

FCR's Office Tenant Guide To Sustainable Operations

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FIRST
CAPITAL



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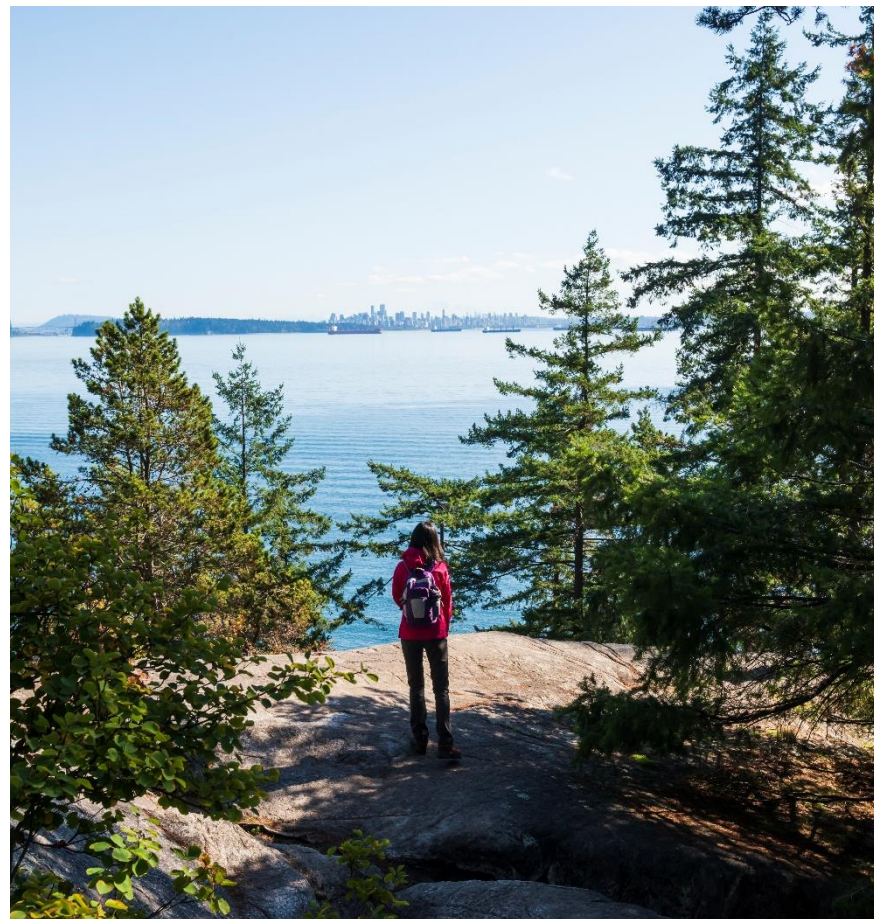
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Greening Your Office

Cultivating a Culture of Conservation

To some businesses, implementing environmental solutions may seem like an uphill battle. First Capital wants you to know that we are in this together. Dating back to 2010, FCR has a long-standing history as a leader in sustainability and we continue to build our partnership with our tenants to support their sustainability practices and initiatives. It just makes sense. To learn more about our sustainability initiatives visit fcr.ca/sustainability.

We see engaging our tenants in our ongoing success as leading and influencing sustainability performance. We would like to encourage and support all tenants to join our culture of conservation. As partners, we can work together to create thriving, sustainable urban neighbourhoods that prioritize people and the environment. Let's continue to build an economy that fosters a healthy future.



4 Ways our operations affect The Environment

The message has been out for many years on individual actions we can take to lessen our impact on the planet. True change will require both systemic and individual behavioural shifts. Here are the top 4 areas of opportunity to reduce the environmental impact in your office.



1: Greenhouse Gases and Energy

Greenhouse gas emissions are filling our atmosphere at a rate that has not been experienced in the history of humans. The Government of Canada has pledged that by 2050 Canada will emit net-zero greenhouse gas emissions. The goal is to reduce emissions so that by 2050, Canada is emitting only as much greenhouse gases as it takes out of the atmosphere through greenhouse gas capturing and sequestering.

Commercial buildings emit 17% of the greenhouse gas emissions in Canadaⁱ. These emissions are almost exclusively from burning fossil fuels (i.e. coal and natural gas) for energy. This is energy that is used every day to heat, cool, and power our buildings and business operations. In the retail category, restaurants, grocery stores, and convenience stores are among the highest consumers of energy use per square footⁱⁱ. This means that there is an opportunity to make a big difference in reducing emissions in your business operations.



2: Waste

Every year Canadians produce an average of 700 kilograms of waste per personⁱⁱⁱ. In 2016, only 27% of that waste was diverted to be recycled, leaving the remaining 73% destined to landfills. While some of the waste is from industrial processes, much of it has either originated or passed through the retail supply chain.

Our resources are finite, sending discarded items to sit in a landfill is not a solution. Working together, building a circular economy will ease our dependency on creating goods that are destined to be thrown out in less than a year. Actions such as consciously creating an item to be reused and/or disassembled into a new item positively impacts our finite resources. For example: using biological materials for food packaging that are composted into nutrient rich soil in replace of single-use-plastics; or using recycled glass or wood in building materials. The goal is to lessen our dependency on virgin materials by transitioning to materials that stay in the economy.



3: Water Use

Canada, the land of fresh water. Or is it? While drought conditions fluctuate year to year it can be estimated that over 20% of Canadians live in areas prone to drought^{iv}.

Canada does have water in abundance, but its not always close to where people live. Not to mention, most major urban centres in Canada, 40% of the local water consumption is withdrawn for human use^v.

It's important to remember that fresh water is a precious resource. Residential buildings in Canada use the most water, with commercial buildings being not too far behind^{vi}. Implementing business practices and systems that conserve water secures a future of water abundance. Every drop counts.



4: Indoor Environment

Being aware of your business's impact on the environment culminates in the indoors. Interior spaces of buildings have a direct impact on the wellbeing of those inside them, such as your employees. Most North Americans spend up to 90% of their time indoors and many spend their working hours in an office^{vii}.

All the occupants of a building can have a major influence on indoor air quality. Everyday activities like heating food, wearing perfumes, or using a photocopier can generate odors and pollutants, and everyone has a part to play in keeping good air quality.



How FCR is taking Action

Since 2006, First Capital has committed to corporate sustainability through a variety of Environmental, Social, and Governance (ESG) initiatives. As leaders in the commercial real estate industry, we believe it is our responsibility to drive our sustainability efforts and are committed to doing our part.

COMMITTED TO NET ZERO BY 2050

FCR has been tracking and reporting on energy reduction targets since 2013 and our goal is to be Net-Zero by 2050. This includes operational efficiency, retrofit initiatives, biodiversity where nature can thrive. We are emphasizing the importance of green spaces in our properties, and implementing eco-friendly transportation options. Water conservation and waste diversion measures are being implemented across our portfolio.



Your Operations Checklist

To get you started, we have compiled a checklist of best practices that you can implement in your business right away. We have tried to curate the list to be low cost/no cost in the following categories:

- Heating, Cooling, and Ventilation
- Responsible Purchasing & Office Equipment
- Lighting
- E-Waste & Donations
- Waste and Recycling
- Indoor Environment
- Low Impact Transportation
- Health & Wellness

Many little changes lead to big results!



Heating, Cooling, and Ventilation

☑ Don't block air vents or sources of heating & cooling

Do a scan of your premise and check to make sure none of the air vents, radiators, fan coil units, or other source of heating & cooling is blocked by furniture or objects. This causes discomfort issues and requires the other air vents to work overtime trying to heat or cool your space.

☑ Use a programmable thermostat in your unit(s)

If you have a programmable thermostat, ensure your heating or cooling temperature is reduced at night when the space is not occupied. 15°C during heating season and 23°C during cooling season is recommended. Programmable thermostats have multiple control levels for employees and you can implement passwords to prevent tampering.



Programmable Thermostats

There are many different types and prices range from \$100 to \$500 per thermostat. Programmable thermostats (also known as “smart” thermostats) have many proactive functions, from user inputs such as occupancy hours, to advanced algorithms that calculate how long equipment takes to heat up the space so it can wind down at the end of the day. Many come with an app as well, which allows you to manage controls remotely, in real time at your fingertips.

Responsible Purchasing

☑ Consider efficiency & environmental impacts when purchasing

Equipment has an operating cost by using energy and water. Inefficient energy use or monitoring of equipment can end up being more expensive over its lifetime. When purchasing office supplies, ensure they are environmentally friendly, a certified label granted by a 3rd party provides credibility to products and is one of the best ways to avoid greenwashing.



The **ENERGY STAR** symbol can be trusted to ensure the equipment meets current energy and water efficiency standards (ENERGY STAR's website: <https://www.energystar.gov/products>). Note: the ENERGY STAR standards are always changing to meet environment & sustainability impacts.



Forest Stewardship Council, FSC labels are found on millions of products around the world. The FSC label provides assurance that the product being purchased is made from responsible sources and have been verified to meet the FSC strict environmental and social standards.



The **FAIRTRADE Mark** stands for fairly produced and traded products. It also means the product is fully traceable from farm to shelf. You see this Mark on single-ingredient products, such as bananas, tea and coffee.



EcoLogo is the oldest eco label in North America. They are a non-profit 3rd party who certifies cleaning products as green, using a life-cycle model. The process looks at raw materials, formulating process, product use and product disposal.

Office Equipment

☒ Unplug equipment over night

Often when equipment is off it still uses energy, this is called a “phantom” or “vampire” load. A good rule of thumb to know whether equipment has a phantom load, is if the equipment has an indicator light still illuminated when it is off. Equipment with a phantom load should be unplugged when not in use. There are many different power bar options to make unplugging equipment easy, including power bars with remotes for hard to reach places.

☒ Turn computer settings to power saving

Computers are one of the most widely used tools. Simply dimming your monitor can save up to 50% of your computers power consumption. Ensure that your computer goes to sleep quickly by adjusting the settings. And make sure it is turned off completely every time it is not in use.





☑ Install low flow bathroom fixtures and aerators in sinks

Replacing existing bathroom fixtures (such as toilets) with low flow is not the high project it once was. The amount of water cost savings typically amounts to the cost difference between installing a regular bathroom fixture with a low flow fixture. For a quick low-cost fix, aerators can be installed on sinks and faucets to turn them into low flow.

☑ Fix water leaks quickly

As toilets and sink fixtures age over time, they start to show signs of leaking. Seals are usually made of plastics or rubber that degrade with time. If the toilet runs frequently, you notice a trickle from the tap, or hear a drip in a pipe or drain, please **inform property management immediately**. They will be able to have someone on site to resolve the issue.

These measures only pertain to bathrooms located in office tenant spaces. Any bathroom in a common space will have these measures already in place by FCR.

Lighting

☑ LED Lights

LEDs (light emitting diodes) are a staple of energy efficient equipment and light bulb replacement. If you don't have them in now it should be high priority. Typical paybacks for LEDs are 1-2 years, this means that the amount of energy cost you save in the first 2 years will pay for the installation.

☑ Consider installing occupancy sensors

Occupancy sensors make a lot of sense in spaces that are infrequently used but lights are left on throughout the day. A good example is storage rooms, if you notice a room that often has the light on with no one in it, it is a great candidate for an occupancy sensor. If you do not want to install occupancy sensors, consider implementing a process for shutting off lighting in your office. Designate someone at the end of everyday to walk around and ensure all lights are shut off.



E - Waste and Donations

☑ Ensure programs are in place with clear guidelines

Create an after-life program for all your E-Waste and office furniture/supplies to ensure they are properly disposed of. Laptops, batteries, light bulbs all need to be disposed of in a different waste stream. Consider expanding your E-Waste program to allow employees to participate, bringing in their own E-Waste for disposal.

Some FCR properties have a central drop off bin for E-Waste, that tenants can use. Check in with your property manager to find out more!

Office desks, chairs, white boards, and most office supplies can be donated instead of thrown into a waste stream. Look to partner with a community centre or donate through GreenStandards, (<https://greenstandardsltd.com/>).



Waste and Recycling

☑ Ensure bins are monitored for contamination

When disposing of waste, often people will take their cue for where an item goes by what is already in the bin. If you see an item that does not belong in the recycling or organics bin please remove it. Develop a process within your business to ensure someone monitors your waste sorting containers. This gives great visual cues for people who are uncertain.



☑ Ensure the recycling and waste area is organized

Recycling and waste areas should be well-lit, have clear labels, and be free from excessive clutter. When needed, incorporate both waste and recycling containers dispersed throughout your office to make waste sorting easy for all employees.



☑ Perform a waste audit for your business

A waste audit is more than just how much you recycle versus throw in the landfill. A waste audit determines what is in your waste and recycling streams. This provides valuable information to cut down at the source. Many businesses find out that most waste is generated by their own packaging. Figuring this out is a great opportunity to engage your business's supply chain to provide solutions that cut down on unnecessary product packaging.

☑ Reduce the overall waste you produce

Reducing the overall waste produced in your office is just as important as ensuring waste ends up in the correct stream. Paper is one of the largest categories of waste in offices every day. To reduce paper waste, try:

1. Implement a Duplex Printing rule

By printing on both sides of every sheet of paper, your office can drastically reduce paper use

2. Use culture to Empower Employees

Allow employees to play a role in environmental initiatives and ensure sustainability efforts are a part of company culture.

☑ Think of ways to replace waste with reusable products

Encourage employees to bring reusable cutlery, plates or provide them for your staff. Being conscious on the amount and type of packaging that comes with the products you purchase, businesses small and large are making the waste conscious shift.



☑ Don't "wish-cycle"

"Wish-cycling" is when a person puts an item in the recycling in the hopes it is recyclable (instead of making sure that it can be recycled by their municipality or hauler). This is a problem because it contaminates the recycling stream, and many municipalities or haulers will throw the entire load into the landfill if it is contaminated! Please check the **RecycleSmart app** if you are unsure about what can be recycled at your property.



Download the RecycleSmart App

First Capital has partnered with RecycleSmart to manage waste, recycling, and hauling proactively and efficiently. RecycleSmart's app has a quick and easy waste wizard feature that will be specific to your FCR property. You can also arrange directly with Recycle Smart special collection for e-waste or hazardous materials. Search "RecycleSmart Solutions" in the app store.

Indoor Environment

☑ Consider using environmentally friendly products*

By choosing green cleaning products you prevent inhalation of harsh chemicals and improve the air quality in your space. Ensure cleaning supplies are environmentally friendly and have third party certifications like Green Seal and Eco Logo.



☑ Consider implementing green cleaning methods*

First Capital maintains a green cleaning policy for all our properties, and we encourage our tenants to follow the same practices. Green cleaning methods include selecting ergonomic and environmentally friendly tools such as cleaning clothes, mops, vacuums, and floor polishers.

*these measures apply only if you are responsible for cleaning. First Capital recognizes that not every tenant is responsible for their own cleaning



Low Impact Transportation

Shifting a daily commute away from cars to more eco-friendly transportation methods, can incorporate physical activity into a commute and promote wellness. It also lowers greenhouse gas emissions and reduces air pollution.



☒ Determine what motivates a commute

Determining what motivates your employees' commute can help you build a customized transportation program. Cost and convenience are usually the top motivators for why individuals choose their mode of transportation. Conduct an internal survey to determine how employees are currently getting to work, and why they chose that method.

☒ Encourage low impact transportation

- Make public transit more cost effective by providing incentive to employees who use it.
- Sponsor discounted memberships to bike-share programs.
- Create a car-pool network for employees to join
- Ensure active transportation facilities are available, bike racks, lockers etc.

All FCR Properties will have Electric Vehicle chargers by 2024, increasing the options for employees to charge at work.

Health & Wellness

☑ Consider implementing a Health & Wellness program

The health and wellness of individuals is vital for the sustainability of a community. Sustainability is not only about the health of the planet but also the health of people.



Awareness is boosting the knowledge of employees around health, health risks, and the benefits of a healthy lifestyle. Bringing in industry experts on certain topics e.g. nutrition can help employees learn and be engaged with the topics.



Motivation, encourages participation and behavioral changes. By engaging with members from all levels of your organization you can design and deliver a program that meets the specific needs of your workforce.



Skill Development is building skills around mastering healthy behaviours. Ensure your program is repetitive and allows employees to continuously learn and develop skills.



Opportunity, the ability to participate and have access to healthy foods and safe engaging spaces for exercise. Ensure you do continuous check ins with your workforce to determine what barriers they have, so you can continue to reduce them.

If you are creating a program for the first time or reviewing a current one, ask yourself. How well does our program increase awareness, encourage change, give skills, and provide opportunities?

Connect with First Capital

The FCR Sustainability and Operations Teams are available to assist you in reviewing any of the guidelines as it relates to implementing sustainability improvements to your business operations. We're always happy to chat about other ideas that you may have!

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Or contact your FCR Property Management team.

Appendix A: Printable Operations Checklist

Heating, Cooling, and Ventilation

- ☐ Don't block air vents or sources of heating & cooling
- ☐ Use a programmable thermostat to schedule your HVAC unit(s)
- ☐ Change HVAC air filters every 1-4 months
- ☐ Start a HVAC Preventative Maintenance Program

Lighting

- ☐ Consider installing LED Lights
- ☐ Consider installing occupancy sensors
- ☐ Check lighting late at night

E-Waste & Donations

- ☐ Create an E-Waste Disposal program and allow employees to participate.
- ☐ Do not just throw office furniture and supplies away, work with a community centre or secondhand store, to donate the items.

Responsible Procurement & Office Equipment

- ☐ Consider energy and water efficiency when purchasing equipment
- ☐ Look for certified labels when purchasing for your office.
- ☐ Unplug equipment over night and turn computers to power saving when not in use.
- ☐ Install low flow bathroom fixtures and aerators in sinks
- ☐ Fix water leaks quickly

Waste & Recycling

- ☐ Ensure bins are monitored for contamination
- ☐ Ensure the recycling and waste area is organized
- ☐ Perform a waste audit for your business
- ☐ Think of ways to replace single use waste with reusable product
- ☐ Implement a duplex printing rule
- ☐ Don't "wish-cycle"

Indoor Environment

- ☐ Consider using environmentally friendly products
- ☐ Implement a Health & Wellness program for your employees

Low – Impact Transportation

- ☐ Determine what motivates the commute of your workforce
- ☐ Encourage low-impact transportation options by removing barriers, cost, infrastructure etc.

Health & Wellness

- ☐ Implement a Health & Wellness program for your employees



Appendix B: Works Cited

ⁱ **Government of Canada.** Complementary actions to reduce emissions. Pan-Canadian Framework on Clean Growth and Climate Change. [Online] December 14, 2016. https://www.canada.ca/en/services/environment/weather/climatechange/pan-canadian-framework/complementary-actions-reduce-emissions.html#3_2

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^{vi} **Real Property Association of Canada.** Water Management: A benchmark for Canadian office buildings. [Online] May 16, 2011. https://cdn.ymaws.com/www.realpac.ca/resource/resmgr/industry_sustainability_-_water_benchmarking/rp-water-management-and-benc.pdf

^{vii} **United States Environmental Protection Agency, US-EPA**
<https://www.epa.gov/indoor-air-quality-iaq/office-building-occupants-guide-indoor-air-quality>

^{viii} **Wellable – Employee wellness programs**
<https://www.wellable.co/employee-wellness-program>