



First Capital REIT

---

# Sustainability Policy

# Contents

<b>1.0 Sustainability Program Overview .....</b>	<b>2</b>
Introduction .....	2
Stakeholder Engagement .....	3
Program Governance and Compensation Alignment.....	4
Approach to Reporting & Disclosure.....	5
Conclusion .....	6
<b>2.0 Environment .....</b>	<b>6</b>
Environmental Commitment .....	6
Statement on Climate Change .....	6
Management of Direct Impacts.....	7
Energy and GHG Emissions.....	7
Water .....	8
Waste.....	8
Compliance .....	8
Major Construction .....	9
Acquisitions Due Diligence.....	9
Management of Indirect Impacts .....	9
Tenants.....	9
Vendors & Suppliers .....	10
<b>3.0 Social .....</b>	<b>12</b>
HR Library .....	12
Employee Hiring, Equal Opportunity & Non-Discrimination.....	13
Everyone Belongs.....	<b>Error! Bookmark not defined.</b>
Employee Wellness.....	14
Employee Training and Development.....	14
Measuring Employee Satisfaction.....	15
Health & Safety.....	15
AODA Compliance.....	15
Commitment to Human Rights.....	16
Freedom of Association and Collective Bargaining.....	16
Corporate Citizenship.....	16
<b>4.0 Governance.....</b>	<b>17</b>
Ethics.....	17

# Sustainability Policy

---

## 1.0 Sustainability Program Overview

### Introduction

At First Capital Real Estate Investment Trust (“First Capital”), sustainability and environmental, social and governance (ESG) has always been integral to the responsible management of our business and the mitigation of various risks. By taking a holistic approach to ESG, we are focused on reducing our environmental impact while creating thriving and dynamic urban neighbourhoods and at the same time, delivering long-term value for our stakeholders. Simply put, it makes good business sense.

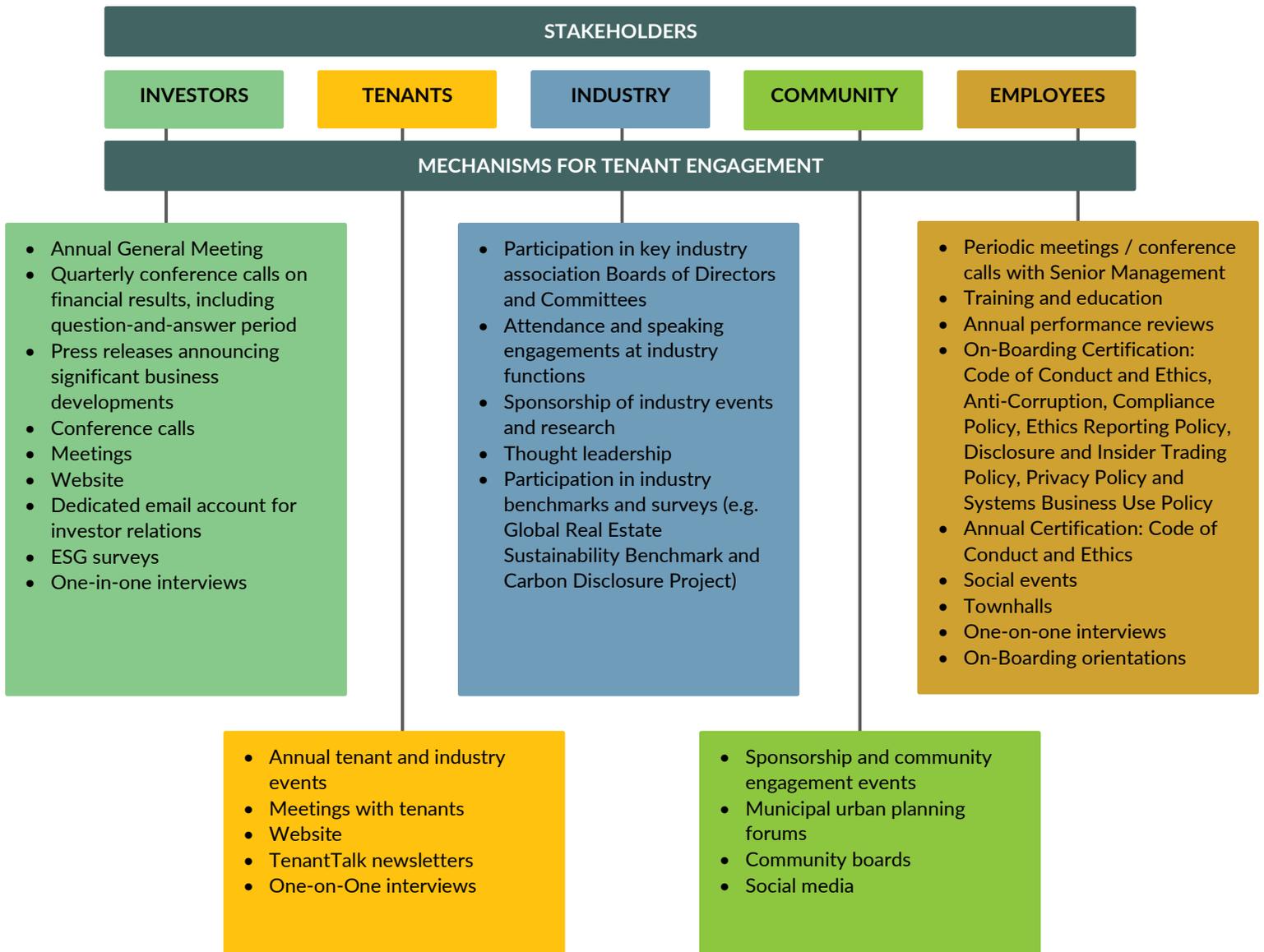
This policy details First Capital's approach to sustainability, including:

- 1) purpose, governance and goals,
- 2) our approach to reporting and disclosure, and
- 3) ESG focussed standards and management activities.

This policy is intended to provide an overview of how First Capital organizes and executes its Sustainability Program and is available via our website at [www.fcr.ca/sustainability](http://www.fcr.ca/sustainability).

## Stakeholder Engagement

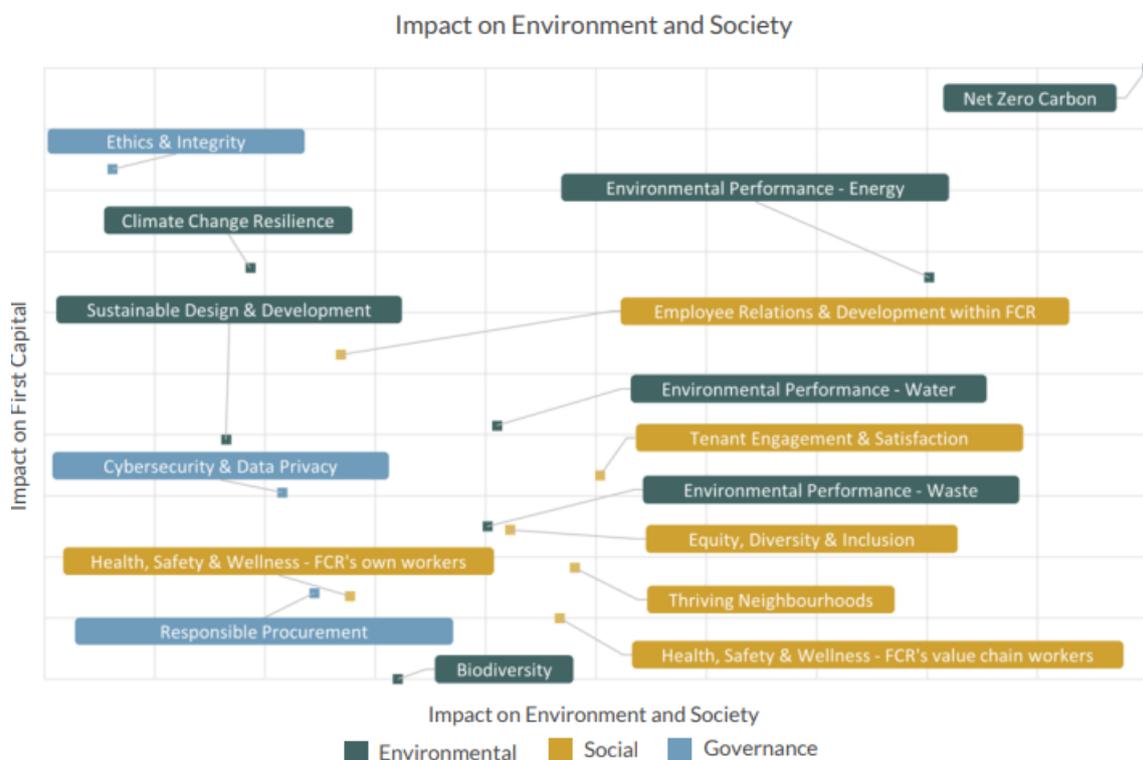
First Capital understands that working closely with our stakeholders is foundational to our business. We have in place multiple two-way channels (see illustration below) to effectively communicate with our stakeholders. This deepens our understanding of issues, offers diverse perspectives and helps inform future strategy. The chart below summarizes our mechanisms for stakeholder engagement.



In early 2025, First Capital undertook a comprehensive environmental, social, and governance (ESG) materiality assessment, engaging an independent third party to facilitate the process. This initiative was designed to identify and prioritize the most significant environmental, social, and governance issues that affect both our business and the communities we serve. The assessment followed a double materiality approach, evaluating both:

- Impact materiality – how First Capital’s activities affect the environment and society, and
- Financial materiality – how ESG-related risks and opportunities could influence our enterprise value over time

### First Capital Prioritization Matrix



This materiality assessment reflects the input of a diverse range of stakeholders and may not match the risk assessments of management.

### Commitment Regarding Industry Engagement Activities

First Capital commits to ensuring our engagement activities align with global environmental treaties and policy goals, including the Paris Agreement.

### Program Governance and Compensation Alignment

First Capital has established an ESG governance structure that includes the Board of Trustees, members of the Executive Leadership team, dedicated full-time employees and an Environmental Social and Governance (ESG) Taskforce.

Governance of sustainability occurs at the Board level. The Board receives updates on sustainability matters as required and reviews First Capital's Risk Management Dashboard quarterly, which, for example, identifies climate change as a risk and includes risk mitigation activities. The Chair of the Governance Committee is directly responsible for oversight of ESG matters at the Board level.

The Senior Vice President (SVP), General Counsel & Corporate Secretary is the highest-level management position responsible for environmental sustainability at First Capital. The SVP, General Counsel & Corporate Secretary is a member of the Executive Leadership Team and reports directly to the President & Chief Executive Officer (CEO). The role oversees First Capital's overall ESG strategy and specifically climate and environmental related initiatives. Social sustainability aspects are the responsibility of the Senior Vice President, Brand and Culture, who also reports directly to the President & CEO.

Since 2010, First Capital has maintained a full-time senior leadership position responsible for the oversight of its sustainability program. The Vice President, ESG reports to the SVP, General Counsel & Corporate Secretary. This leadership role is responsible for directing sustainability reporting initiatives and driving continuous ESG engagement and improvement at First Capital. This role is supported by a Manager, Energy & Sustainability and an ESG Programs Coordinator.

Ongoing oversight of ESG and climate-related issues is carried out by the ESG Task Force, co-chaired by FCR's Chief Operating Officer and Senior Director, ESG and attended by executive and senior leadership from all areas of the business. The Task Force meets quarterly and is the senior leadership forum for guiding, developing and implementing ESG strategy and commitments, assessing and managing climate-related risks and opportunities, reviewing performance, and integrating ESG practices and initiatives across the organization.

Our commitment to advance ESG initiatives and address climate-related issues is embedded across the business and is a key metric in our annual Corporate Objectives. The performance of these ESG accountabilities is linked to the remuneration and performance evaluation of all employees. In 2026, 12.5% of the Corporate Objectives portion of our Company's bonus metrics are aligned with specific ESG-related initiatives.

## Approach to Reporting & Disclosure

In reinforcing First Capital's commitment to sustainability leadership, we have in place robust capabilities for measuring and reporting our progress.

First Capital has used the Global Reporting Initiative (GRI) framework for corporate responsibility reporting since 2010. In addition to GRI, we continue to monitor international reporting trends, including the work of the Sustainability Accounting Standards Board (SASB). Since 2010, we have had a third-party conduct assurance on selected sustainability performance indicators, including greenhouse gas emissions and energy use.

We are committed to transparency and ensuring that our sustainability reporting is accurate, material, and accessible to all stakeholder groups.

Typical annual publications and disclosures may include:

- Corporate Responsibility and Sustainability Report, aligned with the GRI framework;
- Global Real Estate Sustainability Benchmark (GRESB) disclosure;
- Carbon Disclosure Project (CDP) Climate Change disclosure;
- Individual relevant reporting for specific joint venture partners or investors.

## Conclusion

First Capital believes that progressive sustainability accountability results in improved risk management and leads to increased property values, better customer satisfaction, more engaged employees, improved operational efficiencies and real cost savings.

The remainder of this policy is designed to provide additional details on the specific standards and management activities focused in the environmental, social and governance areas. In instances where the scope of these policies is directly addressed in another document, the document is referenced and briefly described.

# 2.0 Environment

## Environmental Commitment

Residential, commercial and industrial buildings account for about 17% of Canada's greenhouse gas (GHG) emissions, where the emissions associated with electricity used in buildings are included. As a building owner and manager, First Capital's direct environmental impact combined with the environmental impact associated with the operations of our tenants is large. We are committed to continuously improving the environmental and economic performance of our properties, both within our own operations and in partnership with our tenants.

Our efforts to reduce our environmental impact include a variety of initiatives that focus on the following priority areas:

- Energy use and carbon emissions reduction;
- Sustainable transportation;
- Green building certifications;
- Waste reduction and recovery;
- Water use reduction.

Our efforts are managed in alignment with ISO 14001. First Capital follows a "plan-do-check-act" process to facilitate continual environmental performance improvements. The planning process includes the identification and updating of First Capital's Sustainability Aspects. Together with our sustainability policy, objectives and targets are established, and appropriate programs are formulated to achieve the objectives and targets.

## Statement on Climate Change & Net Zero

First Capital recognizes that climate change is one of the most significant issues facing the planet and we are committed to best-in-class climate governance and risk management to ensure our long-term resilience to a changing climate. First Capital is also committed to reaching net zero emissions across all Scopes by 2050. To ensure progress, in 2022 we set an interim target which was validated by the science-based target initiative. Our science-based emissions target is to achieve a reduction of 46% in Scope 1 & 2 emissions by 2030.

First Capital's Report on the Task Force on Climate-Related Financial Disclosures can be found within our [2024 Sustainability Impact Report](#) (page 15-18).

## Management of Direct Impacts

First Capital defines direct impacts as those within its organizational control, in accordance with the WBCSD/WRI Greenhouse Gas Protocol accounting standard. The majority of First Capital's properties are traditional grocery-anchored or multi-tenant anchored shopping centres. Most properties are single-story, open-air format community and neighbourhood shopping centres. A typical open-air shopping centre has multiple meters that serve tenant space and/or common areas such as parking lots. Meters that are within our organizational control, and therefore considered our direct impact, would include common area meters (i.e. for parking lot lighting, landscape irrigation, public restrooms, enclosed mall common area HVAC, etc.) and vacant unit meters. Several different initiatives exist to monitor and address direct impacts.

## Energy and GHG Emissions

Energy, in the form of natural gas and electricity, is used to power, heat and cool our properties, ultimately resulting in greenhouse gas (GHG) emissions. Most of our properties are open-air shopping centres, and as a result, within First Capital's operational control the single largest driver of energy use is electricity to light the building exterior and parking areas.

First Capital has developed multiple initiatives to manage energy consumption, including:

- Utility Data Management System, aligned with ISO 14001
  - A central data management system for tracking energy cost and consumption;
  - Automate utility invoice data capture, review and processing;
  - Enable performance benchmarking and reporting;
  - Facilitate targeting of retrofits to properties and building systems with the highest consumption.
- Lighting
  - Replace older light fixtures and luminaires with energy efficient LED technology;
  - Improve control of lighting systems (e.g. ensuring that schedules are optimized to balance energy use, safety and security).
- HVAC
  - Ensure contractors are performing ongoing maintenance and filter replacements to HVAC equipment as per Property Standards Manual to maintain optimal efficiency performance and maintain indoor air quality
  - Programmable thermostats to be installed wherever feasible and optimized for energy savings during unoccupied periods
  - Replace end of life rooftop HVAC units with dual-fuel heat pumps where financially and operationally feasible
- Vacancy Best Practices
  - Ensure key building systems are managed effectively and efficiency to minimize consumption during periods of vacancy.
- Energy Audits
  - Conduct energy audits at our larger more complex or high consumption properties to identify opportunities for energy reduction and create an action plan for improvement.

Details on the results of these initiatives can be found in our [annual Sustainability Report](#).

## Water

First Capital's property operations primarily use water to supply drinking water, support maintenance and cleaning activities, supply landscape irrigation, and provide sewage conveyance. At many properties, there is one water meter installed by the utility company and tenants are not separately metered.

Within First Capital's operational control, landscape irrigation is the largest driver of water consumption. We have developed multiple initiatives to manage water consumption, including:

- Utility Data Management System, aligned with ISO 14001
  - A central data management system for tracking water cost and consumption;
  - Automate utility invoice data capture, review and processing;
  - Enable performance benchmarking and reporting;
  - Facilitate targeting of retrofits to properties and building systems in greatest need.
- Landscape Design Improvements
  - Landscape design, including plant selection and irrigation infrastructure is optimized to reduce unnecessary water use.
- Weather-Based Irrigation Controls
  - Enhances irrigation control capabilities to water in response to weather conditions (e.g. rainfall, evaporation), as opposed to watering on a fixed schedule.

Details on the results of these initiatives can be found in our [annual Sustainability Report](#).

## Waste

At most properties, operational waste is generated from tenant activities and common area sources such as public trash receptacles and cleaning activities such as parking lot sweeping. Tenant waste comprises most of the waste volume produced at properties.

First Capital works with a third-party waste consultant nationally to maximize cost efficiencies, increase waste diversion and streamline data collection.

First Capital is committed to minimizing waste, with the help of tenants and customers, through waste reduction, reuse initiatives, recycling and other environmentally sound practices including tenant engagement programs. In many cases we work with tenants to help implement waste reduction programs that includes recycling and organics. We conduct waste audits at many of our sites and develop programs to improve diversion rates.

Details on the results of these initiatives can be found in our [annual Sustainability Report](#).

## Compliance

First Capital is committed to compliance with all federal, provincial and local laws. We are subject to a range of requirements including but not limited to building codes, stormwater management, contaminated lands, hazardous materials and hazardous building materials management, and mandatory energy benchmarking and disclosure. First Capital has implemented procedures to identify compliance requirements at its individual properties and takes appropriate action to ensure compliance.

## Major Construction

To promote sustainability across First Capital's development projects, major new construction projects are mandated to be designed and certified to Leadership in Energy and Environmental Design (LEED) standards, subject to tenant acceptance. The level of certification will be determined by the project parameters.

Looking ahead, in 2025, we will work towards developing a Low Carbon Design Standard specifically for our retail developments. This initiative will formalize performance-based design requirements – including operational carbon, energy efficiency and embodied carbon – and will serve as a benchmark for evaluating the carbon intensity of future developments. We anticipate that the Low Carbon Design Standard will be incorporated in future retail development projects starting in 2026, ensuring consistent alignment with our science-based targets and climate risk management strategy.

## Acquisitions Due Diligence

For any potential acquisition, First Capital considers environmental factors as part of the due diligence process, including:

- Conducts environmental assessments, such as Phase I (and if necessary Phase II) assessments, to determine if the site has been impacted by present or historical uses of the site;
- Collects historical utility data related to energy and water. This information is loaded into our utility data management system and can be used to benchmark performance, calculate GHG emissions and to identify where inefficiencies may exist;
- Identifies any third-party certifications previously attributed to the property;
- Identifies forms of transportation and connectivity around the property in relation to pedestrian access, bicycle and mass-transit networks, in context of the existing infrastructure and amenities in the surrounding area;
- Conduct a climate change risk assessment identifying physical risks to the property such as flooding, heat stress and wildfire.

## Management of Indirect Impacts

In accordance with the WBCSD/WRI Greenhouse Gas Protocol accounting standard, First Capital defines indirect impacts as those outside of its organizational control over which it has some potential influence, such as the interior of tenant leased spaces and contractor activities at our properties.

## Tenants

### *Green Lease*

Commercial leases govern the terms of First Capital's relationship with each individual tenant, defining responsibilities for most major aspects of initial tenant construction and ongoing operations. We have modified our standard lease to incorporate several "green lease" clauses, including:

- Capital cost recovery language that promotes investment in energy and other efficiency measures in common areas of the shopping centre;

- A requirement that tenants provide annual utility data to support energy benchmarking and disclosure efforts;
- A standard Tenant Improvement construction work specification that incorporates numerous sustainable design criteria in the areas of energy, water, waste and indoor environment.

### *Best Practices for Operations*

In addition to addressing sustainability terms in our standard lease and new tenant sustainable construction requirements, First Capital also publishes a Tenant GreenTalk e-newsletter to promote sustainability awareness and provide tenants with actionable tips and advice to encourage them to employ environmentally friendly practices within their leased premises. The e-newsletter is published twice a year to all tenants, covering a variety of topics such as energy and water conservation, sustainable transportation and waste reduction.

### *Utility Sub-Metering*

Tenants who know their individual consumption have the information and financial incentive to conserve energy and water. When constructing new mixed-use developments, First Capital installs utility submeters on any shared meter infrastructure.

In existing properties that were constructed with shared meter infrastructure for water and in some cases energy, historically individual tenants were not sub-metered and expenses were billed to tenants on the basis of a calculation of the tenant's leased square footage relative to the total area served by the shared meter. In these specific cases, First Capital is actively working on a program to sub-meter tenants across our portfolio.

## **Vendors & Suppliers**

### *Vendor Pre-Qualification & Ethical Standards*

All First Capital vendors undergo a standard health & safety pre-qualification process in order to be eligible to supply goods and/or services to the company. Vendors classified as contractors are required to provide evidence of health & safety compliance and shall be third-party accredited by ContractorCheck and supply relevant supporting documents validating health and safety training, emergency procedures, employee protection as well as annual insurance coverage. Vendors are required to maintain proof of active insurance in accordance with First Capital's Third Party ContractorCheck requirements based on their category of services.

In addition to the pre-qualification process, all vendors must read the Supplier Code of Conduct and Ethics and complete and sign a Vendor Terms and Conditions Agreement. The agreement articulates their commitment to acting in an ethical and responsible manner, operating in accordance with the laws and regulations at a federal level as well as the province they operate in. Vendors who do not comply with First Capital's Terms and Conditions Agreement can be terminated as a supplier.

The Supplier Code of Conduct and Ethics is available at [fcr.ca/suppliers/](https://fcr.ca/suppliers/)

### *Environmental Requirements*

First Capital selects vendors that can meet our environmental requirements. Given the diversity of vendors that provide services to First Capital, we do not have one-size-fits-all environmental requirements that apply to all vendors. Instead, we establish environmental requirements for specific types of vendors based on the products and/or services they supply.

Specific vendor requirements are typically identified within the scope of contract terms established between First Capital and the vendor. Our standard recurring services specifications which are used to procure routine property maintenance services, contain standard language that applies to all vendors. For example, landscape maintenance vendors are required to practice Integrated Pest Management to limit the use of toxic pest control and chemical fertilizers. Other contract forms, such as those used to govern small projects or major construction projects, are adapted on an as-needed basis to include the project's environmental expectations.

### *Social Requirements*

First Capital expects that vendors adhere to high ethical standards and follow all applicable laws in the specific jurisdiction(s) where they operate, inclusive of regulations prohibiting child labor, protecting worker health and safety, ensuring appropriate workplace conditions free of discrimination and harassment and ensuring legal remuneration practices. First Capital's commitment and expectation surrounding human rights, as stated on page 13, also extends to our vendors.

# 3.0 Social

## HR Library

First Capital has created an HR Library on our company intranet that includes policies and resources related to all employees. Topics addressed in the HR Library include but are not limited to:

- Ethics & Code of Conduct;
- Conflicts of Interest;
- Anti-Corruption;
- Disclosure & Insider Trading;
- Workplace Anti-Violence, Harassment and Sexual Harassment;
- Time-Off Policies;
- Recruitment & Selection;
- Pregnancy & Parental Leave;
- Benefits;
- Wellness Subsidy;
- Tuition Reimbursement;
- Occupational Health & Safety.

This Sustainability Policy does not address all topics or specific details, as requirements are disclosed in full in the relevant documents.

## Employee Hiring, Equal Opportunity & Non-Discrimination

First Capital's policies and procedures are designed to promote fairness, equal opportunities, diversity across the organization and are implemented and managed so that employees' rights are preserved. The Executive Leadership Team and Senior Leadership Team fully support these policies, participate in the same training that employees receive and actively communicate policies to employees at all levels of the organization.

In recruitment, available roles are posted publicly, and all candidates go through an assessment and competitive hiring process – including current employees who are always encouraged to apply for open positions within the organization. All applicants must apply through our Applicant Tracking System (ATS), to ensure proper candidate tracking of recruitment metrics. A member of the People & Culture (HR) team will help to design screening and interview questions that can be used for both internal and external applicants and will also participate in each stage of interviews to ensure a fair and equitable process.

First Capital is committed to treating people with disabilities in a way that respects their dignity and independence. We believe in integration, equal opportunity and are committed to meeting the needs of people with disabilities in a timely manner. We do so by preventing and removing barriers to accessibility and meeting accessibility requirements under the Accessibility for Ontarians with Disabilities Act (AODA). The standards of the AODA give all people an equal access as they work, play, learn, teach, buy, sell, and use their diverse talents to thrive and benefit their communities. Accommodations are available throughout the recruitment process, and candidates are advised of this during all stages of interviewing and selection.

First Capital is committed to building and preserving for its employees a safe, productive, and healthy working environment based on mutual respect and that is free from violence, threats of violence, discrimination, harassment, sexual harassment, intimidation, and any other misconduct. In pursuit of this goal, First Capital does not condone and will not tolerate acts of violence, harassment, or bullying against or by any First Capital employee. Roles and responsibilities at all levels within First Capital, are clearly outlined in our Workplace Anti-Violence, Harassment and Sexual Harassment Policy.

## Everyone Belongs

FCR is committed to sustaining a culture of belonging, where all employees have an equal opportunity to thrive, love what they do and grow their careers. By creating an accessible, safe and respectful work environment that embraces different perspectives and lived experiences, we strive to learn, understand and be stronger together. In 2020, we established an employee-led council, now called our Everyone Belongs Council, reaffirming our commitment to fostering an inclusive culture where diversity is valued, and everyone belongs. The Council drives key initiatives and employee programming, learning opportunities, and collaboration to create a welcoming environment that builds an inclusive and connected culture. The Council has identified the following four key pillars to guide our commitment:

- Foundation: Strategically prioritize our initiatives and activities over a defined period to ensure progress and continuous improvement
- Recognition & Celebration: Celebrate successes, encourage dialogue and share achievements of our committee goals

- Education: Focus and align our learning initiatives, leadership development, mentorship and best practices to enhance the employee experience across the organization
- Community: Create opportunities to support and make a positive impact in the neighbourhoods in which we operate.

These pillars are the foundation on which we continue to build on our Everyone Belongs initiatives to have an influential impact on our organization. For more information and to view our Everyone Belongs action plan please visit: <https://fcr.ca/company/everyone-belongs/>

## Employee Wellness

Employees who are healthy – both mentally and physically – are more productive and engaged and are less likely to be absent due to illness. We have developed a robust wellness program that incorporates 100% employer paid group health benefits, a wellness subsidy, employee education sessions and ongoing engagement. We have established a Wellness Workdays program to support employees across various pillars of wellness including physical, social, financial and mental wellness. With this program we aim to reduce the stigma of mental health issues through our culture and drive awareness among employees that FCR prioritizes a safe, supportive, and mentally healthy work culture.

## Employee Training and Development

In addition to annual training on sexual harassment, discrimination, cyber-security, and health and safety, FCR offers training focused on building the skills and capabilities of employees. We offer several in-house training programs including annual mandatory training for all people managers.

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

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

We continually look for opportunities to educate and engage employees in sustainability goals and initiatives by providing training, presentations and special events. Regular business and sustainability updates to all employees take place at townhall meetings and in 2024 our Sustainability team hosted climate training sessions for a number of teams across the company, including leasing, legal, asset strategy, operations and construction.

## Measuring Employee Satisfaction

FCR conducts a comprehensive employee engagement survey every two years. Our latest employee survey was conducted in 2023. We had a very strong response rate of 95%, exceeding our goal of 90%. Our overall engagement score was 82%, which is 10% above the Canadian average (as stated by our third-party partner).

## Health & Safety

First Capital is committed to promoting a safe and healthy workplace for all employees, contractors, customers and visitors. In pursuit of our commitment, we develop, implement and enforce such policies and procedures that promote and provide a healthier, safer work environment. First Capital is ultimately responsible for worker health and safety and will take every reasonable precaution possible for the protection of our employees and act in compliance with all applicable workplace health and safety legislation.

Health and safety general awareness training and specific compliance training is mandatory for all employees. All new employees receive this training during their first week of employment as part of our onboarding program. First Capital has established joint health and safety representatives and committees nationally. These representatives conduct monthly workplace inspections and meet on a quarterly basis.

Additional details on the Company's approach can be found in our HR Library.

## AODA Compliance

The standards of the Accessibility for Ontarians with Disabilities Act (AODA) mandates how organizations must remove and prevent barriers for people with disabilities. The AODA standards govern how organizations can offer services that meet the needs of all Ontarians, including citizens with disabilities.

As an owner and operator, it is First Capital's responsibility to ensure our common area facilities provide ready access to all who use the facilities, including those with disabilities. Our 'Accessible Customer Service' Policy is applied to all our facilities across Canada reinforcing our commitment to provide accessible customer service to our customers, tenants and employees. All employees are required to complete annual AODA training. In addition to our Customer Service Policy, our Ontario Accessibility and Multi-Year Plan outlines our commitment through the establishment of the FCR Accessibility Council. The council is responsible for ensuring our multiyear plan remains current, coordinating efforts to ensure compliance with AODA, and rolling out programs across Canada within the regions we operate as opposed to just Ontario. We also require that all employees across the regions complete annual AODA training.

## Commitment to Human Rights

In accordance with internationally recognized standards outlined with the [UN Guiding Principles on Business and Human Rights](#), First Capital is committed to promoting human rights for its employees as well as positively influencing our vendors and business partners. First Capital is opposed to child and forced labour in any form and adhere to federal, provincial and local employment regulations designed to protect minors.

With respect to pay, First Capital is committed to compensating its employees at competitive rates by market – in all cases at or above prevailing minimum wages.

## Freedom of Association and Collective Bargaining

First Capital supports a person's right to come together with others to promote, pursue, and defend common interests. First Capital respects national and local laws on freedom of association in the communities where we do business, including the Canadian Charter of Rights and Freedoms.

First Capital strives to create a positive workplace with open lines of communication, making third-party representatives for its employees unnecessary. It also respects the right of all people to join or not join a trade union to bargain collectively. First Capital does not discriminate against anyone because of their membership or non-membership in trade unions.

## Corporate Citizenship

The FCR Thriving Neighbourhoods Foundation was founded in 2020 to achieve one goal – to help our neighbourhoods thrive. The Foundation is an employee-led, registered charity that was built upon 4 pillars: Mental Health, Food Insecurity, Social Justice, and Youth Initiatives. Since the Foundation's inception in 2020, we've held several fundraising events and charitable initiatives, to better serve our communities. For more information visit <https://www.thrivingneighbourhoods.ca/>.

## 4.0 Governance

First Capital and our Board of Directors believe that sound corporate governance practices are the essential foundation to the well-being of the Company and the promotion and protection of our shareholders' interests.

First Capital's Governance documents can be found here: <https://fcr.ca/investors/governance/>

First Capital's annual Management Information Circular can be found here:

<https://fcr.ca/investors/unitholders/>

### Ethics

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

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

First Capital also retains ClearView Connects™, an independent provider of specialized ethics reporting services. It provides our employees and third-party suppliers with an independent and anonymous method for reporting any concerns regarding unethical behaviour or actual/perceived breaches with First Capital's Code of Conduct or Supplier Code of Conduct.