

Creating thriving urban neighbourhoods

Environmental, Social & Governance Report Supplementary data

2022







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Company Profile

GRI Standards Reference - Company Overview as at December 31, 2022

Standard	Indicator Description	Results
102-1	Legal Name	First Capital Real Estate Investment Trust
102-2 + 102-4	Business	Owns, operates and develops grovery-anchored, open-air centres in neighbourhoods with the strongest demographics in Canada.
102-3	Headquarters	85 Hanna Avenue, Suite 400, Toronto, Ontario, Canada, M6K 3S3
102-5	Ownership	Publicly traded on the Toronto Stock Exchange (TSX: FCR.UN)
102-5	Nature of Legal Form	Real Estate Investment Trust
102-7	Major Unitholder	9.80% RBC Global Asset Management,4.95% CI Investments Inc ,3.43% The Vanguard Group, Inc, 3.08% BlackRock, 2.00% Leith Wheeler
102-7	Major Subsidiaries	First Capital Asset Management LP, FCR Management Services LP, First Capital Holding Trust
102-6	Customers	Canada's leading grocery stores, pharmacies, liquor stores, banks, restaurants, cafes, fitness, medical, childcare facilities and other professional and personal services
102-4 + 102-7	Markets	Greater Vancouver Area, Calgary and Edmonton areas, Greater Toronto Area, including the Golden Horseshoe area and London, Ottawa and Gatineau region, Greater Montreal Area.
N/A	GLA	22.2 million ft2
102-7	Number of Properties	We own interests in 145 neighbourhoods



Social & Governance Report 102-6 Geographic Concentration by Market (based on IFRS Fair Values) Greater Toronto Area (48%), Greater M Greater Vancouver Area (12%), Greater Kitchener/Waterloo/Guelph (4%), Othe Image: Social & Governance Report 102-7 Net Operating Income \$425,499,000 Image: Social & Image:	
Image: Interprise Value 102-7 Net Operating Income \$425,499,000 Company Profile 102-7 Enterprise Value \$7,786,007,000 102-7 Net Debt to Tatel Accests 44.00%	ontreal Area (12%), Greater Calgary Area (11%), Edmonton Area (7%), Greater Ottawa Area (4%), r (2%)
Company Profile 102-7 Enterprise Value \$7,786,007,000 102.7 Not Debt to Tatal Accests 44.00%	
102.7 Not Debt to Total Accests (14.00%)	
Employees 102-7 Net Debt to Total Assets 44.00%	
417-1 GLA certified to LEED 4,403,332 ft2 (20%)	
417-1 GLA certified to BOMA BEST 17,811,808 ft2 (80%)	
Green Building 302-1 Energy consumed 157,041 eMWh	
Data Assumptions & Methodologies 302-4 Change in absolute energy consumption -Year-over-year comparison 7,571 eMWh -Year-over-year comparison -2019 baseline 11,733) eMWh	
303-5 Water Consumed 1,280,787 m ³	
305-1Direct (Scope 1) GHG emissions10,729 tC02e 305-2Energy indirect (Scope 2) GHG emissions13,025 tC02e 305-5Change in absolute Scope 1 & 2 GHG emissions- Year-over-year comparison- Year-over-year comparison1,233 tC02e- 2019 baseline- March	



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306-3	Waste Generated	22,925tonnes
306-4	Waste Diversion Rate	45%
102-10	Significant Changes during the Reporting Period	N/A

This symbol identifies figures for which EY provided a limited level of assurance.



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Emplo	oyees	
Entire Work	force	

Category		2018			2019			2020			2021			2022		2022 C	2Versus 2 hange (%	2021 6)
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
Age																		
Employees < 30 Years	20	32	52	28	35	63	20	27	47	22	31	53	24	47	71	9%	52%	34%
Employees 30-50 Years	77	121	198	73	132	205	80	127	207	80	121	201	74	131	205	-8%	8%	2%
Employees > 50 Years	48	72	120	40	67	107	41	70	111	41	61	102	47	60	107	15%	-2%	5%
Type of Employ	ment			'								•				1		
Full-Time	145	215	360	141	225	366	141	218	359	140	208	348	145	235	380	4%	13%	9%
Part-Time	0	10	10	0	9	9	0	6	6	3	5	8	0	3	3	-100%	-40%	-63%
Geographic Reg	gion																	
Western	29	39	68	25	40	65	22	37	59	22	34	56	22	40	62	0%	18%	11%
Central	93	146	239	95	164	259	96	150	246	101	145	246	105	162	267	4%	12%	9%
Eastern	23	40	63	21	30	51	23	37	60	20	34	54	18	36	54	-10%	6%	0%
Employment Ca	ategory																	
Senior Management	12	9	21	8	10	18	9	10	19	11	8	19	12	7	19	9%	-13%	0%
Middle Management	56	62	118	58	64	122	57	66	123	56	73	129	59	82	141	5%	12%	9%
Professional/ Technical	30	51	81	27	52	79	28	49	77	24	47	71	25	46	71	4%	-2%	0%
Administrative	13	103	116	14	107	121	11	98	109	17	83	100	13	102	115	-24%	23%	15%
Building Support	34	0	34	34	1	35	36	1	37	35	2	37	36	1	37	3%	-50%	0%
Total	145	225	370	141	234	375	141	224	365	143	213	356	145	238	383	1%	12%	8%











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Representation of Visible Minorities and Vulnerable Populations

	VisibleMinorities	Aboriginal Persons	Persons with Disabilities
Board of Trustees	22%	0	0%
Senior Leadership ¹	20%	0	0%
All Employees	39 % ²	1%3	9 % ⁴

¹Senior Leadership is defined as employees with the title of Director or higher.

²25% of employees did not disclose this information

 $^{3}25\%$ of employees did not disclose this information

⁴27% of employees did not disclose this information

⁵ All employee data collected in 2021





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Permanent Workforce

Category		2018			2019			2020			2021			2022		2022 C	2 Versus hange (%	2021 %)
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
Age																		
Employees < 30 Years	20	28	48	26	34	60	20	24	44	20	25	45	20	44	64	0%	76%	42%
Employees 30-50 Years	74	120	194	73	130	203	78	124	202	78	118	196	73	127	200	-6%	8%	2%
Employees > 50 Years	44	68	112	40	65	105	40	68	108	40	59	99	47	58	105	18%	-2%	6%
Type of Employ	ment																	
Full-Time	138	208	346	139	220	359	138	213	351	137	202	339	140	229	369	2%	13%	9%
Part-Time	0	8	8	0	9	9	0	3	3	1	0	1	0	0	0	-100%		-100%
Geographic Reg	ion																	
Western	138	208	346	139	220	359	138	213	351	137	202	339	140	229	369	2%	13%	9%
Central	0	8	8	0	9	9	0	3	3	1	0	1	0	0	0	-100%		-100%
Eastern	21	38	59	23	40	63	21	30	51	23	36	59	20	34	54	-13%	-6%	-8%
Employment Ca	tegory																	
Senior Management	12	9	21	8	10	18	9	10	19	11	8	19	12	7	19	9%	-13%	0%
Middle Management	55	61	116	58	63	121	56	65	121	54	72	126	58	80	138	7%	11%	10%
Professional/ Technical	28	51	79	27	52	79	27	49	76	24	43	67	24	46	70	0%	7%	4%
Administrative	9	95	104	12	103	115	10	91	101	14	77	91	10	95	105	-29%	23%	15%
Building Support	0	34	34	34	1	35	36	1	37	35	2	37	36	1	37	3%	-50%	0%
Total	132	211	343	139	229	368	138	216	354	138	202	340	140	229	369	1%	13%	9%



2022 Turnover Rates of Permanent Employees by Age (%)





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2022 Turnover Rates of Permanent Employees by Type of Separation (%)



2022 Turnover Rates of Permanent Employees by Geographic Region (%)



2022 Turnover Rates of Full-Time Employees (%)









2021 Turnover Rates of Permanent Employees by Employment Category and Gender



2022 Environmental.

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New Employees Joining

M = Male F = Female

2022 Versus 2021 Change (%) Category Total Total Age Employees < 30 Years -10% 88% 50% Employees 30-50 Years -17% 164% 63% Employees > 50 Years 150% 0% 43% **Type of Contract** Permanent Contract -17% 91% 41% **Casual Contract** 400% 600% 500% **Type of Employment** Full-Time 4% 154% 79% Part-Time **Geographic Region** Western 50% 60% 57% -17% 133% Central 53% Eastern 50% 75% 67% **Employment Category** Senior Management -100% 0% -100% Middle Management 43% 400% 173% Professional/Technical -14% 44% 19% Administrative -67% 81% 37% 57% **Building Support** 67% 0% Total -3% 106% 55%



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New Hire Rate (%)

Category		2022					
	Males	Females	Total				
Age							
Employees < 30 Years	38	64	55				
Employees 30-50 Years	20	28	25				
Employees > 50 Years	11	8	9				
Type of Contract							
Permanent Contract	17	28	24				
Casual Contract	100	78	86				
Type of Employment							
Full-Time	20	30	26				
Part-Time		33	33				
Geographic Region							
Western	27	40	35				
Central	19	30	26				
Eastern	17	19	19				
Employment Category							
Senior Management	0	0	0				
Middle Management	17	24	21				
Professional/Technical	24	28	27				
Administrative	23	37	36				
Building Support	28	100	30				
Total	20	30	26				

Permanent Employees Leaving the Company

Category	2022				
	Males	Females	Total		
Age					
Employees < 30 years	5	6	11		
Employees 30-50 years	21	31	52		
Employees > 50 years	3	14	17		
Type of Employment					
Full-Time	31	51	82		
Part-Time	0	0	0		
Geographic Region					
Western	7	12	19		
Central	16	31	47		
Eastern	8	8	16		
Employment Category					
Senior Management	0	2	2		
Middle Management	9	18	27		
Professional/Technical	7	8	15		
Administrative	5	21	26		
Building Support	10	2	12		
By Type of Separation					
Voluntary	25	43	68		
Involuntary	6	8	14		
Total	31	51	82		



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Energy Consumption

Entire Portfolio

168,774

153,420

149,470

157,041

Asset Class	2019 (eMWh)	2020 (eMWh)	2021 (eMWh)	2022 (eMWh)	2022 Versus 2021 Change (%)
Open-Air Shopping Ce	ntres				
Natural Gas	18,154	15,158	12,551	13,192	5%
Electricity	36,923	34,852	33,114	34,062	3%
Total for Asset Class	55,077	50,010	45,665	47,254	3%
Enclosed Shopping Cer	ntres				
Natural Gas	28,896	26,566	24,405	24,780	2%
Electricity	42,571	39,007	39,777	41,098	3%
Total for Asset Class	71,468	65,573	64,181	65,878	3%
Office Buildings					
Natural Gas	1,010	1,042	947	1,013	7%
Electricity	2,553	2,553	2,565	2,541	-1%
Total for Asset Class	3,563	3,595	3,512	3,554	1%
Retail, High Street					
Natural Gas	7,568	6,431	6,886	8,180	19%
Electricity	9,375	8,250	8,722	8,921	2%
Total for Asset Class	16,943	14,680	15,608	17,101	10%
Mixed Use					
Natural Gas	11,472	10,236	10,829	12,036	11%
Electricity	10,252	9,326	9,674	11,218	16%
Total for Asset Class	21,723	19,562	20,504	23,254	13%
Entire Portfolio					
Natural Gas	67,101	59,433	55,618	59,201	6%
Electricity	101,674	93,988	93,852	97,840	4%

Energy Consumption



Energy Consumption by Asset Class



Mixed Use

5%



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Energy Costs

Asset Class	2019 (\$ Thousands)	2020 (\$ Thousands)	2021 (\$ Thousands)	2022 (\$ Thousands)	2022 Versus 2021 Change (%)
Open-Air Shopping Co	entres			·	
Natural Gas	454,171	626,895	431,995	726,871	-32%
Electricity	4,299,781	4,152,918	4,237,564	4,629,369	1%
Total for Asset Class	4,753,952	4,779,813	4,669,559	5,356,241	-3%
Enclosed Shopping Ce	entres				
Natural Gas	704,813	865,876	841,972	1,219,378	-3%
Electricity	5,311,798	5,578,623	5,400,427	5,331,804	-3%
Total for Asset Class	6,016,611	6,444,499	6,242,399	6,551,182	-3%
Office Buildings	I	I	I	I	
Natural Gas	15,821	21,403	15,835	41,753	-26%
Electricity	327,371	252,433	281,893	307,148	12%
Total for Asset Class	343,192	273,836	297,728	348,901	9%
Retail, High Street	I	I	I	I	
Natural Gas	187,710	195,160	230,241	307,223	18%
Electricity	1,237,193	1,045,319	1,039,235	1,081,347	5%
Total for Asset Class	1,424,903	1,240,479	1,269,476	1,388,570	7%
Mixed Use	'	'			
Natural Gas	169,080	218,559	198,848	378,006	-9%
Electricity	1,708,345	1,739,917	1,513,533	1,495,160	-13%
Total for Asset Class	1,877,425	1,958,476	1,712,381	1,873,167	-12%
Entire Portfolio	I	I		I	
Natural Gas	1,531,596	1,927,892	1,718,891	2,673,232	-11%
Electricity	12,884,487	12,769,210	12,472,652	12,844,828	-2%
Total for Asset Class	14,416,083	14,697,102	14,191,543	15,518,060	-3%



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Water Consumption (m³)

Asset Class	2019 (m ³)	2020 (m³)	2021 (m³)	2022(m³)	2022 Versus 2021 Change (%)
Open-Air Shopping Centres	956,662	708,602	760,745	824,543	8%
Enclosed Shopping Centres	470,448	294,364	381,344	369,542	-3%
Office Buildings	9,948	6,896	7,473	8,859	19%
Retail, High Street	51,087	33,969	45,014	47,096	5%
Mixed Use	43,471	25,672	29,919	30,747	3%
Entire Portfolio	1,531,615	1,069,504	1,224,495	1,280,787	5%

Water Cost

Asset Class	2019 (\$)	2020 (\$)	2021 (\$)	2022 (\$)	2022 Versus 2021 Change (%)
Open-air shopping centres	3,937,182	3,344,378	3,514,327	3,778,135	5%
Enclosed shopping centres	1,880,033	1,496,475	1,548,676	1,957,308	3%
Office buildings	29,367	23,446	27,857	31,160	19%
Retail, High Street	315,441	280,853	331,289	336,243	18%
Mixed Use	299,969	139,454	164,862	202,961	18%
Entire Portfolio	6,461,993	5,284,606	5,587,010	6,305,808	6%

Water Consumption



Water Consumption by asset class



Open-air shopping centres Enclosed shopping centres

■ Retail, High Street ■ Office buildings

Mixed Use

2,000,000

GHG Emissions

FIRST CAPITAL

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Asset Class	2019 (tCO ₂ e)	2020 (tCO ₂ e)	2021 (tCO ₂ e)	2022 (tCO ₂ e)	2022 Versus 2021 Change (%)
Open-Air Shopping Centres					
Scope 1 - Natural Gas	3,290	2,747	2,275	2,391	5%
Scope 2 - Electricity	4,354	3,739	3,597	3,799	6%
Scope 3 - Water	41	31	31	33	0%
Total for Asset Class	7,686	6,517	5,903	6,223	5%
Enclosed Shopping Centres					
Scope 1 - Natural Gas	5,237	4,815	4,423	4,491	2%
Scope 2 - Electricity	6,251	5,678	5,860	6,037	3%
Scope 3 - Water	19	14	14	14	-2%
Total for Asset Class	11,506	10,507	10,297	10,542	2%
Office Buildings				I I	
Scope 1 - Natural Gas	183	189	172	184	7%
Scope 2 - Electricity	62	52	53	52	-1%
Scope 3 - Water	0	0	0	0	0%
Total for Asset Class	245	241	225	236	5%
Retail, High Street				I.	
Scope 1 - Natural Gas	1,372	1,165	1,248	1,483	13%
Scope 2 - Electricity	2,038	1,598	1,747	1,964	13%
Scope 3 - Water	5	2	2	3	0%
Total for Asset Class	3,414	2,765	2,997	3,450	15%
Mixed Use	I				
Scope 1 - Natural Gas	2,079	1,855	1,963	2,181	11%
Scope 2 - Electricity	1,124	1,090	1,184	1,172	-1%
Scope 3 - Water	2	1	1	1	0%
Total for Asset Class	3,205	2,946	3,147	3,355	7%
Entire Portfolio					
Scope 1 - Natural Gas	12,161	10,771	10,080	10,729	6%
Scope 2 - Electricity	13,829	12,158	12,441	13,025	5%
Scope 3 - Water	67	48	48	52	0%
ENTIRE PORTFOLIO	26,056	22,977	22,570	23,806	6%





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GHG Emissions



GHG Emissions by Asset Class



Open-air shopping centres
 Enclosed shopping centres
 Retail, High Street
 Office buildings

Mixed Use

Emissions (tCO₂e)

GHG Emissions by Scope







Quantity of Non-Hazardous Waste Generated

2022 Environmental, Social & Governance Report		2019 (tonnes)
:=	Cardboard/Paper/ Mixed Fibre	4,182
	Mixed Container/	3,663

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	2019 (tonnes) ¹	2020 (tonnes) ²	2021 (tonnes) ³	2022(tonnes)⁴	2022 versus 2021 Change (%)
Cardboard/Paper/ Mixed Fibre	4,182	4,702	4798	5282	9%
Mixed Container/ Single Stream	3,663	2,889	2871	2851	-1%
Organics	2,572	2,356	2480	2285	-9%
General Waste	12,857	12,042	12124	12507	3%
Total	23,276	21,989	22,274	22,925	3%

Method of Disposal

	2019 (tonnes)1	2020 (tonnes) ²	2021 (tonnes) ³	2022(tonnes) ⁴	2022 Versus 2021 Change (%)
Compost	2,572	2,356	2480	2285	-9%
Recycling	7,846	7,591	7669	8133	6%
Landfill	12,857	12,042	12124	12507	3%
Total	23,276	21,989	22,274	22,925	3%

¹ Data represented waste generated in 17.2 million square feet (74%) of the portfolio.

² Data represented waste generated in 17.2 million square feet (74%) of the portfolio.

³ Data represented waste generated in 17.2 million square feet (76%) of the portfolio.

⁴ Data represented waste generated in 17.2 million square feet (77%) of the portfolio.



Organics

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LEED Certifications Obtained in 2021

Project Name	Property	Location	Level of Certification	GLA Certified (ft ²)
Chartwell Shopping Centre Building D	Chartwell Shopping Centre	Toronto, ON	Gold	10,387

Number of Projects Certified to LEED¹



Number of Projects Certified to LEED Cumulative Number of Projects Certified to LEED

¹ Number of certifications presented includes adjustments for disposition of previously certified properties.







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Number of Projects Certified to BOMA Best^{1,2}

GLA (ft²) Certified to BOMA BEST ^{1,2}



¹ Certifications as of the end of each calendar year.

² Number of properties certified to BOMA BEST includes adjustments for expired certifications and disposition of previously certified properties.

¹ Certifications as of the end of each calendar year.

² GLA presented includes adjustments for expired certifications and disposition of previously certified properties.





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Data Assumptions and Methodologies

All

Numbers may not add up due to rounding. 2019, 2020, 2021, 2022 values were rounded for comparability.

Employee Statistics

The reporting period covers January 1, 2022 to December 31, 2022.

Administrative is an employment category comprising employees who provide administrative support to management and includes executive assistants, property administrators and accounts payable clerks.

Building support is an employment category comprising employees who provide maintenance support at the property level and includes maintenance coordinators and operations supervisors.

Middle management is an employment category comprising business unit managers responsible for implementing the executive leadership and senior management team's business plan and includes leasing directors, controllers and property managers.

Professional/technical is an employment category comprising employees specialized in their field of expertise and includes financial analysts, property accountants, legal staff and construction and project managers.

Senior management is an employment category comprising the President and CEO, EVP and CFO, EVP and COO, SVPs, VPs, and General Counsel. They are responsible for achieving the Company's annual business plan.

External contractors were excluded from employee statistics.

To calculate employee turnover rates:

Total number of employees who left the Company

Total number of permanent employees in the Company (active and terminated as of December 31, 2022)

To calculate new hire rates:

Total number of new employees who joined the Company (active employees as of December 31, 2022)

Total number of employees in the Company (as of December 31, 2022)

Calculating the new hire rate is based on new employees who joined in 2022 and are still actively employed at December 31, 2022. For example, a company has 100 employees at the end of the year. It has hired 25 new employees during 2019. However, there are only 20 new employees still actively employed at the end of the year. The new hire rate would be 20/100 = 20%

Energy

The reporting period covers January 1, 2022 to December 31, 2022 for the portfolio as of December 31, 2022. Electricity and natural gas invoices based on metered consumption were used to report on energy consumption and costs.

Energy was converted from GJ to ekWh using a conversion factor of 0.0036 GJ/ekWh, then from ekWh to eMWh using a conversion factor of 1000 ekWh/MWh.

For Ontario properties, prior to November 2019 actual electricity consumption data properties is utilized. After November 2019, in some instances a grid loss factor was outlined by the service provider to determine the adjusted kWh usage. Where available, this was utilized as this is a more accurate approach.

Inclusions

1. Energy consumption (i.e., heating and cooling, lighting, power) for common areas and FCR offices is included in the report. In most cases, tenants are separately metered for natural gas and electricity consumption and therefore, in these cases, their energy use is excluded, as outlined below.



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Exclusions

- 1. Energy consumption in tenant premises which are sub-metered or pay the energy bills directly to utility companies (e.g., energy consumption by tenants in open-air shopping centres) is excluded from this report.
- 2. Energy consumption in vacant premises are excluded from this report. Energy consumption in these vacant premises is not tracked by the Company's third-party vendor who tracks and reports on energy consumption and costs. Taking into account the materiality of energy consumption in vacant premises, this data is not included in the report.

Assumptions & Data Estimations

1. See the GHG Emissions assumptions and data estimations for relevant assumptions.

Process

- Energy bills (natural gas and electricity) are collected by a third party, Blackstone Energy Services Inc, and the data from the energy bills are uploaded to the database Envizi.
- 2. Energy submeter readings and cost are collected by Property Management & inputted manually into Envizi
- 3. EV charger readings and cost are collected from the EV Charger portal & inputted manually into Envizi
- 4. QA/QC checks: Consumption data is downloaded from Envizi at an account and

monthly level. The following QA/QC checks are done on the data:

a. Check for large anomalies (greater than 25% discrepancy)

b. Check for missing data/gaps

- 5. Finalized consumption data are downloaded from Envizi, using the "Monthly Accounts" PowerReport in Envizi
- 6. Cost data are gathered internally from FCR Accounting & Reporting team
- 7. Consumption and cost data are tabulated in Excel
- 8. Estimated values are identified and summarized, using the "Records & Cost Audit" Envizi report

Water

The reporting period covers January 1, 2022 to December 31, 2022 for the portfolio as of December 31, 2022. Water invoices based on metered consumption were used to report on water consumption and costs.

Water was converted from Tgal to m3 using a conversion factor of 1 Tgal to 3.7854118 m3.

Inclusions

1. Water consumption for common areas and FCR offices is included in the report. Additionally, water consumption associated with many of our tenants' business operations are included

Exclusions

- 1. The report excludes water use in properties located in the Province of Quebec. Typically, water consumption is not metered in the Province of Quebec, and water costs are included in the municipal property tax assessment.
- 2. Water consumption in tenant spaces where the tenants pay the water bills directly to utility companies is excluded from this report.
- 3. Water consumption in tenant spaces that are sub-metered by FCR is excluded from this report.
- 4. Water consumption in vacant spaces is excluded from this report. Water consumption in these spaces is not tracked by the Company's third-party vendor who tracks and reports on water consumption and costs. Taking into account the materiality of water consumption in vacant premises, this data is not included in the report.

Assumptions & Data Estimations

1. See the GHG Emissions assumptions and data estimations for relevant assumptions.

Process

- Water bills are collected by a third party, Blackstone Energy Services Inc, and the data from the water bills are uploaded to the database Envizi.
- 2. Water submeter readings and cost are



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Data Assumptions & Methodologies collected by Property Management & inputted manually into Envizi

 QA/QC checks: Consumption data is downloaded from Envizi at an account and monthly level. The following QA/QC checks are done on the data:

a. Check for large anomalies (greater than 25% discrepancy)

b. Check for missing data/gaps

- 4. Finalized consumption data are downloaded from Envizi, using the "Monthly Accounts" PowerReport in Envizi
- 5. Cost data are gathered internally from FCR Accounting & Reporting team
- 6. Consumption and cost data are tabulated in Excel
- Estimated values are identified and summarized, using the "Records & Cost Audit" Envizi report

GHG Emissions

The reporting period covers January 1, 2022 to December 31, 2022 for the portfolio as of December 31, 2022. GHG Emissions boundaries are based on what FCR has operational control over. To ensure consistency and comparability of data from year to year, FCR recalculated emissions from its base year and every reporting year thereafter to account for portfolio changes.

As follows are the reasons which FCR recalculates

emissions:

- Changes in portfolio boundary
 (dispositions, acquisitions, new developments, demolitions)
- Changes to measurement and/or calculation methodologies
- Improvements in consumption data coverage
- Discovery of errors in consumption data

Inclusions

- 1. Scope 1 and Scope 2 (location-based) emissions were included and calculated based on energy consumption determined using the methodology described previously. See the Energy inclusions for further details.
- 2. Scope 3 emissions associated with water treatment and distribution and wastewater collection and treatment were included and calculated based on water consumption determined using the methodology described previously. See the Water inclusions for further details.
- 3. Carbon dioxide (CO2), methane (CH4), nitrous oxide gases (N2O) were used to calculate CO2e.
- 4. Global Warming Potential (GWP) values as reported by the Intergovernmental Panel on Climate Change (IPCC)'s Fourth Assessment Report was used to calculate CO2e:

Carbon dioxide – 1 GWP,

Methane – 25 GWP,

Nitrous oxide - 298 GWP.

https://www.canada.ca/en/environment-climatechange/services/climate-change/greenhouse-gasemissions/quantification-guidance/global-warmingpotentials.html

Exclusions

1. See the Water and Energy exclusions for further methodologies in calculations.

Calculations

GHG emissions reductions is calculated as the difference between current year emissions and the prior year emissions, and not by quantifying the direct impact of specific reduction initiatives.

To calculate GHG emissions from natural gas consumption:

Natural gas consumption (GJ) x emission factor (tCO2e/GJ) = tCO2e

Emission factor source: US EPA. 19-Nov-2015, v2. EPA Centre for Climate Leadership. Emission Factors for Greenhouse Gas Inventories.

Natural gas consumption (m3) x emission factor (tCO2e/m3) = tCO2e

Emission factor source: GHG Emission Factors Hub. April 2022. EPA Centre for Climate Leadership. Emission Factors for Greenhouse Gas Inventories. Data retrieved from epa.gov (https://www.epa.gov/ climateleadership/ghg-emission-factors-hub).



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To calculate GHG emissions from electricity consumption:

Electricity consumption (kWh) x emission factor (tCO2e/kWh) = tCO2e

Emission factor source: 2022 UNFCCC Submission. National Inventory Report, 1990-2020: Greenhouse Gas Sources and Sinks in Canada Annex 13: Table A13-1-Table A13-13. Data retrieved from unfccc.int (https://unfccc.int/ghginventories-annex-i-parties/2022)

To calculate GHG emissions from water treatment and distribution and wastewater collection and treatment:

Water consumption (m3) x electricity required to Water consumption (m3) x water transport energy intensity (kWh/m3) x electricity emission factor (tCO2e/kWh) = tCO2e

Water transportation energy intensity source: Maas, Carol, Greenhouse Gas and Energy Co-Benefits of Water Conservation. POLIS Project on Ecological Governance, University of Victoria, November 2008.

Electricity emission factor source: National Inventory Report, 1990-2020: Greenhouse Gas Sources and Sinks in Canada, Annex 13: Table A13-1-Table A13-13

Assumptions

- 1. All buildings existed in the Company's portfolio as of December 31, 2022.
- 2. An acquisition is defined as an existing

property purchased since January 1, 2019. All buildings identified as an acquisition were included in the inventory. Consumption and emissions were estimated back to January 1, 2019 where possible, using the earliest available data.

- 3. A disposition is defined as an existing property sold since January 1, 2019. All buildings identified as a disposition were excluded from the inventory.
- A new build is defined as new construction on vacant land. All buildings constructed since January 1, 2019 were included in the inventory from the date when the building became operational under FCR.
- 5. A demolition is defined as a building that was fully demolished since January 1, 2019 and not replaced or re-built. All buildings demolished since January 1, 2019 were included in the inventory until the date when the building was no longer under the operational control of FCR.
- 6. Buildings fitting any of the following criteria were omitted from the inventory:
- a. The property was classified as residential,
- b. The property was classified as land only,

c. The property was part of a mixed-use facility and consumption data for the residential portion of the property could not be separated,

d. The property was not under the operational

control of FCR.

7. Data extracted from the Company's thirdparty vendor was assumed to be actual meter readings with no estimation unless otherwise noted in the Data Estimations methodology below.

Data Estimations

For a property or utility account whose consumption data was not available, consumption was estimated using the following methodologies in one of two scenarios:

1. Monthly data interpolations:

Missing data was estimated by calculating the average consumption of the month prior and the month subsequent and applying the average amount to the missing months of data. For example, if a property was missing electricity consumption for November 2020, data from October and December 2020 would be averaged. This monthly average electricity consumption would then be applied to November 2020.

2. Monthly data extrapolations within a single calendar year:

For natural gas accounts: Missing monthly consumption data was estimated using the overlap method by calculating values proportional to the heating degree days (HDD) for the given month and locations. Missing cost data was estimated using the estimated consumption and the average rate.

For electricity accounts: Missing monthly data was estimated using the average of the actual data.



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Data Assumptions & Methodologies

- Accounts estimated showed little to no seasonal variations.
- 3. Annual data extrapolations:

Missing data for full calendar years was estimated by using the data from the closest calendar year with data. For example, if a property was missing electricity consumption data from January to December 2021, electricity consumption from January to December 2022 was used. This results in straight-line consumption and cost numbers, where no increases or decreases are claimed, but still allows FCR to account for utility consumption, costs, and carbon emissions.

Process

- Energy bills (natural gas and electricity) and water bills are collected by a third party, Blackstone
- 2. Energy and water submeter readings and cost are collected by Property Management & inputted manually into Envizi
- 3. EV charger readings and cost are collected from the EV Charger portal & inputted manually into Envizi
- 4. QA/QC checks: Consumption data is downloaded from Envizi at an account and monthly level. The following QA/QC checks are done on the data:

a. Check for large anomalies (greater than 25% discrepancy)

b. Check for missing data/gaps

- 5. Finalized emission data are downloaded from Envizi, using the "Monthly Accounts" PowerReport in Envizi
- 6. Emissions data are tabulated in Excel

Waste

The reporting period covers January 1, 2022 to December 31, 2022 for the portfolio as of December 31, 2022.

Inclusions

- The report includes waste generated from 17.2 million square feet (77%) (GLA) of the portfolio. The properties contributing waste data were located in British Columbia, Alberta, Ontario and Quebec.
- 2. It accounts for tenant waste where First Capital REIT is responsible for the waste management.

Exclusions

 The report excludes waste generated from development, redevelopment, construction or remediation activities. 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.