



## ANTI-CORRUPTION, ANTI-BRIBERY, GIFTING AND ENTERTAINMENT POLICY

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### Purpose of the Policy

The purpose objectives of the Anti-Corruption, Anti-Bribery, Gifting and Entertainment Policy (this “Policy”) is to codify the commitment by Canadian Apartment Properties Real Estate Investment Trust and its affiliates (“CAPREIT”) to:

- (a) comply with all applicable anti-corruption laws and regulations and any laws or regulatory guidance prohibiting bribes or improper payments, gifts or inducements of any kind to or from any person, including officials in the private or public sector, customers and vendors;
- (b) impose the highest ethical standards in the way that CAPREIT conducts business;
- (c) prevent conflicts of interest or situations that may be perceived by others as a conflict of interest; and
- (d) protect CAPREIT's reputation.

To the extent that applicable laws or regulations have stricter requirements than the requirements set out in this Policy, such laws or regulations will take precedence over the requirements in this Policy.

### Scope

This Policy applies to all of CAPREIT's trustees, officers, employees, contract staff (“Employees”) and other agents and representatives of CAPREIT (“Representatives”). All Employees are also reminded of their obligations to comply with CAPREIT's Code of Business Ethics and Conduct, in addition to this Policy.

### Governing Laws and Regulations

The Corruption of Foreign Public Officials Act, the Criminal Code (Canada), the Foreign Corrupt Practices, Act of 1977 (US), the United Kingdom Bribery Act 2010, and all local anti-bribery and anti-corruption laws in the jurisdictions where CAPREIT carries on business (collectively, “Anti-Corruption Laws”).

### Policy

All of CAPREIT's Employees and Representatives are expected to conduct business in a legal and ethical manner at all times, regardless of any competitive pressures or pressures exerted by local custom in a particular region. CAPREIT prohibits all Employees and Representatives from engaging in, or condoning, any bribery or other form of corruption.

### Anti-Corruption and Anti-Bribery

In compliance with Anti-Corruption Laws, this Policy prohibits any Employee and Representative from giving, paying or offering a Bribe (as defined below) to, or for the benefit of, any organization or individual in positions of influence or any Public Officials to obtain, retain or direct business, to influence their action or decision, to induce an unlawful act, to induce official influence over government action, or to secure a business or personal advantage of any kind.

A **"Bribe"** may include the giving or offering of money or anything of value, including, without limitation, cash-equivalents, loans, travel, entertainment, meals, or other gifts or courtesies including agreeing to take or refrain from taking any action, for an improper purpose as described above. "Things of value" may include, but are not limited to, gift cards or gift certificates, tickets to sporting, music or cultural events, meals, travel or lodging, use of vehicles or vacation facilities, or job offers.

For the purpose of this Policy, **"Public Official"** includes any officer or employee of any local, municipal, provincial, state, federal or foreign government, of any department, agency, or instrumentality of government, or of any public department in Canada, or of any public international organization, or any person acting in an official capacity for or on behalf of any of the above groups, political party or party official, or any candidate for political office. This includes officials of domestic (Canadian) or foreign governments.

This Policy prohibits both direct and indirect payments to third parties. A Bribe may include any benefit to a family member, representative or agent, broker, intermediary or other third party on behalf of a Public Official.

Employees are prohibited from soliciting, requesting or receiving Bribes from anyone in any position.

This Policy prohibits the use of any of CAPREIT's funds or assets for any illegal, improper or unethical purpose. CAPREIT requires that we keep books and records that fairly reflect all transactions involving CAPREIT assets and that all transactions are approved in accordance with CAPREIT policies.

If an Employee or Representative is in doubt as to whether their actions are permitted under this Policy, or unsure regarding the application of this Policy, they should consult with the Compliance Department before proceeding further.

### **Facilitation (or Grease) Payments**

This Policy prohibits any Employee or Representative from paying any money or thing of value to any Public Officials to facilitate or expedite a routine government activity; for example, processing a permit, scheduling an inspection, or securing civil services.

### **Representatives**

Employees must ensure that any Representative who is retained by or on behalf of CAPREIT who will or may be interacting with third parties or Public Officials on CAPREIT's behalf are familiar with this Policy or have equivalent policies in place to govern their interactions.

Prior to beginning any engagement, Employees should take steps appropriate in the circumstances to satisfy themselves that the Representative understands its obligations to comply with applicable Anti-Corruption Laws, and to refrain from making any Bribes of any kind. This may, if appropriate, include obtaining written assurance from the Representative that it has read and will comply with this Policy, that it and its employees receive training on anti-corruption laws, and/or contractual provisions requiring the Representative to be transparent with CAPREIT about its interactions with third parties and/or Public Officials, as they relate to CAPREIT's business, submit to appropriate monitoring and audit procedures by or on behalf of CAPREIT, at CAPREIT's discretion, and to acknowledge that such engagement may be terminated if there is a violation of the foregoing.

CAPREIT may determine from time-to-time regions or countries that pose higher risks of corruption and may impose more stringent requirements on Employees or Representatives operating out of or into such regions, including conducting background/reputation checks where appropriate. Please consult with the Legal Department if you plan to conduct transactions on behalf of CAPREIT in regions outside of CAPREIT's current operating regimes (i.e. Canada and Netherlands).

## **Gifting and Entertainment**

CAPREIT acknowledges that the occasional exchange of gifts, or participating in entertainment activities, is a customary part of doing business. CAPREIT expects that Gifts or Entertainment should always be reasonable, made in good faith, and in compliance with CAPREIT policies, including this Policy and our Business Code of Conduct and Ethics.

**Gifts or Entertainment** may include anything of value, including (but not limited to) tickets to sporting, music or cultural events, merchandise (for example, gift baskets, wine, clothing, mugs, pens, collectibles, etc.), meals, travel or lodging for a business-related purpose, use of vehicles or vacation facilities, favourable terms or discounts on a product or service that is not otherwise available to all Employees/Representatives, cash and cash equivalents (i.e. gift cards or gift certificates).

### ***(a) Offering and/or Accepting Gifts and Entertainment to or from Public Officials***

This Policy prohibits Employees and Representatives from offering or accepting Gifts or Entertainment to or from Public Officials or their close friends or business associates unless pre-approved in writing by the EVP, Risk and Compliance. Such approval will only be given in exceptional circumstances and subject to applicable laws.

All Gifts or Entertainment offered to or accepted from Public Officials must be recorded accurately and transparently in CAPREIT's books and records. Please consult with senior management in Accounting & Finance in relation to how these should be recorded.

### ***(b) Offering and/or Accepting Gifts and Entertainment from third parties***

Except where prohibited by law and subject to this Policy, Employees and Representatives may offer and/or accept Gifts or Entertainment provided to or by third parties if it complies with the following guidelines:

- The gift or entertainment, including multiple gifts in one year, has a market value of CDN\$300 or less, as reasonably estimated by the individual receiving it.
- There is no suggestion that the offer is trying to obligate or improperly influence the recipient.
- Neither party would be embarrassed if the public became aware of the circumstances of the gift or entertainment.
- Is for a legitimate business purpose, in good taste, and at a business-appropriate venue.
- Is infrequent/given on a traditional occasion or holiday.
- Is not solicited.
- Is not given as a Bribe, payoff or kickback (or could create the appearance of same).
- Does not create the appearance of impropriety or a conflict of interest.
- Does not create the appearance (or an implied obligation) that the third party is entitled to preferential treatment.
- Is reasonable and appropriate in the context of the business occasion and the Employee's and Representative's position.
- Is not in the context of any ongoing or pending tender process, vendor selection process or contract negotiations between CAPREIT and the third party (including, contract renewals).
- Is not to or from a competitor.
- Is not cash or cash equivalents (i.e. gift card or gift certificate).

Consultation with the Compliance Department is required when:

- A spouse, family member or guest of the Employee, Representative or third party will attend an event provided by the third party; or
- The third party providing the Entertainment but will not be present.
- If the market value of the gift exceeds CDN \$300

Always exercise caution by avoiding the receipt or offer of gifts or entertainment with a party with whom:

- you are negotiating a contract on behalf of CAPREIT, either during, immediately before or after such contract negotiations;
- you are awaiting or awarding a contract renewal.

All gift and entertainment expenses must be properly documented, accurate and recorded. Proper documentation should include at a minimum:

- supporting invoices and receipts
- name of the person or organization providing and/or receiving the gift or entertainment
- business reason for the expense in sufficient and accurate detail

### ***(c) Offering Gifts and Entertainment to Employees and Representatives***

Gifts and entertainment provided to Employees and Representatives should align with company policies and values, recognizing special occasions / holidays, achievements, milestones, or contributions. They must not influence, or appear to influence, professional responsibilities or decisions.

Gifts should be reasonable in value, proportional to the occasion, and appropriate within the professional context. Any portion of a gift exceeding the CRA annual limit\* to an employee is a taxable benefit and is required to be reported through payroll for tax purposes.

Entertainment may include Employee and Representative meals, entertainment or team building events. Entertainment must be approved by the Head of Department and include a detail of all employees and representatives in attendance. Alcoholic drinks are limited to a maximum of 2 drinks per Employee and Representative. Employees and Representatives are permitted to expense transportation (taxi, uber, etc) to their residence if they have attended any such event when alcohol is being served or the event is after normal work hours.

### ***(d) Pre-Approval Requirements***

Acceptance of individual Gifts or Entertainment that do not meet the above guidance must be pre-approved in writing by both the Department Head responsible for the Employee or Representative and the Compliance Department.

When in doubt as to whether a Gift or Entertainment is appropriate or inappropriate, Employees and Representatives must consult with the Compliance Department.

## **Sponsorship, Contributions and Donations**

### ***Sponsorship***

CAPREIT proudly sponsors various community and other events. However, any sponsorship should always be reasonable, made in good faith, to support a cause/event in line with CAPREIT's values, and without the expectation of anything in return or the intention of influencing behaviour or decision-making of others. Sponsorship of any event by CAPREIT must be pre-approved in writing by any officer of CAPREIT, or the Chair of the Cause Committee and must be disclosed to CAPREIT's accounting group for proper accounting.

\*<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/benefits-allowances/gifts-awards-social-events/gifts-awards-long-service-awards.html>

## ***Political Contributions***

This Policy prohibits the making of political contributions by or on behalf of CAPREIT to a political party, party official, or candidate for public office for the purpose of influencing official action or decision, inducing an unlawful act, inducing official influence over government action or securing any improper advantage in order to obtain or retain business. We recognize that as Canada's largest public landlord and a leader in initiatives which support the real estate industry as a whole, and the multi-family residential industry generally, that senior management may be invited to participate in events that are being held by or for a political party, party official, or candidate for public office. This Policy does not prohibit such participation, including the purchase of tickets, provided the participant obtains the prior written consent of the CEO and such participation and expense is logged with the Compliance Department, and subject at all times to applicable legislation regarding lobbying activity.

Subject to the above, Employees and Representatives are permitted to participate in political activities or support any political parties of their choosing, provided this is done expressly on their own behalf and own time.

## ***Donations***

CAPREIT Representatives are permitted to make community or charitable donations on CAPREIT's behalf through CAPGiving or are required to get pre-approval in writing by the Chair of the CAPGiving Committee. The CAPGiving program is a charitable donation process wherein donations made on behalf of CAPREIT are vetted and approved by our CAPGiving Committee. This ensures that our charitable efforts align with CAPREIT's core values and that we are making a meaningful impact on the communities we serve.

All requests for CAPREIT donations and sponsorships must be submitted to the CAPGiving Committee at [capgiving@capreit.net](mailto:capgiving@capreit.net) for consideration. This Policy prohibits any such donations other than in good faith and without the expectation of anything in return.

Except where prohibited by law, and subject to this Policy, Employees are permitted to request charitable donations from Representatives or other third parties who do business with CAPREIT to support charitable initiatives which are officially supported by CAPREIT, provided that: (i) such request would not improperly influence (or appear to improperly influence) business decisions, including any ongoing or pending tendering and vetting process; (ii) all proceeds will be paid to a registered charity.

In no event may sponsorships or contributions be made in CAPREIT's name or on CAPREIT's behalf, to organizations, including charities, whose values or purpose are contrary to or inconsistent with CAPREIT's values or business objectives.

When in doubt as to whether a sponsorship or contribution is inappropriate, Employees and Representatives should consult with the Compliance Department.

## ***Books, Records, and Expenses***

Books, records and accounts must be kept in an accurate and reasonably detailed fashion so that they fairly reflect all transactions, which include a detail of the gift, entertainment (list of attendees), sponsorship, contribution or donation. Employees must report and classify expenses properly and identify any expense which may be the subject of this Policy.

Personal or third-party funds may not be used to circumvent CAPREIT policies or applicable laws, or to otherwise accomplish what is prohibited at law or under our policies.

## **Compliance**

Violations of this Policy may result in disciplinary action, up to and including termination. Violations of this Policy may also violate applicable laws, which may have additional consequences for CAPREIT, and violators personally, including significant penalties and fines. Penalties and fines against a violator personally will not be paid by CAPREIT.

In certain cases, violators may be subject to criminal conviction and imprisonment.

If an Employee or Representative is unsure if their conduct is in compliance with this Policy or application of Anti-Corruption Laws, or becomes aware of, or suspects, a violation of this Policy or a violation of any Anti-Corruption Laws, they should report the violation to the EVP, Risk and Compliance. For additional reporting procedures, please refer to the Ethical Reporting Policy. CAPREIT has a strict no retaliation policy and will not tolerate any kind of retaliation against anyone who, in good faith, reports a violation or suspected violation of this Policy or a violation or suspected violation of Anti-Corruption Laws.

Any questions about this Policy or about Anti-Corruption Laws in general should be addressed to the Compliance Department. A copy of this Policy will be provided to all new hires, and to all current Employees on an annual basis.

**This Policy was approved by the Governance and Nominating Committee on February 12, 2025 and the Board of Trustees of CAPREIT on February 13, 2025 and may be amended from time to time.**