- Acquisition of well-located neighbourhood and community shopping centres in the Company's target urban markets;
- Selective development and redevelopment including land intensification;
- Proactive management of the existing portfolio and newly acquired properties;
- Increasing efficiency and productivity of operations; and
- Lowest cost of debt and equity capital over the long term.

Comparing the Company's 2012 performance to 2011, financial highlights included:

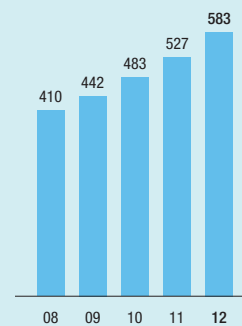
- Property rental revenue increased 10.7% to \$583 million
- Net operating income increased 9.2% to \$372 million
- Invested \$1,154 million in acquisitions, development activities and property improvements
- Average rent per occupied square foot increased by 4.2% to \$17.51
- Same-property NOI growth including expansion and redevelopment space of 2.3%

Please refer to our website for all 2012 financial disclosures, including First Capital Realty's 2012 Annual Report, at www.firstcapitalrealty.ca/FinancialReports.aspx.

¹All financial statement figures presented as at and for the year ended December 31, 2012 have been prepared in accordance with International Financial Reporting Standards (IFRS).

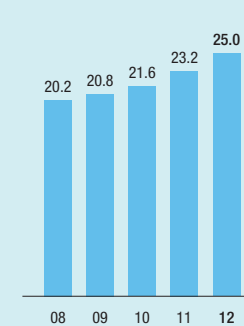
PROPERTY RENTAL REVENUE

(\$ millions)
For the year¹



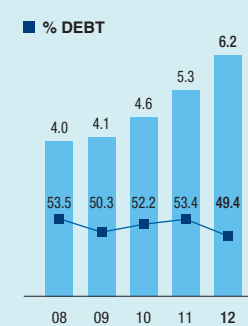
GROSS LEASABLE AREA

(millions of sq. ft.)
At December 31



DEBT TO TOTAL ASSETS

(\$ billions)
At December 31¹



¹2010 amounts have been restated for the effects of International Financial Reporting Standards ("IFRS"). Amounts previous to 2010 are stated under Canadian GAAP ("GAAP").

19 YEARS OF DIVIDENDS

(\$ per share)



¹Includes special dividend of \$0.13 paid on April 6, 2005.

²Includes Gazit America dividend-in-kind of \$0.28 distributed on August 14, 2009.

ECONOMIC PERFORMANCE

FINANCIAL HIGHLIGHTS

(\$ MILLIONS)	2010 ¹	2011	2012
Enterprise value	\$5,253	\$6,215	\$7,316
Debt to total assets (at invested costs)	52.2%	53.4%	42.11%
Debt to market capitalization	46.0%	45.4%	41.8%
Property rental revenue	\$482.5	\$526.7	\$583.1
Net operating income	\$314.0	\$340.1	\$371.5

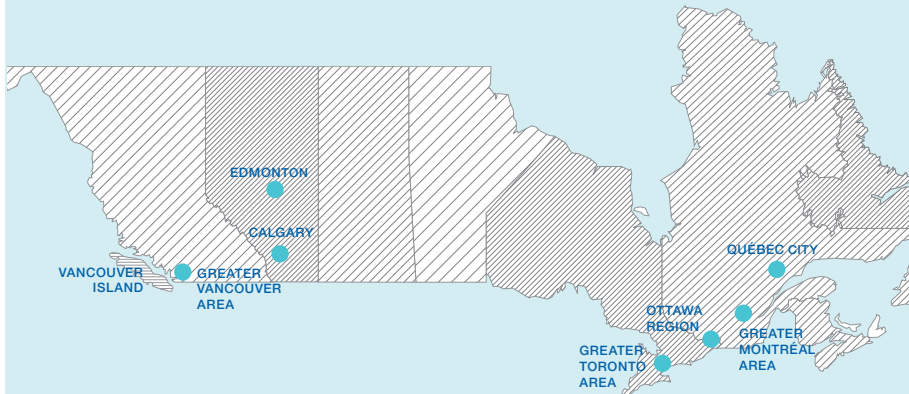
	2010 (\$ MILLION)	2011 (\$ MILLION)	2012 (\$ MILLION)	2010 (\$ PER SHARE)	2011 (\$ PER SHARE)	2012 (\$ PER SHARE)
Funds from operations (FFO)	\$152.7	\$161.3	\$188.9	\$0.95	\$0.96	\$1.00
FFO excluding other gains (losses) and (expenses) ¹	\$148.4	\$162.4	\$189.7	\$0.93	\$0.96	\$1.00
Weighted average diluted shares for FFO (thousands)				160,031	168,632	189,876

	2010 (\$ MILLION)	2011 (\$ MILLION)	2012 (\$ MILLION)	2010 (\$ PER SHARE)	2011 (\$ PER SHARE)	2012 (\$ PER SHARE)
Adjusted funds from operations (AFFO)	\$160.6	\$172.0	\$192.6	\$0.89	\$0.91	\$0.93
AFFO excluding other gains (losses) and (expenses)	\$152.9	\$167.4	\$189.1	\$0.85	\$0.89	\$0.92
Weighted average diluted shares for AFFO (thousands)				180,917	189,132	206,573

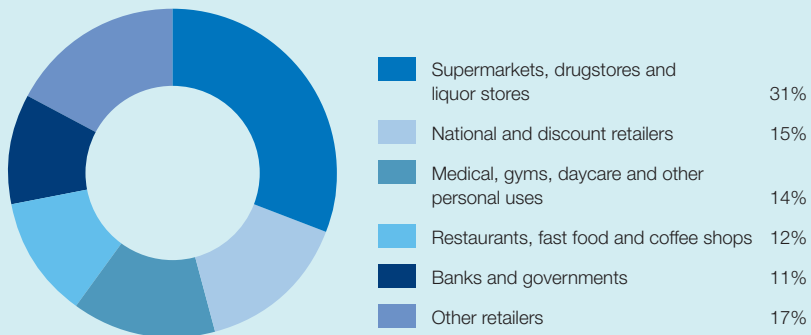
¹2010 amounts have been restated for the effects of IFRS.

ECONOMIC PERFORMANCE

URBAN MARKETS



TENANT PROFILE



COMMUNITY

Charitable Contributions

First Capital Realty donated \$132,800 which represented 0.028% of pre-tax or 0.034% of after-tax income, to charitable organizations in 2012. The Company also provided in-kind donations equivalent to 168,900 square feet of rental space valued at \$280,700 which represented 0.06% of pre-tax or 0.07% of after-tax income. Combined cash and in-kind donations equalled \$413,500 which represented 0.09% of pre-tax or 0.11% of after-tax income. In 2012, employees reported spending a total of 52 hours volunteering while on the Company's payroll.

PROFILE OF CHARITABLE ORGANIZATIONS SUPPORTED

TYPE OF CHARITY	2010 (\$)¹	2011 (\$)	2012 (\$)	2012 VERSUS 2011 CHANGE (%)
Community	29,400	23,400	71,900	307
Cultural	29,500	20,000	0	-100
Health	48,200	56,000	41,000	-27
Miscellaneous²	2,400	15,000	19,800	32
TOTAL	109,000	114,500	132,800	16

¹2010 charitable contributions were restated. Funds raised by charities on our sites in 2010 were included as part of the Company's donations in the 2010 CRS Report. In 2011 and 2012 these funds were not included as part of the Company's donations.

²Donations made to International Relief in 2010 were re-categorized to Miscellaneous in 2012.

First Impressions

Individuals tend to place a great deal of importance on where they live, work and play. First Capital Realty always strives to create a great first impression in everything that we do. We understand that when we purchase a shopping centre, construct a new development or redevelop an existing property, we are affecting and having an impact on people in their neighbourhoods. The Company strives to create environments and amenities at its shopping centres to enhance the communities' experience of "Shopping for Everyday Life."®

One example is the creation of the Vaughan Imagination Zone in the interior common area atrium of our new development, Rutherford Marketplace in Vaughan, Ontario. First Capital Realty annually sponsors a competition for wall art with the Ontario College of Art and Design University (OCAD U) in Toronto, Ontario. With this art program, the Company provides an opportunity at selected properties for students to exhibit their creativity in a public space while elevating the aesthetics of our properties.

In 2012, First Capital Realty provided \$45,000 in sponsorship funding for a number of program initiatives at OCAD U, including the Graduate Exhibition, a public sculpture competition, and awards for the university's top graduating students in Sculpture/Installation and Criticism and Curatorial Practice. Nicholas Crombach, winner of the Company's second annual public sculpture competition, created "Billy, Nanny and the Kids". These bronze figures are displayed at Appleby Village in Burlington, Ontario.

STATEMENT OF ASSURANCE

Independent Limited Assurance Report to the Board of Directors and Management of First Capital Realty Inc. on the selected information presented in the Company's 2012 Corporate Responsibility and Sustainability Report

We have been engaged by the Management of First Capital Realty Inc. (the "Company" or "First Capital Realty") to perform an independent limited assurance engagement in respect of the selected information and First Capital Realty's self-declaration that it has met the B+ level of conformance with the Global Reporting Initiative (GRI) guidelines presented in the 2012 Corporate Responsibility and Sustainability Report ("CRS Report") as hosted on the Company's website¹ for the year ended 31 December 2012 ("the selected information"). The selected information has been identified in the attached table labelled Attachment A. This engagement was conducted by a multidisciplinary team including individuals with environmental, social and assurance experience. We were not engaged to report on comparative figures for the prior year ended 31 December 2011.

Responsibilities of Management for the Corporate Responsibility and Sustainability Report

Management is responsible for the preparation and presentation of the selected information, incorporated in the 2012 CRS Report, in accordance with the reporting criteria. This responsibility includes:

- designing, implementing and maintaining internal controls over information relevant to the preparation of a CRS Report that is free from material misstatements, whether due to fraud or error;
- developing the Reporting Policies and Criteria;
- preparing the selected information in accordance with the Reporting Policies and Criteria;

¹ The maintenance and integrity of First Capital Realty's website is the responsibility of Management; the work carried out by PricewaterhouseCoopers LLP does not involve consideration of these matters and, accordingly, PricewaterhouseCoopers LLP accepts no responsibility for any changes that may have occurred to the reported Corporate Responsibility and Sustainability information or criteria since they were initially presented on the website.

STATEMENT OF ASSURANCE

- declaring an application level based on the GRI Sustainability Reporting Guidelines 3.1 and Construction and Real Estate Sector Supplement (2011); and
- the content of the CRS Report.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the selected information based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 *Assurance Engagements other than Audits and Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board ("ISAE 3000"). That standard requires that we comply with ethical requirements and plan and perform the engagement to obtain limited assurance about whether the selected information on which we are reporting is free of material misstatement, whether due to fraud or error.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of First Capital Realty's use of the Reporting Policies and Criteria as the basis for the preparation of the selected information, assessing the risks of material misstatement of the selected information, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the assessment of risks of material misstatement and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and primarily comprised:

- Making enquiries of relevant First Capital Realty management and staff responsible for data collection and reporting;
- Reviewing relevant documents and records on a sample basis;

- Obtaining an understanding of First Capital Realty's control environment and processes relevant to the selected information;
 - Limited testing, on a selective basis of the measurement, recording and collation of the selected information prepared by First Capital Realty;
 - Evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying corporate responsibility and sustainability accounting records; and
 - Evaluating whether First Capital Realty's methods for developing estimates are appropriate and have been consistently applied.
- However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate First Capital Realty's estimates.

The procedures performed in a limited assurance engagement vary in nature and are less in extent than in a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's selected information has been prepared, in all material respects, in accordance with the Reporting Policies and Criteria.

Inherent limitations of the subject matter

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

STATEMENT OF ASSURANCE

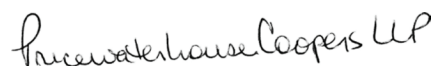
We have not carried out any work on data reported for prior reporting periods nor in respect of future projections and targets. We have not conducted any work outside of the agreed scope and therefore restrict our conclusion to the identified selected information.

Limited assurance conclusion

On the basis of the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected information for the year ended 31 December 2012, is not prepared, in all material respects, in accordance with the Reporting Policies and Criteria.

Restriction on use

This report, including the conclusion, has been prepared for the Board of Directors and Management of First Capital Realty as a body, to assist Management in reporting on the Company's corporate responsibility and sustainability performance and activities. We permit the disclosure of this report within the CRS Report for the year ended 31 December 2012, to enable Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report on the selected information contained in the CRS Report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Management as a body and First Capital Realty for our work or this report save where terms are expressly agreed and with our prior consent in writing.



PricewaterhouseCoopers LLP

Toronto, Ontario

October 31, 2013

ATTACHMENT A: FIRST CAPITAL REALTY INC. 2012 CORPORATE RESPONSIBILITY AND SUSTAINABILITY REPORT – REVIEWED PERFORMANCE INDICATORS

All figures as of December 31, 2012 unless otherwise noted.

Values rounded where appropriate.

	GRI REF	PERFORMANCE INDICATOR	2012 VALUE	NOTES
1.	EN3	Direct energy consumption by primary energy source.	45,839 MWh	Excludes regional offices. Excludes tenant consumption that is separately metered by utility company.
2.	EN4	Indirect energy consumption by primary source.	97,688 MWh	Excludes regional offices. Excludes tenant consumption that is separately metered by utility company. Excludes energy consumed in other indirect Scope 3 sources.
3	EN8	Total water withdrawal by source.	1,358,000,000 L	Excludes all Quebec locations. Excludes regional offices. Excludes tenant consumption that is separately metered by utility company.
4.	EN16	Total direct and indirect greenhouse gas emissions by weight.	Scope 1: 8,350 tCO ₂ e Scope 2: 30,170 tCO ₂ e	Excludes GHG emissions from regional offices. Excludes GHG emissions from tenant consumption that is separately metered by utility company. Excludes GHG emissions from other indirect Scope 3 sources.
5.	LA1	Total workforce by employment type, broken down by gender. Full time (FT), Part time (PT)	FT: Males: 143 FT: Females: 244 PT: Males: 0 PT: Females: 12 Total: 399	Figures as at December 21, 2012. Categorization is based on the number of hours of scheduled work per week.
		Total workforce by employment contract, broken down by gender. Permanent (P), Casual (C)	P: Males: 140 P: Females: 250 C: Males: 3 C: Females: 6 Total: 399 P-FT: Males: 140 P-FT: Females: 238 P-PT: Males: 0 P-PT: Females: 12 P-Total: 390	Figures as at December 21, 2012. Permanent is a contract with an employee for full-time or part-time work for an indeterminate period. Casual is a contract of employment with a specific termination date.
		Total workforce by region broken down by gender.	Western: Males: 37 Western: Females: 53 Central: Males: 85 Central: Females: 162 Eastern: Males: 21 Eastern: Females: 41 Total: 399	Figures as at December 21, 2012. Western region includes British Columbia and Alberta, Central includes Ontario and Eastern includes Quebec and Nova Scotia.
6.	LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Males: 97% Females: 99% Total: 98%	Figures based on P-FT employees as at December 21, 2012. Excludes Q3/Q4 2012 hires, employees from acquisitions, and employees on leave of absence, resigned or terminated at the time of review. Reviews were conducted in Q1/Q2 2013.

APPLICATION OF GRI GUIDANCE AND PRINCIPLES ON DEFINING CONTENT, QUALITY AND BOUNDARY

GRI PRINCIPLES	COMMENTS
Materiality	<p>The Sustainability Council reviewed the list of GRI indicators. The purpose of the review was to identify which indicators were material, could be reported on or required the development of data collection and reporting systems in the future.</p> <p>Materiality was determined based on an analysis of GRI-compliant CRS reports in the real estate sector, a review of REALpac's "A Guide to Corporate Responsibility and Sustainability Reporting in the Canadian Real Property Sector," regulatory development and the professional judgment of the Council.</p> <p>The EVP and CFO and the Chief Sustainability Officer prioritized the topics within the report based on the current data collection and reporting systems and the Company's efforts during the reporting period.</p> <p>The Company expects investors, tenants, employees and the community to use this report.</p>
Stakeholder Inclusiveness	<p>The Company identified investors, tenants, employees and the community as stakeholders and has engaged with each group in a variety of forums and mechanisms.</p>

GRI PRINCIPLES	COMMENTS
Sustainability Context	<p>Developing, owning and operating our shopping centres, provides numerous economic and social benefits:</p> <ul style="list-style-type: none"> • Helps to build communities; • Generates economic value in the local construction and retail sectors; • Provides employment; • Supplies tax revenues; and • Offers daily necessities to consumers. <p>Our business also places demands on land and resources. First Capital Realty aims to balance the economic and social benefits with undesirable environmental aspects by minimizing our impact on the environment.</p> <p>Since May 2006 the Company has constructed all new developments to LEED certification standards. We have revised our Property Standards Manual to specify high-albedo roofing and energy-efficient HVAC units. We have introduced native landscaping.</p> <p>Furthermore, the Company continues to pursue land intensification in selective development and redevelopment activities. This business strategy will increase cash flow and returns on our investments, increase tax revenue for the municipal base, maximize economic value generated per acre of land, improve communities and decrease regional GHG emissions.</p>
Balance	<p>The Company discloses negative and positive information in the report.</p>
Comparability	<p>The CRS report compares 2012 data to 2011 data.</p>
Accuracy	<p>The Company aims to prepare an accurate report. The process involves systems to collect data, review data and approve the final report.</p> <p>Refer to Data Assumptions and Methodologies for information on how data was compiled</p>
Timeliness	<p>The Company's 2012 CRS was issued within eleven months of the end of the reporting period.</p>

APPLICATION OF GRI GUIDANCE AND PRINCIPLES ON DEFINING CONTENT, QUALITY AND BOUNDARY

GRI PRINCIPLES	COMMENTS
Clarity	The Company aims to deliver an easy-to-read, clear, concise report that can be accessed via the Web or printed format. Our efforts include providing a list of definitions and acronyms, avoiding jargon, describing data assumptions and methodologies, and providing graphics that are not misleading.
Reliability	<p>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 EVP and CFO, the President, FCR Management Services LP and General Counsel read the entire report before issuance.</p> <p>Furthermore, the Company sought the services of PricewaterhouseCoopers LLP to provide "limited assurance" on the following six GRI indicators:</p> <p>EN3 – Direct energy consumption by primary energy source.</p> <p>EN4 – Indirect energy consumption by primary energy source.</p> <p>EN8 – Total water withdrawal from source.</p> <p>EN16 – Total direct and indirect GHG emissions by weight.</p> <p>LA1 – Total workforce by employment type, employment contract and region, broken down by gender.</p> <p>LA12 – Percentage of employees receiving regular performance and career developments reviews, by gender.</p>

DATA ASSUMPTIONS AND METHODOLOGIES

INDICATORS	COMMENTS
All	Numbers may not add up due to rounding. 2010, 2011 and 2012 values were rounded for comparability.
Employee Statistics	<p>The reporting period covers December 22, 2011 to December 21, 2012.</p> <p>Administrative is an employment category comprising employees who provide administrative support to management and includes executive assistants, property administrators and accounts payable clerks.</p> <p>Building support is an employment category comprising employees who provide maintenance support at the property level and includes maintenance coordinators and operations supervisors.</p> <p>Middle management is an employment category comprising business unit managers responsible for implementing senior management's plan and includes leasing directors, controllers, and property managers.</p> <p>Professional/technical is an employment category comprising employees specialized in their field of expertise and includes financial analysts, property accountants, legal staff, architects, designers and project managers.</p> <p>Senior management is an employment category comprising the President and CEO, EVP and CFO, EVPs, SVPs, VPs, and General Counsel. They are responsible for achieving the Company's annual business plan.</p> <p>Local resident is a person residing in the region where they are hired to work. For example, if an employee resides in Alberta and takes a job within the Western region, he or she is considered local.</p>

DATA ASSUMPTIONS AND METHODOLOGIES

INDICATORS	COMMENTS
Employee Development	<p>The reporting period covers January 1, 2012 to December 31, 2012.</p> <p>Hours of training were estimated using the following assumptions:</p> <ol style="list-style-type: none"> 1. The Company assumed that training comprised seven hours when employees enrolled in seminars or workshops whether in person or on line. 2. The Company assumed that training comprised two hours per week for the duration of the course when employees enrolled in a higher-education course through the Company's tuition reimbursement program.
Land Use	<p>Land use was classified as of December 31, 2012.</p> <p>A property and its entire acreage were identified as a brownfield regardless of degree or extent of contamination on the property.</p>
Buildings	<p>The reporting period covers from January 1, 2012 to December 31, 2012.</p>
Water	<p>The reporting period covers January 1, 2012 to December 31, 2012 for the portfolio as of December 31, 2011.</p> <p><i>Inclusions</i></p> <ol style="list-style-type: none"> 1. The report includes water use from our entire portfolio except properties in the Province of Québec. <p><i>Exclusions</i></p> <ol style="list-style-type: none"> 1. The report excludes water use in properties located in the Province of Québec. <p>Typically, water consumption is not metered in the Province of Québec, and water costs are included in the municipal property tax assessment.</p> <p>Water invoices were used to report on water consumption and costs.</p>

INDICATORS	COMMENTS
Energy	<p>The reporting period covers January 1, 2012 to December 31, 2012 for the portfolio as of December 31, 2011.</p> <p><i>Inclusions</i></p> <ol style="list-style-type: none"> 1. Energy consumption for powering exterior building and parking lot lighting is included in the report. 2. Energy consumption for heating and cooling the common area of enclosed shopping centres and office buildings is included in the report. 3. Energy consumption for power, heating and cooling in enclosed malls and office buildings is included in the report. <p><i>Exclusions</i></p> <ol style="list-style-type: none"> 1. Energy consumption in the Company's regional offices is excluded from this report. 2. Energy consumption in tenant spaces where the tenants pay the energy bills directly to utility companies (e.g., energy consumption by our tenants in our open-air shopping centres). <p>Electricity and natural gas invoices based on metered consumption were used to report on energy consumption and costs.</p>

DATA ASSUMPTIONS AND METHODOLOGIES

INDICATORS	COMMENTS
GHG Emissions	<p>The reporting period covers January 1, 2012 to December 31, 2012 for the portfolio as of December 31, 2011.</p> <p><i>Inclusions</i></p> <ol style="list-style-type: none"> 1. Scope 1 and 2 emissions were included. 2. Scope 3 emissions associated with the transportation of water were included. <p><i>Exclusions</i></p> <ol style="list-style-type: none"> 1. Scope 3 emissions (i.e., GHG emissions from business travel by employees, employee commuting, production of materials purchased and waste disposal/recycling initiatives) were excluded. <p><u>To calculate GHG emissions from natural gas consumption:</u></p> <p>Natural gas consumption (m³) x emission factor (tGHG/m³) = tGHG</p> <p>Sources of natural gas emission factors: Environment Canada, Greenhouse Gas Division, National Inventory Report: 1990–2010, Part 2: Greenhouse Gas Sources and Sinks in Canada (Ottawa, Environment Canada. 2012), p.194</p> <p><u>To calculate GHG emissions from electricity consumption:</u></p> <p>Electricity consumption (kWh) x emission factor (tCO₂e/kWh) = tCO₂e</p> <p>Sources of electricity emission factors: Environment Canada, Greenhouse Gas Division, National Inventory Report: 1990–2010, Part 2: Greenhouse Gas Sources and Sinks in Canada (Ottawa, Environment Canada. 2012), p.36-48</p> <p><u>To calculate GHG emissions from transportation of water:</u></p> <p>Electricity required to transport a cubic metre of water (kWh) x emission factor (tCO₂e/kWh) = tCO₂e</p> <p>Sources of emission factors for water transportation: Maas, Carol, Greenhouse Gas and Energy Co-Benefits of Water Conservation. POLIS Project on Ecological Governance, University of Victoria, November 2008</p> <p>Environment Canada, Greenhouse Gas Division, National Inventory Report: 1990–2010, Part 3: Greenhouse Gas Sources and Sinks in Canada (Ottawa, Environment Canada. 2012), p. 36-48</p>

INDICATORS	COMMENTS
Waste	<p>The reporting period covers January 1, 2012 to December 31, 2012 for the portfolio as of December 31, 2011.</p> <p><i>Inclusions</i></p> <ol style="list-style-type: none"> 1. The report includes waste generated from 10.1 million square feet (GLA) of the portfolio. The properties contributing waste data were located in Alberta, Ontario and Québec. 2. It accounts for tenant waste where First Capital Realty is responsible for the waste management. <p><i>Exclusions</i></p> <ol style="list-style-type: none"> 1. The report excludes waste generated from development, redevelopment, construction or remediation activities. <p>Waste disposal costs are costs for the disposal and recycling of waste generated in the operation of our properties. It excludes waste costs resulting from development, redevelopment, construction or remediation activities.</p>

DATA ASSUMPTIONS AND METHODOLOGIES

INDICATORS	COMMENTS
Expenditures	<p>Building certification costs are defined as the costs related to LEED and BOMA BEST certification. These costs include consulting fees and CaGBC, USGBC or BOMA BEST certification fees.</p> <p>Consulting costs are defined as costs to provide general environmental management and training services. They exclude environmental consulting costs associated with environmental liability insurance, site assessment and remediation, LEED, legal fees and waste disposal.</p> <p>Environmental legal costs are defined as legal fees to:</p> <ol style="list-style-type: none"> 1. Defend the Company against potential or actual environmental charges; and 2. Provide legal advice on environmental or regulatory issues. <p>Environmental liability insurance costs are defined as insurance premiums paid to protect against environmental risks.</p> <p>Site assessment and remediation costs are defined as costs related to:</p> <ol style="list-style-type: none"> 1. Environmental site assessments for acquisition due diligence and financing; and 2. Remediation activities, including consulting costs, remediation of soil or water, waste disposal costs, and fees for regulatory certificates or permits. <p>They exclude costs associated with indoor air quality issues, such as asbestos or mould.</p>
Economic Performance	<p>The consolidated financial statements include the accounts of the Company, its consolidated owned subsidiaries and trusts, and the Company's proportionate share of assets, liabilities, revenues and expenses of partnership, co-ownership and limited liability corporate ventures which are accounted for using the proportionate consolidation method.</p>



ACRONYMS AND DEFINITIONS

BOMA – the Building Owners and Management Association

BOMA BEST – Building Environmental Standards is a national program launched in 2005 by BOMA Canada to address an industry need for realistic standards for energy and environmental performance of existing buildings based on accurate, independently verified information.

Brownfield is defined as a property where the previous or current site use caused environmental contamination necessitating environmental remediation.

CaGBC – Canada Green Building Council

CEO – Chief Executive Officer

CFO – Chief Financial Officer

CO₂ – carbon dioxide

CO₂e is equivalent carbon dioxide. Different greenhouse gases have different global warming potentials per unit of gas. To facilitate comparison between the various GHG emissions, all GHG emissions are converted to equivalent carbon dioxide.

CRS – Corporate Responsibility and Sustainability

Employee Assistance Program is a voluntary and confidential support service that helps employees and their immediate family members with everyday work, health and life issues, as well as major life challenges.

EVP – Executive Vice-President

FSC – Forest Stewardship Council

GHG – greenhouse gases. They include carbon dioxide, methane, nitrous oxides, sulphur hexafluoride and refrigerant gases.

GLA – gross leasable area

Greenfield is defined as undeveloped land typically located at the edge of a city.

GRI – Global Reporting Initiative. It is an international non-profit organization that develops guidelines for reporting on corporate responsibility and sustainability (CRS).

GTA – Greater Toronto Area

HVAC – heating, ventilation and air conditioning

ICSC – International Council of Shopping Centres. It is the premier global trade association for the shopping centre industry.

LEED – Leadership in Energy and Environmental Design

LEED AP – LEED-accredited professional

LEED CI – LEED for Commercial Interiors

LEED CS – LEED for Core and Shell

LEED EBOM – LEED for Existing Buildings Operations and Maintenance

LEED NC – LEED for New Construction

N/A – Not Applicable

N/R – Not Reported

REALpac – Real Property Association of Canada. It is a national industry association for owners and managers of investment in real estate. Members include publicly traded real estate companies, real estate investment trusts, private companies, pension funds, banks and life insurance companies with investment real estate assets each in excess of \$100 million.

RRSP – Registered Retirement Savings Plan

Scope 1 emissions are direct GHG emissions resulting from sources that are owned or controlled by the Company (e.g., emissions from burning natural gas in an HVAC unit or fuel oil in a boiler).

Scope 2 emissions are indirect GHG 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 are all other indirect GHG emissions. Scope 3 emissions are 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).

Stabilized is defined as property that is neither a brownfield nor greenfield.

USGBC – United States Green Building Council

VP – Vice-President

GRI INDEX

GRI REFERENCE	SECTION	REPORT REFERENCE
1. STRATEGY AND ANALYSIS		
1.1 Statement from CEO and Chair.	A message from the President and CEO	p. 1–3
1.2 Description of key impacts, risks and opportunities.		
2. ORGANIZATIONAL PROFILE		
2.1 Name of the organization.	Company Overview	p. 10
2.2 Primary brands, products and/or services.	Company Overview	p. 10
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures.	Company Overview	p. 10
2.4 Location of organization's headquarters.	Company Overview	p. 10
2.5 Number of countries where the organization operates and names of countries either with major operations or that are specifically relevant to the sustainability issues covered in the report.	Company Overview	p. 10
2.6 Nature of ownership and legal form.	Company Overview	p. 10
2.7 Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	Company Overview	p. 10
2.8 Scale of the reporting organization, including number of employees, net sales, total capitalization broken down, total assets, beneficial ownership (including identity and percentage of ownership of largest shareholders), sales and costs by region, and quantity of products or services provided.	Company Overview	p. 10–11
2.9 Significant changes during the reporting period regarding size, structure or ownership including location of or changes in operations, changes in share capital structure and other capital formation.	Company Overview	p. 10–11
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GRI REFERENCE	SECTION	REPORT REFERENCE
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3.1 Reporting period.	GRI Reporting Parameters	p. 4
3.2 Date of most recent previous report.	GRI Reporting Parameters	p. 4
3.3 Reporting cycle.	GRI Reporting Parameters	p. 4
3.4 Contact point for questions regarding the report or its contents.	GRI Reporting Parameters	p. 4
Report Scope and Boundary		
3.5 Process for defining materiality, including determining materiality, prioritizing topics within the report and identifying stakeholders the organization expects to use the report.	GRI Reporting Parameters	p. 4
3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	GRI Reporting Parameters	p. 5
3.7 State any specific limitations on the scope or boundary of the report.	GRI Reporting Parameters	p. 5
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations.	GRI Reporting Parameters	p. 5
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	GRI Reporting Parameters Data Assumptions and Methodologies	p. 5 p. 121–126
3.10 Explanation of the effect of any restatements of information provided in earlier reports and the reasons for such restatements (e.g., mergers/acquisitions, change of base years periods, nature of business, measurement methods).	GRI Reporting Parameters	p. 6

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GRI REFERENCE	SECTION	REPORT REFERENCE
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3.12 Table identifying the location of the Standard Disclosures in the report.	GRI Index	p. 130–141
3.13 Policy and current practice with regard to seeking external assurance for the report.	GRI Reporting Parameters Statement of Assurance	p. 6 p. 113–117
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4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Governance Structure	p. 13–21
4.2 Indicate whether the Chair of the highest governance body is also an executive officer.	Governance Structure	p. 13
4.3 The number of members of the highest governance body that are independent and/or non-executive members.	Governance Structure	p. 14
4.4. Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. Include reference to processes regarding use of shareholder resolutions, and information and consulting employees and working relationships with formal representation bodies.	Governance Structure	p. 21
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GRI REFERENCE	SECTION	REPORT REFERENCE
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Governance Structure	p. 17
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4.8 Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance and the status of their implementation.	Company Overview Approach to Corporate Responsibility and Sustainability Code of Conduct and Ethics Governance Structure	p. 8–11 p. 22–24 p. 26–27 p. 13–21
4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles.		
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	Governance Structure	p. 16
Commitments to External Initiatives		
4.11 Explanation of whether and how the precautionary approach or principles are addressed by the organization.	Land Use Approach to Corporate Responsibility and Sustainability Buildings	p. 61 p. 22 p. 62
4.12 Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses.		
4.13 Memberships in associations and/or national/international advocacy organizations in which the organization:	Company Overview Compliance and Lobbying	p. 9 p. 29
<ul style="list-style-type: none"> • Has positions in governance bodies: • Participates in projects or committees • Provides substantive funding beyond routine membership dues • Views membership as strategic 		

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GRI REFERENCE	SECTION	REPORT REFERENCE
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4.16 Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group.	Approach to Corporate Responsibility and Sustainability	p. 24
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns including through its reporting.	Topics concerning development and redevelopment activities raised during formal public consultations are available from the municipalities where these activities were proposed or occurred.	N/A



GRI INDEX

GRI REFERENCE	CORE OR ADDITIONAL PERFORMANCE INDICATOR	FULL OR PARTIAL DISCLOSURE	SECTION	REPORT REFERENCE
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EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	Core	Full	Economic Performance	p. 104–108
EC4 Significant financial assistance received from the government.	Core	Full	The Company did not receive significant financial assistance from the government.	N/A
Market Presence				
EC7 Procedures for local hiring and proportion of senior management and all direct employees, contractors and sub-contractors hired from the local community at significant locations of operation.	Core	Partial	Employment Statistics	p. 60
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EN4 Indirect energy consumption by primary source.	Core	Full	Energy	p. 88
EN6 Initiatives to provide energy-efficient or renewable-energy-based products and services, and reductions in energy requirements as a result of these initiatives.	Core for Construction and Real Estate Sector	Partial	Buildings Energy Application of GRI Guidance and Principles on Defining Content, Quality and Boundary.	p. 62–65 p. 84–87 p. 119
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EN8 Total water withdrawal by source.	Core	Full	Water	p. 81
Emissions, Effluents and Waste				
EN16 Total direct and indirect greenhouse gas emissions by weight.	Core	Full	GHG Emissions	p. 94–97
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	Core	Full	Buildings Energy Application of GRI Guidance and Principles on Defining Content, Quality and Boundary	p. 62–78 p. 84–87 p. 119
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GRI REFERENCE	CORE OR ADDITIONAL PERFORMANCE INDICATOR	FULL OR PARTIAL DISCLOSURE	SECTION	REPORT REFERENCE
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Products and Services EN26 Initiatives to enhance efficiency and mitigate environmental impacts of products and services, and extent of impact mitigation.	Core	Partial	Buildings Water Waste Application of GRI Guidance and Principles on Defining Content, Quality and Boundary	p. 62–78 p. 80 p. 98 p. 119
Compliance EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Core	Full	The Company did not receive any fines or sanctions for non-compliance with environmental laws and regulations.	N/A
Overall EN30 Total environmental protection expenditures and investments by type.	Additional	Full	Waste Environmental Expenditures	p. 98 p. 102
Labour Practices Management Approach Employment LA1 Total workforce by employment type, employment contract, and region, broken down by gender. LA2 Total number and rate of new employee hires and employee turnover by age group, gender and region. LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operations.	Core Core Additional	Partial Full Full	Employee Statistics Employee Statistics Employee Benefits	p. 40–47, 53 p. 48–53, 56–60 p. 36–39
Training and Education LA10 Average hours of training per year per employee by gender by employee category. LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. LA12 Percentage of employees receiving regular performance and career development reviews by gender.	Core Additional Additional	Full Full Full	Employee Development Employment Development Employment Development	p. 32–33 p. 30–31 p. 32–33

GRI INDEX

GRI REFERENCE	CORE OR ADDITIONAL PERFORMANCE INDICATOR	FULL OR PARTIAL DISCLOSURE	SECTION	REPORT REFERENCE
Diversity and Equal Opportunity LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Core	Partial	Employee Statistics	p. 40–47, 52–55
Human Rights Management Approach Non-Discrimination HR4 Total number of incidents of discrimination and actions taken.	Core	Full	Code of Conduct and Ethics	p. 26
Social Management Approach Corruption SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	Core	Full	Code of Conduct and Ethics	p. 26
Public Policy SO5 Public policy positions and participation in public policy development and lobbying. SO6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	Core Core	Partial Full	Company Overview Compliance and Lobbying Compliance and Lobbying	p. 9 p. 29 p. 29
Product Responsibility Management Approach Product and Service Labeling CRE8 Type and number of sustainability certification, rating, and labeling schemes for new construction, management, occupation and redevelopment.	Core for Construction and Real Estate Sector	Full	Buildings	p. 62–78
Customer Privacy PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Additional	Full	The Company did not have any substantiated complaints regarding breaches of customer privacy and losses of customer data.	N/A

REALPAC INDEX

REALPAC REFERENCE	REPORT REFERENCE
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Environmental Performance	
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ENV3 Emissions	p. 94–97
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