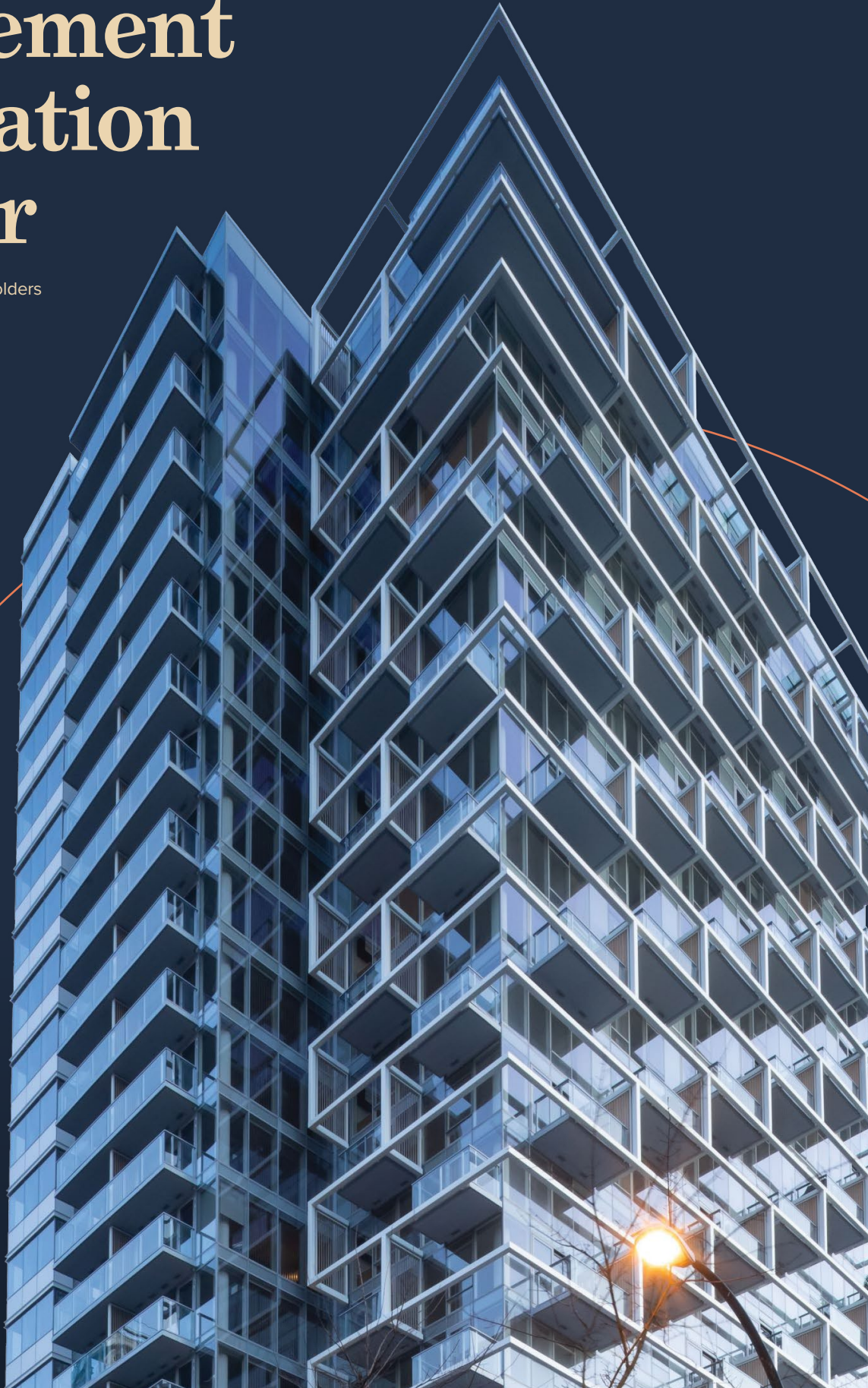




CANADIAN APARTMENT
PROPERTIES • REIT

Management Information Circular

Annual and Special Meeting of Unitholders
June 3, 2025



Letter To Unitholders

April 10, 2025

Dear Fellow Unitholders,

On behalf of the Board of Trustees, we are pleased to invite you to the Annual and Special Meeting of Trust Unitholders of Canadian Apartment Properties Real Estate Investment Trust ("**CAPREIT**") on June 3, 2025. This year's meeting will be held as a hybrid meeting. Trust Unitholders (as defined herein) will have the option to attend the meeting in-person at the offices of Ernst & Young LLP, 100 Adelaide Street West, 26th Floor, Toronto, Ontario M5H 0B3 or virtually by way of a live webcast. Trust Unitholders participating virtually will be able to listen, participate and vote at the meeting in real time through a web-based platform by following the procedures set out herein. As a holder of units and special voting units, you have the right to receive our financial statements and to vote your Trust Units (as defined herein) at the meeting.

Our 2025 Management Information Circular includes important details about the business of the meeting and the items that you will be voting on, as well as information about our governance practices and executive compensation program. Please read the Management Information Circular before you vote your Trust Units.

We are very pleased with our performance in 2024, and the significant progress we made towards becoming a better-quality business. Our strategy has always revolved around enhancing the living experience of our residents, improving the communities in which we operate, and maximizing value for our Unitholders. Historically, our success and experience in this endeavour led our expansion into different markets and asset classes. Today, however, we are refining our organization and reallocating our resources back into our Canadian apartment portfolio, which is where we have the strongest competitive advantages, and the greatest ability to drive returns for our Unitholders.

In 2024, we completed an unprecedented volume of transaction activity, between the disposition of certain older, under-performing properties, non-core segments and other ancillary interests in Europe, and the reinvestment into high-quality, recently constructed rental properties in Canada. This has streamlined our platform into a simpler, stronger and singularly focused entity, primed for many more years of value creation. We have a pan-Canadian portfolio that is one of the most geographically diversified amongst peers, with a balanced mixture of mid-market, largely regulated legacy buildings, along with a smaller proportion of newer purpose-built apartment properties, which together provide an optimal runway of long-term growth and stability in returns. This unique positioning provides a buffer against the effects of shorter-term gyrations in supply-demand dynamics, while in the long term, we remain constructive on the robust residential rental market fundamentals in Canada. Our business, and the broader multi-residential industry, has traditionally been counter-cyclical and resilient in recessionary periods, and as a testament to that, we are pleased with our Unitholders having received a compound annual return of 11% since inception. This includes the 3% increase in our rate of distribution in 2024, to \$1.50 per Trust Unit annualized, effective for monthly distributions in respect of August 2024 onward. Further to that, we just increased our rate of distribution again by an additional

3% to \$1.55 per Trust Unit annualized, first effective with respect to February 2025, and we believe this demonstrates our ongoing confidence in the future.

Regardless of what lies ahead, we will stay focused on the execution of our strategy while also regularly re-evaluating that strategy as our operating environment inevitably continues to evolve. We have never had a better team in place, and the Board of Trustees remains fully supportive of management and their ability to efficiently and responsibly execute on our objectives and continue generating positive returns for Unitholders in the years to come.

Environmental, social and governance ("**ESG**") also remains a major priority for us, and our multi-year ESG strategy and roadmap is endorsed by the Board of Trustees and implemented at all levels of the organization. This includes our contribution to the provision of affordable rental housing in Canada, and we encourage you to review our ESG report to learn more about this, and all the other initiatives we have at CAPREIT to meet our ESG commitments.

This past year, we were excited to have welcomed Mr. David Wesik to CAPREIT's Board of Trustees. Mr. Wesik has extensive residential and development experience and knowledge of the Vancouver real estate market, which provides great value to CAPREIT. Furthermore, we are recognizing Mr. Harold Burke who will be retiring from the Board of Trustees following 15 years of service, which is the maximum term under CAPREIT's trustee term limit policy. Mr. Burke's invaluable insight, expertise and leadership has played a key role in driving CAPREIT's success, and we would like to thank Mr. Burke for his time, effort and dedication to helping CAPREIT achieve its goals.

We would finally like to express our appreciation to all our Unitholders for their continued support and engagement throughout 2024. Your vote is important to us, and we encourage you to read this Management Information Circular and vote your Trust Units.

Yours truly,



Dr. Gina Parvaneh Cody,
C.M., F.C.A.E.

Chair of the
Board of Trustees



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Notice of Annual and Special Meeting of the Trust Unitholders of Canadian Apartment Properties Real Estate Investment Trust

NOTICE IS HEREBY GIVEN THAT the Annual and Special Meeting (the “**Meeting**”) of the holders (the “**Trust Unitholders**”) of units and special voting units of Canadian Apartment Properties Real Estate Investment Trust (“**CAPREIT**”) will be held on June 3, 2025 at 4:00 p.m. (Toronto time) as a hybrid meeting where you can attend in-person at the offices of Ernst & Young LLP, 100 Adelaide Street West, 26th Floor, Toronto, Ontario M5H 0B3 or virtually, by way of a live webcast online at <https://web.lumiconnect.com/237733625>, for the following purposes:

1. to receive the audited consolidated financial statements of CAPREIT for the financial year ended December 31, 2024, together with the auditor’s report thereon;
2. to elect the trustees of CAPREIT;
3. to appoint Ernst & Young LLP as the auditor of CAPREIT and authorize the trustees to fix the remuneration to be paid to the auditor;
4. to consider and, if thought advisable, approve a non-binding advisory say-on-pay resolution accepting CAPREIT’s approach to executive compensation, as more fully described in the annexed management information circular (the “**Circular**”);
5. to consider and, if thought advisable, to reconfirm the unitholders’ rights plan agreement, as more fully described in the Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournments or postponements thereof.

Trust Unitholders and duly appointed proxyholders that wish to attend the Meeting virtually should follow the procedures described herein to be able to attend, submit questions, and vote at the Meeting virtually at <https://web.lumiconnect.com/237733625> at 4:00 p.m. on June 3, 2025. Non-registered (beneficial) Trust Unitholders who have not duly appointed themselves as proxyholder will only be able to attend the Meeting virtually as guests and will not be able to vote, ask questions or otherwise participate at the Meeting through the virtual meeting platform.

If you are not planning to or are unable to attend the Meeting, kindly sign and return the form of proxy or voting instruction form and deposit it with Computershare Investor Services Inc. (“**Computershare**”), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or via the internet at www.investorvote.com, not later than 4:00 p.m. (Toronto time) on May 30, 2025 or, if the Meeting is adjourned or postponed, prior to 4:00 p.m. (Toronto time) on the second business day before any adjournment or postponement of the Meeting.

Trust Unitholders who wish to appoint a proxyholder other than the persons designated by CAPREIT on the form of proxy or voting instruction form (including a non-registered Trust Unitholder who wishes to appoint themselves as proxyholder) must carefully follow the instructions in this Notice of Meeting, the Circular, and on their form of proxy or voting instruction form. Trust Unitholders wishing to appoint a proxyholder other than the persons designated by CAPREIT to participate in the Meeting through the virtual meeting platform must also register such proxyholder with our transfer agent, Computershare at <http://www.computershare.com/CAPREIT> in advance of the Meeting, after submitting their form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a control number that will act as the proxyholder’s log-in credentials and is required for them to vote and participate at the Meeting through the virtual meeting platform and, consequently, only being able to attend the Meeting through the virtual meeting platform as a guest. Non-registered Trust Unitholders located in the United States must also provide Computershare with a duly completed legal proxy if they wish to vote at the Meeting or appoint a third party as their proxyholder. This year, CAPREIT is using “notice-and-access” to deliver our meeting materials. Accordingly, this Notice of Meeting, the Circular, our audited annual financial statements for the financial year ended December 31, 2024, and the related management discussion and analysis have been posted on www.envisionreports.com/CAMQ2025 and under our profile on SEDAR+ at www.sedarplus.ca. **Registered Trust Unitholders and non-registered Trust Unitholders who have previously provided standing instructions to receive paper copies will receive such documents by mail.**

For more information regarding notice-and-access, you may call Computershare toll-free at 1-866-964-0492. To obtain a paper copy of these documents you may call Computershare toll-free at 1-866-962-0498.

DATED at Toronto, Ontario this 10th day of April 2025.

**BY ORDER OF THE BOARD OF TRUSTEES OF CANADIAN APARTMENT PROPERTIES
REAL ESTATE INVESTMENT TRUST**



Mark Kenney
President and Chief Executive Officer

Date:

June 3, 2025

Time:

4:00 pm (Toronto time)

Place:

In-Person meeting at:
The offices of Ernst & Young LLP, 100 Adelaide Street West, Toronto, Ontario M5H 0B3 on the 26th Floor.

Virtual meeting via live webcast at:
<https://web.lumiconnect.com/237733625>

Management Information Circular Summary

This summary highlights information contained elsewhere in this Circular. It does not contain all the information that you should consider when voting on the matters brought before the Meeting. Please read the entire Circular carefully before voting. Capitalized terms used in this summary and not defined herein have the meanings ascribed to them elsewhere in this Circular, unless otherwise specified.

Unitholder Voting Matters

Proposal	Board Recommendation
1. Elect the trustees of CAPREIT	FOR each nominee
2. Appoint the auditor of CAPREIT	FOR
3. Approve a non-binding advisory say-on-pay resolution	FOR
4. Reconfirm the Unitholders' Rights Plan Agreement	FOR

Record Date

You are entitled to vote at the Meeting if you were a holder of Trust Units at the close of business on April 7, 2025.

Vote Deadline

To ensure that your vote is counted, please vote by 4:00 p.m. (Toronto time) on May 30, 2025.

1. Elect the Trustees

While the Board of Trustees of CAPREIT (the “**Board**”) currently consists of ten (10) trustees, the Board has fixed the size of the Board at nine (9) trustees effective as of the close of the Meeting. Accordingly, the following nine (9) nominees are being put forward for election to the Board: Lori-Ann Beausoleil, Gina Parvaneh Cody, Mark Kenney, Gervais Levasseur, Ken Silver, Jennifer Stoddart, Elaine Todres, René Tremblay and David Wesik.

2. Appoint the Auditor

Trust Unitholders will be asked to approve the appointment of Ernst & Young LLP, as the auditor of CAPREIT to hold office until the close of the next annual meeting of Trust Unitholders.

3. Say-on-Pay Non-Binding Advisory Vote

Trust Unitholders will be asked to approve an advisory resolution accepting CAPREIT's approach to executive compensation as disclosed in this Circular.

4. Reconfirmation of Unitholders' Rights Plan Agreement

Trust Unitholders will be asked to reconfirm CAPREIT's Unitholders' Rights Plan Agreement.

You may vote by proxy before the Meeting using one of the following methods

Your vote is important. We encourage you to vote your Trust Units in advance of the Meeting using one of the following methods:



Internet

You will need to have your proxy form or voting instruction form in hand. Go to the website listed on the form that you received and follow the instructions on the screen.



Telephone

You will need to have your proxy form or voting instruction form in hand. Dial the phone number listed on the form that you received and follow the voting prompts.



Mail

Complete your proxy form or voting instruction form and return using the enclosed postage-paid envelope

Trustee Nominees Overview

Trustee	Principal Occupation during preceding five years	Age	Independent Trustee	Trustee since	% Vote FOR at 2024 Annual Meeting	Committee Membership ⁽¹⁾	Other current public boards	Unit Ownership Requirement Met as of March 25, 2025
Lori-Ann Beausoleil	Corporate Director, Strategic Advisor and Retired Partner of PwC	61	Yes	2021	99.88%	AC	Metro Inc.	In Progress ⁽²⁾
Gina Parvaneh Cody	Corporate Director	68	Yes	2017	95.53%		ERES Sienna Senior Living Inc.	Yes
Mark Kenney	President and Chief Executive Officer and former Chief Operating Officer of CAPREIT, Chief Executive Officer of ERES	57	No	2019	96.12%		ERES	Yes
Gervais Levasseur	Consultant and Corporate Director	66	Yes	2022	98.09%	AC, IC	ERES	In Progress ⁽²⁾
Ken Silver	Corporate Director and former President and Chief Executive Officer of CT Real Estate Investment Trust	66	Yes	2022	98.15%	AC, IC, HRC	None	In Progress ⁽²⁾
Jennifer Stoddart	Strategic Advisor at Fasken LLP	76	Yes	2023	97.55%	GNC, HRC	None	In Progress ⁽²⁾
Elaine Todres	Chief Executive Officer of Todres Leadership Counsel (a consultancy company)	75	Yes	2013	95.26%	GNC, HRC	None	Yes
René Tremblay	Corporate Director	70	Yes	2020	98.09%	GNC, IC	None	Yes
David Wesik	President and Founder of Third Space Properties	44	Yes	2024	N/A	AC, IC	None	In Progress ⁽²⁾

Notes:

1. "AC" refers to the Audit Committee; "GNC" refers to the Governance and Nominating Committee; "HRC" refers to the Human Resources and Compensation Committee; and "IC" refers to the Investment Committee.
2. Ms. Beausoleil, Mr. Levasseur, Mr. Silver, Ms. Stoddart and Mr. Wesik are trustees in progress of meeting their requirement. Trustees have up to 5 years to meet the requirement after becoming a trustee.

Corporate Governance Overview

The Board and Management of CAPREIT consider good corporate governance and effective market practices to be essential components of its operations and integral in achieving the CAPREIT's objective of enhancing value for its unitholders and in ensuring CAPREIT's long-term viability.

Corporate Governance Practices Highlights

- **Separation of CEO and Chair** of the Board.
- **Independent Board and Chair:** All members of the Board are independent, except the CEO.
- **Only independent Trustees on all committees** of the Board.
- **40% women representation on the Board in 2024** and policy requiring a minimum of 30% representation of women on the Board.
- **Minimum Trustee unit ownership requirement** equivalent to 3x total annual retainer including cash and equity.
- **In-camera meetings of independent Trustees** at Board meetings.
- **Robust risk management** process.
- **Board Renewal:** Use of skills matrix and evergreen list as part of the Board renewal process. In 2024, introduced a 15 year term limit for trustees.
- **Average Board Tenure** of 5.5 years as of December 31, 2024.
- **Unitholder Engagement Policy** providing for Management and Board unitholder engagement.
- **Regular continuing education programs** for Trustees.
- **Board oversight of ESG matters** including alignment of the ESG strategy with CAPREIT's overall business strategy.

Compensation Overview

The executive compensation programs (as more fully described below), in the Human Resources and Compensation Committee's view, provide executives with an appropriate and competitively balanced mix of guaranteed cash (base salary) and performance-based (short-term cash-based and long-term equity-based) incentive compensation. CAPREIT's compensation programs are designed to achieve the following objectives:

- **Attract, retain and motivate** highly qualified executive officers, while at the same time promoting a greater alignment of interests between such executive officers and Trust Unitholders;
- **Provide a reward for the achievement** of CAPREIT's annual and long-term strategic, financial and non-financial objectives;
- **Provide competitive compensation** aligned with those companies with which CAPREIT competes for talent;
- **Differentiate compensation to provide recognition** and reward individual executive officer's performance, responsibilities, experience, skill, value and contribution to CAPREIT; and
- **Discourage excessive risk-taking** behaviour that could have a material adverse effect on CAPREIT.

The executive compensation package is designed to assist CAPREIT in attracting and retaining the best available personnel for positions of substantial responsibility and aligning their interests with those of CAPREIT's unitholders and other stakeholders. Each year, we review our compensation package to ensure alignment with our compensation philosophy and values.

CAPREIT's compensation components aim for an optimal balance between fixed and variable pay to encourage participation and behaviour that aligns with the longer-term interests of CAPREIT, its unitholders and other stakeholders.

Risk management is at the heart of our daily operations. Consequently, CAPREIT's compensation programs are founded on principles and processes that support the management of risk, ensuring Management's plans and activities are prudent and focused on generating unitholder value within an effective risk control environment.

Compensation Practices Highlights

- **Say-on-Pay: Annual unitholder advisory vote on executive compensation.**
- **Strong pay and performance** relationship.
- **Performance-based compensation includes a metric that benchmarks against FFO (as defined below)**, as it excludes the effects of certain items that are not indicative of CAPREIT's long-term operating performance.
- **The short-term incentive (cash) bonus includes financial, strategic, ESG and individual performance metrics.** The long-term incentive plan (equity) is tied to CAPREIT's financial performance and relative total unitholder returns.
- **Capped the maximum amount of incentive** bonus a NEO may receive.
- **Robust Claw Back Policy** applicable to all variable compensation, including cash bonuses and equity compensation.
- **Minimum Trustee unit ownership requirement** equivalent to 3x total annual retainer including cash and equity.
- **Minimum CEO unit ownership requirement** equivalent to 5x salary.
- **Minimum unit ownership requirements for certain Executives** equivalent to 3x salary for NEOs (other than the CEO) and 2x salary for Vice Presidents and above.
- **RUR grants** settle in units upon vesting for the CEO and Executives.
- **Prohibition for Trustees and NEOs to hedge their economic risk** or reduce their exposure to changes in unit price with respect to any securities of CAPREIT.
- **Retention of independent** compensation consultant from time to time.

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation by and on behalf of the management of Canadian Apartment Properties Real Estate Investment Trust (“**CAPREIT**”) of proxies to be used at the annual and special meeting (the “**Meeting**”) of the holders of the units (the “**Units**”) and special voting units (the “**Special Voting Units**”, and together with the Units, the “**Trust Units**”) of CAPREIT, to be held on the 3rd day of June 2025, as a hybrid meeting at the time and for the purposes set forth in the notice of meeting (the “**Notice of Meeting**”) and at any adjournment(s) or postponement(s) thereof. The holders of Units (“**Unitholders**”) and Special Voting Units (“**Special Unitholders**”) are referred to collectively in this Circular as “**Trust Unitholders**”. The solicitation is being made primarily

by sending certain proxy-related materials to Trust Unitholders by mail, and with respect to the delivery of the Notice of Meeting and this Circular, by posting the Notice of Meeting and this Circular on CAPREIT’s profile on SEDAR+ at www.sedarplus.ca and by making such materials electronically available at www.envisionreports.com/CAMQ2025 a website hosted by Computershare Investor Services Inc. (“**Computershare**”), as provided in the package received by Trust Unitholders, pursuant to the notice and access mechanism. On April 10, 2025, the board of trustees of CAPREIT (the “**Board**”) approved the contents of this Circular and other ancillary meeting materials, including the approval of each of the matters to be voted on by Trust Unitholders. All information in this Circular is given as of March 25, 2025, unless otherwise indicated.

Notice And Access

CAPREIT has elected to use the “notice and access” process, as permitted by CAPREIT’s amended and restated declaration of trust dated as of June 1, 2022 (the “**Declaration of Trust**”) and applicable securities regulatory authorities, for distribution of the Notice of Meeting, the Circular, the audited financial statements for the year ended December 31, 2024, and the accompanying management’s discussion and analysis to both registered Trust Unitholders (each a “**Registered Trust Unitholder**”) and Non-Registered Trust Unitholders (defined below). Such materials are posted online for Trust Unitholders to access instead of being mailed to Trust Unitholders. Notice and access reduces printing and mailing costs and is more environmentally friendly as it uses less materials and energy consumption.

Trust Unitholders will receive a package in the mail which will include, among other information: (i) a form of proxy or voting instruction form with instructions on how to vote their Trust Units; (ii) basic information about the Meeting and the matters to be voted on thereat; (iii) instructions on how to access the meeting

materials electronically; and (iv) instructions on how to receive a paper copy of the meeting materials, if desired. **Registered Trust Unitholders and Non-Registered Trust Unitholders who have previously provided standing instructions to receive paper copies of the meeting materials will receive such documents by mail.**

In order to receive a paper copy of the meeting materials free of charge, requests by Trust Unitholders can be made to Computershare by phone at 1-866-964-0492. Paper copies must be requested by May 16, 2025, in order to be received prior to 4:00 p.m. (Toronto time) on May 30, 2025, which is the deadline for the submission of voting instructions. Trust Unitholders with questions about notice and access can call Computershare toll-free at 1-866-964-0492. If you are a Registered Trust Unitholder and have previously provided standing instructions indicating that you wish to receive paper copies of the meeting materials, you may revoke your instructions by calling Computershare at the number above.

Attending the Meeting

This year, the Meeting will be held as a hybrid meeting, which will be conducted in-person at the offices of Ernst & Young LLP, 100 Adelaide Street West, 26th Floor, Toronto, Ontario M5H 0B3 and virtually via live webcast. Trust Unitholders will be able to (i) participate in the Meeting in-person, or (ii) participate in the Meeting through the virtual meeting platform by following the procedures described herein.

Trust Unitholders and duly appointed proxyholders that wish to attend, participate in and vote at the Meeting virtually at <https://web.lumiconnect.com/237733625> must follow the procedures described herein. Such persons may enter the Meeting through the virtual meeting platform by clicking “I have a control number” and entering a valid control number and the password “capreit2025” (case sensitive) before the start of the Meeting. Registered Trust Unitholders will receive their control number on the form of proxy. Guests, including Non-Registered Trust Unitholders who have not duly appointed themselves as a proxyholder, can login to the Meeting through the virtual meeting platform by clicking “I am a guest” and completing the online form. Guests attending the Meeting virtually will be able to listen to the Meeting but will not be able to ask questions, vote or otherwise participate at the Meeting.

A summary of the information Trust Unitholders and duly appointed proxyholders will need to attend and vote at the Meeting through the virtual meeting platform is provided in this Circular.

Trust Unitholders and duly appointed proxyholders that follow the procedures described herein will be able to ask questions during the Meeting through the virtual meeting platform and make or comment on a motion, or raise a point of order, by using the virtual meeting platform and selecting the messaging

tab and typing in the submission at the top of the screen and clicking the send arrow. Trust Unitholders and duly appointed proxyholders that are eligible to participate in the Meeting are also welcome to submit in advance any questions that they would like management to address during the Meeting by emailing them to corporatesecretary@capreit.net by 4:00 p.m. (Toronto time) on May 29, 2025.

We expect to have sufficient time to address all questions or comments at the Meeting. In the unlikely event that this is not the case, CAPREIT will communicate with you after the Meeting if you have provided your contact information. If substantially similar questions or comments are received, these may be grouped and a single response provided to avoid repetition. Matters of individual concern to a Trust Unitholder rather than of general concern to all Trust Unitholders need not be addressed at the Meeting and should instead be raised separately after the Meeting by contacting ir@capreit.net.

If you attend the Meeting virtually, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting. The Meeting will begin promptly at 4:00 p.m. (Toronto time) on June 3, 2025, unless otherwise adjourned or postponed. Online check-in will begin one hour prior to the meeting, at 3:00 p.m. (Toronto time). You should allow ample time for online check-in procedures. For technical difficulties entering the Meeting, please email helpdesk.us@lumiglobal.com.

CAPREIT intends to make the playback of the Meeting available on its website for at least one year following the Meeting.

How Do I Vote?

If you are a Registered Trust Unitholder as of the close of business on the Record Date (as defined below), you may vote by proxy prior to the Meeting, or attend the Meeting in-person at the offices of Ernst & Young LLP, 100 Adelaide Street West, 26th Floor, Toronto, Ontario M5H 0B3 or virtually at <https://web.lumiconnect.com/237733625>. There are three ways to vote prior to the Meeting:

- 1. Telephone Voting:** You may vote by calling the toll-free telephone number 1-866-732-VOTE (8683). You will be prompted to provide your control number printed on the form of proxy delivered to you. You may not appoint a person as proxyholder other than the management nominees named in the form of proxy provided if you vote by telephone. Please follow the voice prompts that allow you to vote your Trust Units and confirm that your instructions have been properly recorded.
- 2. Internet Voting:** You may vote by logging on to www.investorvote.com and following the website prompts that allow you to vote your Trust Units and confirm that your instructions have been properly recorded.
- 3. Return Your Proxy Card by Mail:** If you requested proxy materials by mail, you may vote by completing, signing and returning the form of proxy in the envelope provided to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

Appointment of Proxies

If you are a Registered Trust Unitholder and if it is not your intention to attend the Meeting, you are asked to complete and return the form of proxy in the envelope provided. The proxy must be executed by the Trust Unitholder or the attorney of such Trust Unitholder, duly authorized in writing. Proxies to be used at the Meeting must be deposited with Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 or via the internet at www.investorvote.com, not later than 4:00 p.m. (Toronto time) on May 30, 2025 or, if the Meeting is adjourned or postponed, prior to 4:00 p.m. (Toronto time) on the second business day before any adjournment(s) or postponement(s) of the Meeting.

The persons designated in the form of proxy are trustees and executive officers of CAPREIT. Each Trust Unitholder has the right to appoint a person (who need not be a Trust Unitholder), other than the person specified in the form of proxy, to attend and act on their behalf at the Meeting or any adjournment(s) or postponement(s) thereof. Such right may be exercised by striking out the names of the specified persons and inserting the name of the Trust Unitholder's nominee in the space provided or by completing another appropriate form of proxy and, in either case, delivering the form of proxy to CAPREIT prior to the Meeting and, if you wish for your proxyholder to attend, participate in or vote at the Meeting through the virtual meeting platform, registering your proxyholder online in advance of the Meeting in the manner described below.

Registering your third-party proxyholder online is an additional step to be completed after you have submitted your form of proxy. Failure to register the proxyholder will result in the proxyholder not receiving a control number, which is required for them to vote at the Meeting through the virtual meeting platform.

Step 1: Submit your form of proxy: To appoint a third-party proxyholder, insert such person's name in the blank space provided in the form of proxy and follow the instructions for submitting such form of proxy. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy.

Step 2: Register your proxyholder: To register a third-party proxyholder, Trust Unitholders must visit <http://www.computershare.com/CAPREIT> by 4:00 p.m. (Toronto time) on May 30, 2025, or, if the meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed meeting, and provide Computershare the required proxyholder contact information so that Computershare may provide the proxyholder with a control number via email.

Failure to register your proxyholder in the manner set out above will result in the proxyholder not receiving a control number that will act as the proxyholder's log-in credentials and is required for them to vote at the Meeting through the virtual meeting platform and, consequently, the proxyholder will not be able to vote or ask questions at the Meeting through the virtual meeting platform, but instead will only be able to attend the Meeting virtually as a guest. Proxyholders attending the Meeting in-person DO NOT need to be registered online in advance of the Meeting. Non-Registered Trust Unitholders located in the United States must also provide Computershare with a duly completed legal proxy if they wish to vote at the Meeting or appoint a third party as their proxyholder.

Non-Registered Trust Unitholders

Only Registered Trust Unitholders, or the persons they appoint as their proxies, are entitled to attend, and vote at the Meeting online. Most Trust Unitholders are "non-registered" Trust Unitholders because the Trust Units they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their Trust Units. More particularly, a person is not a Registered Trust Unitholder in respect of Trust Units which are held on behalf of that person (the "**Non-Registered Trust Unitholder**"), but which are registered either:

- a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Trust Unitholder deals with in respect of the Trust Units (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans ("**RRSPs**"), RRIFs, RESPs and similar plans); or
- b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, CAPREIT has distributed copies of the notice and access notice and the form of proxy (or voting instruction form) (collectively, the “**Notice and Access Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Trust Unitholders.

Intermediaries are required to forward the Notice and Access Materials to Non-Registered Trust Unitholders unless a Non-Registered Trust Unitholder has waived the right to receive them. Generally, Non-Registered Trust Unitholders who have not waived the right to receive Notice-and-Access Materials will either:

- (a) be given (typically by a facsimile, stamped signature) a form of proxy which has already been signed by the Intermediary, which is restricted as to the number of Trust Units beneficially owned by the Non-Registered Trust Unitholder, but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Trust Unitholder; or
- (b) more typically, Non-Registered Trust Unitholders will be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Trust Unitholder and returned to the Intermediary or its designated service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regularly printed proxy form accompanied by a page of instructions which contains a removable label containing a bar code and other information.

Failure to register the proxyholder according to the foregoing will result in the proxyholder not receiving a control number that will act as their log-in credentials and is required for them to vote and participate at the Meeting through the virtual meeting platform and, consequently, they will only be able to attend the Meeting through the virtual meeting platform as a guest. Proxyholders attending the Meeting in-person DO NOT need to be registered online in advance of the Meeting. Non-Registered Trust Unitholders located in the United States must also provide Computershare with a duly completed legal proxy if they wish to vote or participate at the Meeting or appoint a third party as their proxyholder.

- (c) In either case, the purpose of these procedures is to permit Non-Registered Trust Unitholders to direct the voting of the Trust Units which they beneficially own. Should a Non-Registered Trust Unitholder who receives one of the above forms wish to attend and vote at the Meeting or appoint a third-party proxyholder, the Non-Registered Trust Unitholder should strike out the names of the designated proxyholders, insert the Non-Registered Trust Unitholder’s name or third-party proxyholder in the blank space provided and, if the Non-Registered Trust Unitholder or third-party proxyholder will be attending the Meeting through the virtual meeting platform, register the Non-Registered Trust Unitholder or third-party proxyholder online, as applicable, in advance of the Meeting as described below. Registering the Non-Registered Trust Unitholder or third-party proxyholder online, as applicable, is an additional step to be completed after submitting the proxy authorization form. Failure to register the Non-Registered Trust Unitholder or third-party proxyholder online, as applicable, will result in such individual not receiving a control number that is required for them to vote at the Meeting through the virtual meeting platform. To summarize, the steps for the Non-Registered Trust Unitholder who wishes to submit a proxy authorization form would be as follows:

- **Step 1: Submit your proxy authorization form:** properly complete the proxy authorization form and deliver it to the applicable Intermediary as provided above. This must be completed prior to registering the Non-Registered Trust Unitholder or third-party proxyholder online, as applicable, which is an additional step to be completed once you have submitted your proxy authorization form.
- **Step 2: Register your proxyholder:** register your Non-Registered Trust Unitholder or third-party proxyholder online, as applicable, as proxyholder. To register such individual, Non-Registered Trust Unitholders must visit <http://www.computershare.com/CAPREIT> by 4:00 p.m. (Toronto Time) on May 30, 2025, or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time and date of the adjourned or postponed Meeting, and provide Computershare the required contact information so that Computershare may provide the proxyholder with a control number via email.

Changing Your Vote

A Trust Unitholder may revoke its proxy at any time, by voting again online at www.investorvote.com or by phone or fax before 4:00 p.m. on May 30, 2025, or by completing an instrument in writing executed by such Trust Unitholder or by their attorney authorized in writing and:

- (a) depositing it with the registered office of CAPREIT, 11 Church Street, Suite 401, Toronto, Ontario M5E 1W1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) or postponement(s) thereof, at which the proxy is to be used;
- (b) depositing it with the Chair of the Meeting on the day of the Meeting, or any adjournment(s) or postponement(s) thereof, at which the proxy is to be used; or
- (c) filing it electronically with the Corporate Secretary of CAPREIT, at corporatesecretary@capreit.net on the day of the Meeting, or any adjournment(s) or postponement(s) thereof.

Only Registered Trust Unitholders have the right to revoke a proxy. Non-Registered Trust Unitholders who wish to change their vote must arrange for their respective Intermediaries to revoke the proxy on their behalf.

If as a Registered Trust Unitholder, you are using your 15-digit control number to login to the Meeting through the virtual meeting platform and you accept the terms and conditions, you will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you vote by online ballot at the Meeting, you will be revoking any and all previously submitted proxies for the Meeting. If you do not vote by online ballot at the Meeting, your previously submitted proxies will not be revoked and will continue to be counted by Computershare in tabulating the vote with respect to the matters put forth at the Meeting. If you enter the Meeting through the virtual meeting platform as a guest, you will not be able to vote and you will not be able to ask questions.

Exercise of Discretion by Proxies

The Trust Units represented by any proxy received by management will be voted or withheld from voting by the persons named in the form of proxy in accordance with the direction of the Trust Unitholder appointing them. In the absence of any direction to the contrary, it is intended that the Trust Units represented by proxies received by management will be voted on any ballot **"for"**: (i) the election of the trustees; (ii) the appointment of the auditor of CAPREIT; (iii) a non-binding advisory say-on-pay resolution accepting CAPREIT's approach to executive compensation; and (iv) the reconfirmation of the Unitholders' Rights Plan Agreement.

The form of proxy confers discretionary authority upon the persons named therein with respect to matters not specifically mentioned in the Notice of Meeting, but which may properly come before the Meeting or any adjournment(s) or postponement(s) thereof and with respect to amendments to or variations of matters identified in the Notice of Meeting. As at the date of this Circular, management knows of no such amendments, variations, or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and routine matters incidental to the conduct of the Meeting. If any further or other business is properly brought before the Meeting, it is intended that the persons appointed as proxy will vote on such other business in such manner as such persons then consider to be proper.

Authorized Capital, Voting Units and Principal Holders Thereof

The authorized capital of CAPREIT consists of an unlimited number of Units and 25,840,600 Preferred Units. CAPREIT may also issue an unlimited number of Special Voting Units. As at March 25, 2025, 160,733,362 Units, 1,444,809 Special Voting Units, and no Preferred Units were issued and outstanding.

A holder of Trust Units is entitled to one (1) vote in respect of each matter to be voted upon at the Meeting for each Trust Unit registered in their name as at the close of business on April 7, 2025 (the “**Record Date**”). Only Trust Unitholders of record on the books of CAPREIT as of the close of business on the Record Date are entitled to receive notice of and vote at the Meeting.

To the knowledge of the trustees and officers of CAPREIT, as at the date of this Circular, no person or company beneficially owns, controls, or directs, directly or indirectly, Trust Units carrying more than ten percent (10%) of the voting rights attached to any class of voting securities of CAPREIT.

Quorum

The quorum at the Meeting or any adjournment thereof shall be individuals present in-person or by electronic means, as applicable, not being less than two (2) in number and being Trust Unitholders or a proxyholder representing by proxy Trust Unitholders, and who hold or represent by proxy, in the aggregate, not less than 25% of the total number of outstanding Trust Units entitled to vote.

Non-IFRS Financial Measures

In this Circular, CAPREIT discloses and discusses certain financial measures not recognized under International Financial Reporting Standards as set out in Part I of the CPA Canada Handbook (“**IFRS**”) and that do not have standard meanings prescribed by IFRS. These include Funds From Operations (“**FFO**”), FFO per Unit, FFO payout ratio, FFO per Unit Growth Rate, Ratio of Total Debt to Gross Book Value, Debt Service Coverage Ratio and Interest Coverage Ratio (collectively, the “**non-IFRS measures**”). These non-IFRS measures are further discussed below. Since FFO is not a measure determined under IFRS, it may not be comparable to similar measures reported by other issuers. CAPREIT has presented such non-IFRS measures because management believes these non-IFRS measures are relevant measures of the ability of CAPREIT to earn revenue and to evaluate CAPREIT’s performance and cash flows. The non-IFRS measures should not be construed as alternatives to net income (loss) or cash flows from operating activities determined in accordance with IFRS as indicators of CAPREIT’s performance or sustainability of CAPREIT’s distributions. Refer to the management discussion & analysis (“MD&A”) for the year ended December 31, 2024 for definitions and reconciliations of non-IFRS measures.

Matters Requiring Unitholder Approval

1. Election of Trustees

CAPREIT's Declaration of Trust provides for a flexible number of trustees, subject to a minimum of seven (7) and a maximum of eleven (11) trustees. Trust Unitholders have authorized the Board to increase or decrease, from time to time, the number of trustees within the limits prescribed by the Declaration of Trust, provided that the trustees may not appoint an additional trustee if, after such appointment, the total number of trustees would be greater than one and one-third (1/3) times the number of trustees in office immediately following the last annual meeting of Trust Unitholders.

The Board has fixed the size of the Board at nine (9) trustees effective as of the close of the Meeting. It is intended that on any resolution or ballot that may be called for relating to the election of the trustees, the Trust Units represented by proxies in favour of management nominees will be voted in favour of the election, separately, of each of Lori-Ann Beausoleil, Gina Parvaneh Cody, Mark Kenney, Gervais Levasseur, Ken Silver, Jennifer Stoddart, Elaine Todres, René Tremblay and David Wesik as a trustee of CAPREIT, unless a Trust Unitholder has specified in their proxy that their Trust Units are to be withheld from voting on the election of trustees. Management does not contemplate that any of the proposed nominees will be unable to serve as a trustee, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised to vote the Trust Units represented by such proxies for the election of such other person or persons as trustees nominated in accordance with the Declaration of Trust and the best judgment of the management nominees. CAPREIT has been informed by each nominee that he or she is willing to stand for election and to serve as a trustee.

The trustees have adopted a policy that entitles each Trust Unitholder to vote for each nominee on an individual basis. The trustees have also adopted a majority voting policy to require a trustee's resignation as a trustee to the Board when the trustee receives more "withheld" votes than "for" votes in an uncontested election of trustees at an annual general meeting of Trust Unitholders, such as the Meeting. The Governance and Nominating Committee will consider such a resignation and recommend to the Board whether to accept it. In its deliberations, the Governance and Nominating Committee may consider any stated reasons as to why Trust Unitholders "withheld" votes from the election of the relevant trustee, the effect an applicable resignation resulting from such votes may have on CAPREIT's ability to comply with its Declaration of Trust or applicable securities law requirements, applicable regulations or commercial agreements regarding the

composition of the Board, and any other factors that the members of the Governance and Nominating Committee consider relevant. The other trustees would be expected to take into account the decision of the Governance and Nominating Committee and either accept or reject the resignation. The Board shall act on the Governance and Nominating Committee's recommendation within 90 days after the applicable Trust Unitholders' meeting, and CAPREIT shall issue a press release either announcing the resignation or explaining why the Board had not accepted the resignation. The trustee who tendered the resignation would not be part of the decision-making process. The Board must accept the resignation, except in exceptional circumstances.

If a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general meeting of Trust Unitholders. Alternatively, it may fill the vacancy in accordance with the Declaration of Trust.

The current term of office of the trustees of CAPREIT will expire at the close of the Meeting. It is proposed that each of the persons whose name appears below be elected as a trustee of CAPREIT to serve until the close of the next annual general meeting of Trust Unitholders or until their successor is elected or appointed.

The following table sets forth the name and residence of each of the nominees, whether each nominee is an "independent" trustee (as that term is defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110")) for the purposes of the audit committee (the "Audit Committee"), and as that term is defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") for all other purposes), their respective principal occupations during the last five (5) years, the nature and extent of their experience in the real estate industry and their current public board memberships, the year each of them became a trustee, and information as to voting and other securities of CAPREIT beneficially owned, controlled, or directed, directly or indirectly, by each of them as at March 25, 2025.

The persons named in the form of proxy or voting instruction form intend to vote at the Meeting in favour of the election of each of the nominees listed below, unless the Trust Unitholder has specified in the form of proxy or voting instruction form that such Trust Unitholder's Trust Units are to be withheld from voting on the resolution.



Lori-Ann Beausoleil, FCPA, FCA

Mississauga, Ontario, Canada – Age 61 – Trustee since 2021

Lori-Ann Beausoleil, FCPA, FCA is a corporate director and a retired Partner of PricewaterhouseCoopers LLP (“**PwC**”). Over her 35-year career at PwC, Ms. Beausoleil held various leadership positions including National Leader – Compliance, Ethics and Governance, Real Estate Leader, National Forensic Services Leader and a member of PwC’s Deals Leadership Team. She currently is a Board member, Audit Committee member and Governance and Corporate Responsibility Committee member of Metro Inc. (TSX:MRU); Lead Director, Board member and Audit Committee Chair of Brookfield Real Estate Income Trust Inc. (a private U.S. REIT); and Lead Director, Board member and Financial & Audit Committee Chair of Cboe Canada. Ms. Beausoleil is also a member of the Canadian Chartered Professional Accountants and the Chartered Professional Accountants of Ontario and is a CPA Ontario Fellow. She holds a Bachelor of Commerce degree from the University of Toronto.

Independent Trustee

Areas of Expertise:

- Real Estate Financing
- Acquisitions, Dispositions and Mergers and Acquisitions (“M&A”)
- Executive Leadership and Management Experience
- Financial Accounting and Reporting
- Social Responsibility and Community Engagement
- Equity, Diversity and Inclusion
- Corporate Governance

Committee Membership:	Audit Committee		
2024 Voting Results:	Votes for: 113,088,338 (99.88%) Votes Withheld: 134,023 (0.12%)		
Other Public Company Boards:	Metro Inc. (TSX:MRU), Director		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	850	Trust Units (\$) \$ 36,406
	DUP ⁽¹⁾ (#)	8,785	DUP (\$) \$ 376,262
	Total (#)	9,635	Total Market Value (\$) \$ 412,668
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		2.17x Annual Retainer



Independent Trustee

Areas of Expertise:

- Property Development, Planning and Construction
- Property and Asset Management
- Executive Leadership and Management Experience
- Human Capital
- Energy Management and/or Climate-related Risk
- Social Responsibility and Community Engagement
- Equity, Diversity and Inclusion

Dr. Gina Parvaneh Cody

Toronto, Ontario, Canada – Age 68 – Trustee since 2017 – Chair of the Board

Dr. Gina Parvaneh Cody, C.M., F.C.A.E has over 30 years experience as a professional engineer, corporate executive and principal shareholder of a national engineering firm, providing services to some of Canada's largest REITs, financial institutions, builders and developers. Dr. Cody is also the benefactor and namesake of the Gina Cody School of Engineering and Computer Science at Concordia University in Montreal, the first engineering faculty in Canada, and one of the first internationally, to be named after a woman. In 2025, Dr. Cody was appointed as Chancellor of Concordia University. Previously, Dr. Cody was the Executive Chair of CCI Group Inc. ("CCI"). Under her tenure, CCI was recognized as one of Canada's Best Managed Companies, through Canada's leading business awards program and, in 2010 and 2011, Dr. Cody was also named one of Canada's Top Women Entrepreneurs by Profit Magazine. Dr. Cody is a member of the Order of Montreal and the Order of Canada and was named one of the Top 25 Women of Influence in Canada in 2020. Dr. Cody holds a Masters and a PhD in Building Engineering from Concordia University. She is the first woman awarded a PhD in Building Engineering in Canada. Dr. Cody was awarded an honorary doctorate in engineering in 2022 by the University of Sherbrooke and is an Honorary Lieutenant Colonel of the Canadian Armed Forces, 34th Combat Engineering Brigade. In addition to her role as Chair of CAPREIT, Dr. Cody is the Chair of the Board of Trustees of ERES (TSX:ERE.UN) and a director of Sienna Senior Living Inc. (TSX:SIA.TO).

Committee Membership:	None		
2024 Voting Results:	Votes for: 108,166,422 (95.53%) Votes Withheld: 5,055,939 (4.47%)		
Other Public Company Boards:	ERES (TSX:ERE.UN), Chair Sienna Senior Living Inc. (TSX:SIA), Director		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	23,273	Trust Units (\$) \$ 996,783
	DUP ⁽¹⁾ (#)	31,013	DUP (\$) \$ 1,328,287
	Total (#)	54,286	Total Market Value (\$) \$ 2,325,070
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		12.24x Annual Retainer



Independent Trustee

Areas of Expertise:

- Property and Asset Management
- Acquisitions, Dispositions and M&A
- Executive Leadership and Management Experience
- Financial Accounting and Reporting
- Human Capital
- Government Relations
- Social Responsibility and Community Engagement

Mark Kenney

Newmarket, Ontario, Canada – Age 57 – Trustee since 2019 – President, Chief Executive Officer

Mark Kenney joined CAPREIT (TSX:CAR.UN) in 1998 and was appointed as the President and Chief Executive Officer of the REIT in March 2019. He is also a member of its Board of Trustees. Prior to this appointment, Mr. Kenney held the position of President & Chief Operating Officer of CAPREIT. Mr. Kenney is also the Chief Executive Officer and a trustee of ERES (TSX:ERE.UN) (CAPREIT holds an approximate 65% interest in ERES). Mr. Kenney has over 30 years of experience in the multi-family sector, having worked previously at Realstar Management Partnership, Greenwin Property Management, and Tridel Group of Companies. In 2022, Mr. Kenney joined the Board of REALPAC and, in 2023, became a member of the REALPAC Human Resources Committee. In addition, he is a founding member of the Canadian Rental Housing Providers for Affordable Housing (Foraffordable.ca). Mr. Kenney joined the Board at Longhouse Capital Advisory in 2023. His extensive background includes serving as the past Co-Chair REALPAC Apartment Owners Committee in 2022, the Director and Chair at the Federation of Rental Providers of Ontario from 2009 to 2017, and earlier, as a director at the Greater Toronto Apartment Association from 1998 to 2009. Mr. Kenney is a frequent contributor to BNN Bloomberg and is a regular speaker at the Real Estate Forums across Canada and at the Banff Forum. He is also a member of the Canadian Chamber of Commerce Housing and Development Strategy Council. Recently, Mr. Kenney became a member of Ontario Global 100. Mr. Kenney is a former Advisor to 23:32 Capital Inc, and a former non-executive director of Irish Residential Properties REIT plc (Euronext Dublin: IRES). He is also the Executive Producer of the documentary film ‘Shelter’ which won numerous accolades. Mr. Kenney holds a Bachelor of Economics degree from Carleton University.

Committee Membership:	None			
2024 Voting Results:	Votes for: 108,824,589 (96.12%) Votes Withheld: 4,397,572 (3.88%)			
Other Public Company Boards:	ERES (TSX:ERE.UN)			
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	285,303	Trust Units (\$)	\$ 12,219,527
	RUR ⁽²⁾ (#)	301,777	RUR (\$)	\$ 12,925,109
	Total (#)	587,080	Total Market Value (\$)	\$ 25,144,636
Unit Ownership Requirement:	Minimum Ownership Requirement			5x Salary
	Actual Ownership Multiple			27.12x Salary



Gervais Levasseur, CPA

Dollard-des-Ormeaux, Québec, Canada – Age 66 – Trustee since 2022

Independent Trustee

Areas of Expertise:

- Real Estate Financing
- Acquisitions, Dispositions and M&A
- Executive Leadership and Management Experience
- Financial Accounting and Reporting
- Legal/Tax
- Oversight of Information Technology and/or Cybersecurity
- Corporate Governance

Gervais Levasseur is a corporate director and executive with over 40 years experience in the real estate industry and extensive involvement in corporate strategy. Mr. Levasseur has spent most of his career at Ivanhoé Cambridge, an international real estate investment, development and management firm and subsidiary of the Caisse de dépôt et placement du Québec. After departing Ivanhoé Cambridge, from 2015 to 2022, he was an independent strategic planning and management consultant. As a result of a merger with other real estate companies, in 2010 Ivanhoé Cambridge became an investor and manager of industrial and logistics, residential, office and retail properties with a presence in 20 countries. During his tenure at Ivanhoé Cambridge, Mr. Levasseur was Executive Vice-President and Chief Financial Officer from 1992 to 2014. His main responsibilities included financial strategy and planning, treasury and finance, valuation and financial analysis, and financial reporting, taxation and management information systems. Mr. Levasseur began his career at KPMG Canada, after which he went on to serve as Chief Accountant and Controller at CN Real Estate and then as Controller at AtkinsRéalis. Mr. Levasseur has served on the Board of Directors Real Estate of the Fonds de solidarité FTQ, a major development capital fund since 2018. Among his responsibilities as a director, Mr. Levasseur serves as the Chair of the Audit Committee. Mr. Levasseur is a trustee and Chair of the Investment Committee of ERES (TSX:ERE.UN) (CAPREIT holds an approximate 65% interest in ERES). Mr. Levasseur earned an accounting degree from HEC Montréal and holds the designation of CPA from the Ordre des comptables professionnels agréés (CPA) du Québec.

Committee Membership:	Audit Committee Investment Committee		
2024 Voting Results:	Votes for: 111,059,130 (98.09%) Votes Withheld: 2,163,231 (1.91%)		
Other Public Company Boards:	ERES (TSX:ERE.UN), Trustee		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	0	Trust Units (\$) \$ 0
	DUP ⁽¹⁾ (#)	8,065	DUP (\$) \$ 345,424
	Total (#)	8,065	Total Market Value (\$) \$ 345,424
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		1.82x Annual Retainer



Independent Trustee

Areas of Expertise:

- Real Estate Financing
- Property Development, Planning and Construction
- Property and Asset Management
- Acquisitions, Dispositions and M&A
- Executive Leadership and Management Experience
- Financial Accounting and Reporting
- Human Capital

Ken Silver

Toronto, Ontario, Canada – Age 66 – Trustee since 2022

Ken Silver has more than 40 years of experience in retail and commercial real estate, and in the retail industry. Mr. Silver was President and Chief Executive Officer of CT Real Estate Investment Trust (“**CT REIT**”) (TSX:CRT.UN) from CT REIT’s initial public offering in 2013 until his retirement in 2022. Previously, Mr. Silver was SVP, Corporate Strategy and Real Estate for Canadian Tire Corporation Limited and President, Canadian Tire Real Estate Limited. Mr. Silver has previously served on the boards of York University, York University Development Corporation, CT REIT, the Real Property Association of Canada, Build Toronto and Eva’s Initiatives for Homeless Youth. Mr. Silver holds a Bachelor of Arts (Honours) degree from Queen’s University, a Master of Business Administration degree from McGill University and has completed the Directors Education Program at the Institute of Corporate Directors at the University of Toronto.

Committee Membership:	Audit Committee Investment Committee Human Resources and Compensation Committee		
2024 Voting Results:	Votes for: 111,131,246 (98.15%) Votes Withheld: 2,091,115 (1.85%)		
Other Public Company Boards:	None		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	0	Trust Units (\$) \$ 0
	DUP ⁽³⁾ (#)	8,065	DUP (\$) \$ 345,424
	Total (#)	8,065	Total Market Value (\$) \$ 345,424
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		1.82x Annual Retainer



Independent Trustee

Areas of Expertise:

- Legal/Tax
- Human Capital
- Government Relations
- Social Responsibility and Community Engagement
- Equity, Diversity and Inclusion
- Corporate Governance

Jennifer Stoddart

Westmount, Québec, Canada – Age 76 – Trustee since 2023

Jennifer Stoddart was a strategic advisor in the Privacy and Cybersecurity Group at Fasken LLP from 2018 to 2023. From 2020 to 2023, Ms. Stoddart chaired the Expert Panel on “Vulnerable Connections: Public Safety in the Digital Age” Report for the Council of Canadian Academies. Ms. Stoddart was the Privacy Commissioner of Canada from 2003 to 2013. Previously, she was the Chair of the Commission d'accès à l'information du Québec from 2000 to 2003. She has also held positions on the Human Rights Commissions of Canada and Québec. Ms. Stoddart was named an Officer of the Order of Canada “for her international leadership in privacy rights and for her exemplary public service as the Privacy Commissioner of Canada” as well as a Chevalier of the Order of Québec. The Québec Bar has recognized her with the distinction of Advocatus Emeritus and the Christine Tourigny Award of Merit, and the Université du Québec à Montréal awarded her the Prix Reconnaissance for her commitment to Canadians' privacy rights. She has twice been named as one of the Top 25 most influential lawyers in the justice system and legal professions in Canada by Canadian Lawyer magazine. In addition, she has received honorary doctorates from the University of Ottawa and McGill University. Ms. Stoddart has been a member of the Committee on the responsible conduct of research, reporting to the Chief Scientist of Québec, a member of the board of directors of Génome Québec and a Visiting Scholar at the Centre of Genomics and Policy of the McGill University Faculty of Medicine. From 2016 to 2022, she was Honorary Lieutenant Colonel and Honorary Colonel of the 34th Combat Engineer Regiment. She has been a mentor with the Women's Executive Network (WXN). She has contributed to the McGill University law faculty mentorship program. She is also the co-author of the book Quebec Women: A History.

Committee Membership:	Governance and Nominating Committee Human Resources and Compensation Committee		
2024 Voting Results:	Votes for: 110,452,677 (97.55%) Votes Withheld: 2,769,684 (2.45%)		
Other Public Company Boards:	None		
Unit Ownership (As of March 25, 2025)^③:	Trust Units (#)	0	Trust Units (\$) \$ 0
	DUP ^① (#)	3,444	DUP (\$) \$ 147,507
	Total (#)	3,444	Total Market Value (\$) \$ 147,507
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		0.78x Annual Retainer



Elaine Todres, ICD.D

Toronto, Ontario, Canada – Age 75 – Trustee since 2013

Independent Trustee

Areas of Expertise:

- Executive Leadership and Management Experience
- Human Capital
- Government Relations
- Energy Management and/or Climate-related Risk
- Social Responsibility and Community Engagement
- Equity, Diversity and Inclusion
- Corporate Governance

Elaine Todres, ICD.D has had a distinguished career in government, the not-for-profit sector and the volunteer community. After having completed a doctorate in Political Science at the University of Pittsburgh, Dr. Todres joined the civil service of Ontario where she ultimately served as a Deputy Minister for 10 years. Her portfolios ranged from Human Resources and the Civil Service Commission, culture and cultural industries, telecommunications, tourism, Solicitor General, to the corrections system and emergency response. In 1997, Dr. Todres became the President of the Baycrest Centre Foundation where she stayed for three years, completing a capital campaign for the new Apotex Centre – Jewish Home for the Aged. Dr. Todres is the Chief Executive Officer of Todres Leadership Counsel, a boutique consultancy practice specializing in governance, strategy, leadership, and organizational transformation. Dr. Todres has served on many community and hospital boards, including as chair of Women's College Hospital Foundation. Dr. Todres served as director of The Northern Trust Company, Canada from August 2005 to February 2014. Dr. Todres is a Gold Medalist in Economics and Political Science from the University of Winnipeg. Dr. Todres was awarded the National Woman of Achievement Award of Hadassah Wizo of Canada, the Gold Medal from the Canadian Centre for Human Rights and Race Relations, and the President's Award from the Canadian Public Personnel Management Association. Dr. Todres is a noted speaker on diversity, inclusion and governance. Dr. Todres holds the Institute of Corporate Directors, Director Designation (ICD.D) from the Institute of Corporate Directors.

Committee Membership:	Governance and Nominating Committee Human Resources and Compensation Committee			
2024 Voting Results:	Votes for: 107,860,437 (95.26%) Votes Withheld: 5,361,924 (4.74%)			
Other Public Company Boards:	None			
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	2,000	Trust Units (\$)	\$ 85,660
	DUP ⁽¹⁾ (#)	34,169	DUP (\$)	\$ 1,463,458
	Total (#)	36,169	Total Market Value (\$)	\$ 1,549,118
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)			3x Annual Retainer
	Actual Ownership Multiple			8.15x Annual Retainer



Independent Trustee

Areas of Expertise:

- Real Estate Financing
- Property Development, Planning and Construction
- Property and Asset Management
- Acquisitions, Dispositions and M&A
- Executive Leadership and Management Experience
- Human Capital
- Corporate Governance

René Tremblay

Verdun, Québec, Canada – Age 70 – Trustee since 2020

René Tremblay has over 40 years of experience in the real estate industry, having been involved in international investment and development for 25 years in numerous countries, including Brazil, Poland, France, Scotland, Spain, China, South Korea, Mexico, Germany, Canada, Luxembourg, Russia, Turkey and the United States. From 2010 to 2017, Mr. Tremblay was the President of Taubman Asia, part of Taubman Centers, a leader in the shopping center industry, where he was responsible for driving Taubman's shopping center expansion in the Asia-Pacific Region. Mr. Tremblay currently serves on the board of Cogir Real Estate and the International Council of Shopping Centers. Mr. Tremblay's prior board experience includes serving as chair of the board of trustees of Cominar REIT and as chair of the real estate group of Caisse de dépôt et placement du Québec – one of the largest diversified real estate portfolios in the world. Mr. Tremblay also served as worldwide chairman of the International Council of Shopping Centers from 2007 to 2008.

Committee Membership:	Investment Committee Governance and Nominating Committee		
2024 Voting Results:	Votes for: 111,060,459 (98.09%) Votes Withheld: 2,161,902 (1.91%)		
Other Public Company Boards:	None		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	0	Trust Units (\$) \$ 0
	DUP ⁽¹⁾ (#)	19,093	DUP (\$) \$ 817,753
	Total (#)	19,093	Total Market Value (\$) \$ 817,753
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity) 3x Annual Retainer		
	Actual Ownership Multiple 4.30x Annual Retainer		



Independent Trustee

Areas of Expertise:

- Real Estate Financing
- Property Development, Planning and Construction
- Property and Asset Management
- Acquisitions, Dispositions and M&A
- Executive Leadership and Management Experience
- Financial Accounting and Reporting
- Social Responsibility and Community Engagement

David Wesik

Vancouver, British Columbia, Canada – Age 44 – Trustee since 2024

David Wesik is President and Founder of Third Space Properties, a real estate development and management company based in Vancouver. In his role as President, Mr. Wesik is responsible for strategic vision, growth and overall performance at Third Space while ensuring the company's broader impact is a positive one. Prior to Third Space he held the role of Executive Vice President at Wesgroup Properties, one of Western Canada's largest privately owned real estate companies. As part of the executive leadership team at Wesgroup he was active in creating and implementing company strategy with a focus on acquisitions, development, asset management and finance.

Mr. Wesik has over 15 years of extensive experience in the residential and commercial real estate industry in Metro Vancouver. He has negotiated and completed over \$1 billion in transactions and worked on over 40 development projects during his career. Mr. Wesik holds a Bachelor of Arts (Honours) degree from the University of Western Ontario and is a Chartered Financial Analyst Charterholder from the CFA Institute.

Committee Membership:	Audit Committee Investment Committee		
2024 Voting Results:	Votes for: N/A Votes Withheld: N/A		
Other Public Company Boards:	None		
Unit Ownership (As of March 25, 2025)⁽³⁾:	Trust Units (#)	5,500	Trust Units (\$) \$ 235,565
	DUP ⁽¹⁾ (#)	1,470	DUP (\$) \$ 62,960
	Total (#)	6,970	Total Market Value (\$) \$ 298,525
Unit Ownership Requirement:	Minimum Ownership Requirement (including cash and equity)		3x Annual Retainer
	Actual Ownership Multiple		1.57x Annual Retainer

Notes:

1. Deferred Units (as defined in "Trustee Compensation – Deferred Unit Plan") are issued under the DUP (as defined below); see "Deferred Unit Plan".
2. RURs (as defined in "Description of Equity Based Incentive Plans – Active Plans – RUR Plan") are issued under the RUR Plan and generally vest over a three-year period; see "Significant Terms of Executive Employment Agreements".
3. Individual trustees have furnished information as to Units, Deferred Units, and, in the case of Mr. Kenney, RURs, beneficially owned, controlled, or directed, directly or indirectly, by him. The column entitled "#" indicates the number of such interests beneficially owned, controlled, or directed, directly or indirectly, by each nominee; the column entitled "\$" indicates the estimated market value of such interests beneficially owned, controlled, or directed, directly or indirectly, by each nominee, as determined by multiplying the number of such interests beneficially owned, controlled, or directed, directly or indirectly, by each nominee by the closing price of the Units on the Toronto Stock Exchange (the "TSX") on March 25, 2025.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of CAPREIT, none of the persons proposed for election as a trustee (a) are, as at the date hereof, or have been, within the 10 years before the date of this Circular, a director, trustee, chief executive officer, or chief financial officer of any entity that, (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant entity access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the person was acting in the capacity as director, trustee, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, trustee, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, trustee, chief executive officer or chief financial officer, (b) are, as at the date of this Circular, or have been within 10 years before the date of this Circular, a director, trustee, or executive officer of any entity that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (c) have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of that person.

Penalties and Sanctions

To the knowledge of CAPREIT, none of the persons proposed for election as a trustee of CAPREIT nor any personal holding company owned or controlled by any of them (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed trustee.

Personal Bankruptcies

To the knowledge of CAPREIT, in the last 10 years, none of the persons proposed for election as a trustee of CAPREIT nor any personal holding company owned or controlled by any of them, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, has become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold their assets or the assets of their holding companies.

2. Appointment of Auditor

Ernst & Young LLP (“**EY**”) has acted as CAPREIT’s auditor since CAPREIT’s 2023 meeting of Trust Unitholders.

The Audit Committee examined the quality of work performed by EY and undertook a review and discussion of the information received. Following its examination, review and discussion, the Audit Committee concluded that, based on the information received and its own independent assessment of the work performed by EY, the Audit Committee would recommend to the Board that EY continue to be retained as CAPREIT’s external auditor and that it be appointed as such for 2025.

The Board proposes to nominate EY, the present auditor of CAPREIT, as the auditor of CAPREIT to hold office until the close of the next annual meeting of the Trust Unitholders and to authorize the trustees to fix the remuneration of the auditor. At the Meeting, Trust Unitholders will be asked to consider, and if thought advisable, approve the following resolution:

“**BE IT RESOLVED** that the appointment of the auditor, Ernst & Young LLP, is hereby approved and confirmed.”

The persons named in the form of proxy or voting instruction form intend to vote at the Meeting in favour of this resolution, unless the Trust Unitholder has specified in the form of proxy or voting instruction form that such Trust Unitholder’s Trust Units are to be withheld from voting on the resolution.

3. Say-On-Pay Non-Binding Advisory Vote

Background

The Board believes that Trust Unitholders should have the opportunity to fully understand the objectives, philosophy and principles the Board has used in its approach to executive compensation decisions. Detailed disclosure of CAPREIT’s executive compensation program can be found in this Circular under the heading “**Compensation Discussion & Analysis**”.

The Board has decided that Trust Unitholders should have the opportunity to vote on CAPREIT’s approach to executive compensation. This non-binding advisory vote (“**Say-on-Pay**”) forms an important part of the ongoing process of engagement between Trust Unitholders and the Board on executive compensation. CAPREIT will disclose the results of the vote as part of its report on voting results for the Meeting.

Objective

Say-on-Pay gives Trust Unitholders a formal opportunity to consider the disclosed philosophy and objectives of the executive compensation policies and provide their views through an annual non-binding advisory vote.

Approval Required

At the Meeting, Trust Unitholders will be asked to consider, and if thought advisable, approve the following advisory resolution (the “**Say-on-Pay Resolution**”) accepting CAPREIT’s approach to executive compensation as disclosed in this Circular:

“**BE IT RESOLVED** that on an advisory basis, and not to diminish the role and responsibilities of the Board, the Trust Unitholders accept the Board’s approach to executive compensation disclosed in CAPREIT’s management information circular dated April X, 2025, under the heading “**Compensation Discussion & Analysis**.”

Approval of the Say-on-Pay Resolution will require that it be passed by a majority of the votes cast by Trust Unitholders thereon in-person and by proxy. As this is an advisory vote, the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as appropriate, when considering future compensation policies and decisions and in determining whether there is a need to increase their engagement with Trust Unitholders on compensation and related matters.

Trust Unitholders who intend to vote against the Say-on-Pay Resolution or have concerns with CAPREIT’s approach to executive compensation are encouraged to contact the Board to discuss their concerns in advance of the Meeting. See “**General**” for information on how to contact the Board.

The persons named in the form of proxy intend to vote at the Meeting in favour of this resolution, unless the Trust Unitholder has specified in the form of proxy that such Trust Unitholder’s Trust Units are to be voted against the resolution.

4. Reconfirmation of the Unitholders’ Rights Plan Agreement

Background

CAPREIT adopted a Unitholders’ Rights Plan Agreement (as amended and restated, the “**Rights Plan**”) dated as of May 3, 2002, which was most recently reconfirmed by Unitholders at the annual and special meetings of Unitholders held on June 1, 2022 in accordance with TSX requirements.

The Rights Plan is subject to reconfirmation by Trust Unitholders every three (3) years at the annual meeting of Trust Unitholders. As such, Trust Unitholders are being asked to approve an ordinary resolution reconfirming the Rights Plan at the Meeting. If the ordinary resolution reconfirming the Rights Plan is not passed at the Meeting, the Rights Plan will terminate on June 3, 2025, the date of the Meeting. However, if the ordinary resolution reconfirming the Rights Plan is passed at the Meeting, the Rights Plan will require reconfirmation by Trust Unitholders at the 2028 annual meeting of Trust Unitholders (or any adjournment or postponement thereof) and thereafter at such meeting to be held, *mutatis mutandis*, every three years thereafter, all in accordance with TSX requirements.

Objective

All capitalized terms used in this section shall have the meanings ascribed thereto in the Rights Plan, which is available on SEDAR+ under CAPREIT’s profile at www.sedarplus.ca and was filed on June 1, 2022.

The Rights Plan utilizes the mechanism of the Permitted Bid to ensure that a person seeking control of CAPREIT gives Unitholders and the trustees sufficient time to evaluate the bid, negotiate with the initial bidder and encourage competing bids to emerge.

The purpose of the Rights Plan is to protect Unitholders by requiring all potential bidders to comply with the conditions specified in the Permitted Bid provisions or risk being subject to the dilutive features of the Rights Plan. Generally, to qualify as a Permitted Bid, a bid must be made to all Unitholders and must be open, as proposed to be amended, for one hundred and five (105) days after the bid is made or such shorter period that a takeover bid (that is not exempt from the requirements of Division 5: Bid Mechanics of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* (“**NI 62-104**”)) must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to NI 62-104. If more than fifty percent (50%) of the Units held by Independent Unitholders are deposited or tendered to the bid and not withdrawn, the bidder may take up and pay for such Units. The takeover bid must then be extended for a further period of ten (10) days on the same terms to allow those Unitholders who did not initially tender their Units to tender to the takeover bid if they so choose. Thus, there is no coercion to tender during the initial one hundred and five (105) day period, or such shorter period as permitted by NI 62-104, because the bid must be open for acceptance for at least a further ten (10) days after the expiry of the initial tender period. The intention of the Rights Plan is to make it impractical for any person to acquire more than twenty percent (20%) of the outstanding Units without the approval of the trustees, except pursuant to the Permitted Bid procedures or pursuant to certain other exemptions, as outlined in Appendix 2 hereto.

Management believes that the Rights Plan, taken as a whole, should not be an unreasonable obstacle to a serious bidder willing to make a bona fide and financially fair offer open to all Unitholders while permitting the Board to fully consider the bidder’s offer and, if appropriate, investigate and pursue alternatives.

The terms of the Rights Plan were established on a basis that takes account of concerns previously expressed by institutional investors with respect to certain of the provisions of such plans. The provisions of the Rights Plan relating to portfolio managers are designed to prevent the triggering of the Rights Plan by virtue of the customary activities of such persons (see “Portfolio Managers” in Appendix 2 hereto).

A summary of the Rights Plan is set forth in Appendix 2 to this Circular. For a copy of the Rights Plan, please contact CAPREIT at ir@capreit.net or (416) 861-9404, or access it on SEDAR+ under CAPREIT's profile at www.sedarplus.ca.

Approval Required

At the Meeting, Trust Unitholders will be asked to consider, and if thought advisable, approve the following ordinary resolution (the “**Rights Plan Resolution**”) reconfirming the Rights Plan:

“**BE IT RESOLVED** that the Unitholders’ Rights Plan Agreement, between the trustees of Canadian Apartment Properties Real Estate Investment Trust and Computershare Investor Services Inc., substantially as described in Appendix 2 to the Circular, be and is hereby reconfirmed. The Unitholders’ Rights Plan Agreement is hereby amended to the extent necessary to reflect and give effect to the foregoing.

And that any trustee or officer of CAPREIT be and is hereby authorized to take all such further actions and to execute and deliver all such further instruments and documents, in the name and on behalf of CAPREIT as may be necessary, proper or advisable in order to carry out and give full effect to the foregoing.”

Approval of the Rights Plan Resolution will require that it be passed by a majority of the votes cast by Trust Unitholders thereon in-person and by proxy.

The persons named in the form of proxy intend to vote at the Meeting in favour of this resolution, unless the Trust Unitholder has specified in the form of proxy that such Trust Unitholder’s Trust Units are to be voted against the resolution.

2024 Voting Results

In addition to the election of the trustees, the following matters were voted on at the 2024 annual meeting of Trust Unitholders held on June 10, 2024. Each of the matters voted on is more fully described in CAPREIT’s 2024 management information circular dated April 11, 2024.

The voting results for the election of trustees at the 2024 annual meeting of Trust Unitholders held on June 10, 2024, are reported in the description of the applicable nominee on pages 16-24 of this Circular.

	Votes for		Votes Withheld	
	Total	%	Total	%
Appointment of Auditor	113,431,197	99.82%	206,850	0.18%

	Votes for		Votes Against	
	Total	%	Total	%
Advisory Say-on-Pay Resolution	105,216,982	92.93%	8,005,379	7.07%

Trustee Compensation

The Human Resources and Compensation Committee reviews trustee compensation annually and recommends any modifications to trustee compensation to the Board for approval. The trustee compensation policy is to compensate trustees at the median of its peers.

In 2024, trustees received a flat annual retainer from CAPREIT per the schedule below. Trustees are reimbursed for their reasonable out-of-pocket expenses incurred in acting as trustees. Pursuant to the Deferred Unit Plan (“DUP”) (please refer to “**Description of Equity Based Incentive Plans – Deferred Unit Plan**” for a description of CAPREIT’s DUP), each non-executive trustee in 2024 was required to elect to receive between fifty percent (50%) and one hundred percent (100%) of their Member Annual Retainer (totalling \$170,000), in the form of Deferred Units (as defined below), and the balance in cash, with no matching component for the Deferred Units. As such, no matter which percentage they elect, their Member Annual Retainer was \$170,000.

The following table provides a description of the 2024 trustee fee schedule.

Trustee Fee Schedule

Compensation Element	Compensation Value (\$)
Member Annual Retainer	\$ 170,000
Chair Annual Retainer (premium)	\$ 100,000
Audit Committee, Investment Committee, Human Resources and Compensation Committee, and Governance and Nominating Committee Chair (premium)	\$ 25,000

Trustee Compensation Table

Trustee	Fees Earned (\$)	Unit-Based Awards ⁽¹⁾ (\$)	All Other Compensation ⁽³⁾ (\$)	Total (\$)
Lori-Ann Beausoleil	\$ 67,500	\$ 127,500	—	\$ 195,000
Harold Burke	\$ 85,000	\$ 85,000	\$ 66,933	\$ 236,933
Gina Parvaneh Cody	\$ 100,000	\$ 170,000	\$ 89,244	\$ 359,244
Mark Kenney ⁽⁴⁾	—	—	—	—
Gervais Levasseur	\$ 0	\$ 170,000	\$ 59,625	\$ 229,625
Ken Silver	\$ 0	\$ 170,000	—	\$ 170,000
Jennifer Stoddart	\$ 85,000	\$ 85,000	—	\$ 170,000
Elaine Todres	\$ 110,000	\$ 85,000	—	\$ 195,000
René Tremblay	\$ 50,000	\$ 170,000	—	\$ 220,000
David Wesik ⁽²⁾	\$ 0	\$ 66,984	—	\$ 66,984
TOTAL	\$ 497,500	\$ 1,129,484	\$ 215,802	\$ 1,842,786

Notes:

- Represents 2,736 Deferred Units issued to Ms. Beausoleil, 1,824 Deferred Units issued each to Mr. Burke, Ms. Stoddart and Dr. Todres, 3,648 Deferred Units issued each to Dr. Cody and Mr. Tremblay, 3,647 Deferred Units issued each to Mr. Levasseur and Mr. Silver, 1,453 Deferred Units issued to Mr. Wesik. The number of Deferred Units issued is determined by dividing the dollar amount by the market price (as defined in the DUP) of the Units on the grant date.
- Mr. Wesik was appointed to the Board effective August 9, 2024.
- Included in All Other Compensation are trustee fees earned and paid by ERES.
- Mr. Kenney is not entitled to any additional compensation as a Trustee for CAPREIT or ERES. All compensation for Mr. Kenney can be found in the NEO executive compensation disclosure.

Trustee Unit Ownership Requirement

The Board has instituted a guideline that all trustees (other than the President and Chief Executive Officer of CAPREIT who is subject to separate unit ownership requirements) own or acquire, over a maximum period of five years from the date of such trustee's appointment, such number of Units (which may include Deferred Units) having a value equal to three times their Member Annual Retainer (including cash and equity).

In the event that the trustees' Member Annual Retainer is increased, the Board has determined that each trustee, to the extent required, shall be granted an additional one-year transition period, from the date the Member Annual Retainer is increased, to own or acquire such number of additional Units (which may include Deferred Units) to meet the thresholds under these guidelines.

If a trustee's unit ownership falls below the minimum guidelines due to a decline in the unit price of Units, the Board may, in its discretion, grant such trustee a transition period to own or acquire

such number of additional Units (which may include Deferred Units) to meet the thresholds under these guidelines.

For the purposes of calculating compliance with these unit ownership guidelines, unexercised stock options (or similar awards requiring exercise) and performance-based awards shall not be included until they are exercised or considered earned, as applicable. For greater certainty, granted or issued and outstanding deferred units, restricted unit rights or other similar instruments that are not subject to performance criteria shall be considered to be earned for the purposes of these guidelines and may be included.

The following table summarizes the number of Units and Deferred Units owned by each trustee as at March 25, 2025, and whether each trustee (other than the Chief Executive Officer and President of CAPREIT) has met or exceeded the ownership guidelines established by the Board.

Trustee	Units Beneficially Owned, Controlled, or Directed, Directly or Indirectly ⁽¹⁾ (#)	DUP/RUR (#)	Total Units (#)	Value of Units Beneficially Owned, Controlled, or Directed, Directly or Indirectly and Deferred Units ⁽²⁾ (\$)	Actual Multiple of Member Annual Retainer or Base Salary, as applicable ⁽³⁾
Lori-Ann Beausoleil ⁽⁴⁾	850	8,785	9,635	\$ 412,668	2.17x
Harold Burke	0	41,724	41,724	\$ 1,787,039	9.41x
Gina Parvaneh Cody	23,273	31,013	54,286	\$ 2,325,070	12.24x
Mark Kenney ⁽⁵⁾	285,303	301,777	587,080	\$ 25,144,636	27.12x
Gervais Levasseur ⁽⁶⁾	0	8,065	8,065	\$ 345,424	1.82x
Ken Silver ⁽⁷⁾	0	8,065	8,065	\$ 345,424	1.82x
Jennifer Stoddart ⁽⁸⁾	0	3,444	3,444	\$ 147,507	0.78x
Elaine Todres	2,000	34,169	36,169	\$ 1,549,118	8.15x
René Tremblay	0	19,093	19,093	\$ 817,753	4.30x
David Wesik ⁽⁹⁾	5,500	1,470	6,970	\$ 298,525	1.57x

Notes:

- Individual trustees have furnished information as to Units beneficially owned, controlled, or directed, directly or indirectly, by them.
- Dollar amounts represent the estimated market value of Units beneficially owned, controlled, or directed, directly or indirectly and Deferred Units held by each trustee, as determined by multiplying such number of Units and Deferred Units as of March 25, 2025, by the closing price of the Units on the TSX on such date.
- Trustees are required to own or acquire such number of Units or Deferred Units (and RURs in the case of Mr. Kenney) having a value equal to 3 times their member annual retainer or 5 times base salary, in the case of Mr. Kenney.
- Ms. Beausoleil was appointed to the Board on June 2, 2021, and is in the process of meeting her ownership requirement.
- For disclosure on the unit ownership guidelines established by the Board in respect of Mr. Kenney, see "Compensation Discussion & Analysis – Unit Ownership Requirements".
- Mr. Levasseur was appointed to the Board effective November 14, 2022, and is in the process of meeting his ownership requirement.
- Mr. Silver was appointed to the Board effective November 14, 2022, and is in the process of meeting his ownership requirement.
- Ms. Stoddart was appointed to the Board effective February 27, 2023, and is in the process of meeting her ownership requirement.
- Mr. Wesik was appointed to the Board effective August 9, 2024, and is in the process of meeting his ownership requirement.

Deferred Unit Plan Summary Table

The following table summarizes the number of Deferred Units allocated to each trustee under the DUP as at December 31, 2024, the associated dollar value, and the source of such allocations (i.e. through deferred compensation or allocated from distributions). Such Deferred Units are included in the 11,500,000 limit on Units which may be issued under the Plans; provided, however, that: (i) at no time shall the number of Units reserved for issuance to insiders of CAPREIT pursuant to outstanding Deferred Units, together with the number of Units reserved for issuance to such persons pursuant to the other equity incentive plans, exceed ten percent (10%) of the then outstanding Units, as calculated immediately prior to the issuance in question; (ii) the number of Units issued to insiders of CAPREIT pursuant to outstanding Deferred Units together with the number of Units issued to such persons pursuant to other equity incentive plans, within any one (1) year period, shall not exceed ten percent (10%) of the then outstanding Units; and (iii) no DUP Participant shall be issued Deferred Units which would result in a non-executive trustee being granted total annual awards under all of CAPREIT's equity incentive plans, including the DUP, with a value greater than the NET Participation Limit; provided that, Deferred Units awarded to non-executive trustees pursuant to the DUP in place of their Board compensation will not be included in the calculation of the NET Participation Limit as long as such Units are granted on a dollar-for-dollar basis at the same initial value as the Board compensation surrendered in exchange thereof.

Trustee	Number of Deferred Units Allocated from Deferred Compensation (#) ⁽¹⁾	Number of Deferred Units Allocated from Distributions (#) ⁽¹⁾	Dollar Value of Deferred Units (\$) ⁽²⁾
Lori-Ann Beausoleil	8,270	435	\$ 371,094
Harold Burke	29,659	11,686	\$ 1,762,537
Gina Parvaneh Cody	27,484	3,247	\$ 1,310,063
Mark Kenney	N/A	N/A	N/A
Gervais Levasseur	7,760	231	\$ 340,656
Ken Silver	7,760	231	\$ 340,656
Jennifer Stoddart	3,330	83	\$ 145,496
Elaine Todres	25,723	8,134	\$ 1,443,324
René Tremblay	17,626	1,293	\$ 806,517
David Wesik ⁽³⁾	1,453	4	\$ 62,112
Total	129,065	25,344	\$ 6,582,455

Notes:

1. Amounts are rounded to nearest whole Deferred Unit.
2. Dollar amounts represent the estimated market value of Deferred Units beneficially owned by each trustee, as determined by multiplying the number of Deferred Units beneficially owned by such trustee as of December 31, 2024, by the closing price of the Units on the TSX on such date.
3. Mr. Wesik was appointed to the Board effective August 9, 2024.

Trustee Outstanding Unit-based Awards

The following table sets forth Deferred Units issued pursuant to CAPREIT'S DUP (see "Deferred Unit Plan") in previous years and held by the trustees as of December 31, 2024.

Name	Number of Units That Have Not Vested (#)	Market or Payout Value of Unit-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed ⁽¹⁾ (\$)
Lori-Ann Beausoleil	—	—	\$ 371,094
Harold Burke	—	—	\$ 1,762,537
Gina Parvaneh Cody	—	—	\$ 1,310,063
Mark Kenney	—	—	N/A
Gervais Levasseur	—	—	\$ 340,656
Ken Silver	—	—	\$ 340,656
Jennifer Stoddart	—	—	\$ 145,496
Elaine Todres	—	—	\$ 1,443,324
René Tremblay	—	—	\$ 806,517
David Wesik ⁽²⁾	—	—	\$ 62,112

Notes:

1. Value based on closing price of the Units on the TSX on December 31, 2024.
2. Mr. Wesik was appointed to the Board effective August 9, 2024.

Statement Of Governance Practices

General

The Board strongly believes that sound corporate governance is essential to produce maximum benefits to those individuals and institutions that have invested in CAPREIT. In accordance with National Policy 58-201 – Corporate Governance Guidelines (the “**Policy**”) and NI 58-101 (together with the Policy, the “**CSA Governance Rules**”), the following is a summary of the governance practices of CAPREIT.

To comply with these various standards and achieve best practices, CAPREIT has adopted comprehensive governance policies and procedures. CAPREIT’s key policies and documents include the following:

- Board Mandate
- Governance Guidelines
- Code of Business Ethics and Conduct
- Audit Committee Charter
- Governance and Nominating Committee Charter
- Human Resources and Compensation Committee Charter
- Investment Committee Charter
- Position descriptions for the Chair and Chair of each Board committee
- Ethical Reporting Policy
- Anti-Corruption, Anti-Bribery, Gifting and Entertainment Policy
- Disclosure Policy
- Diversity, Refreshment and Renewal Policy
- Insider Trading Policy
- Majority Voting Policy
- Unitholder Engagement Policy

Board of Trustees

Composition

The Board currently consists of ten (10) trustees. As at the date of this Circular, the trustees were: Lori-Ann Beausoleil, Harold Burke, Gina Parvaneh Cody, Mark Kenney, Gervais Levasseur, Ken Silver, Jennifer Stoddart, Elaine Todres, René Tremblay and David Wesik. Gina Parvaneh Cody is the Chair of the Board. This year, nine (9) candidates have been nominated for election to the Board; all of the nominees were elected at CAPREIT’s 2024 annual meeting other than David Wesik who was appointed to the Board on August 9, 2024. In accordance with CAPREIT’s trustee term limit policy, Mr. Burke is not standing for re-election.

Independent and Non-Independent Trustees

Pursuant to NI 52-110, an independent trustee is one who has no direct or indirect material relationship with CAPREIT which could, in the view of the Board, reasonably interfere with a trustee’s independent judgment. The trustees have determined that, following the Meeting, eight (8) of the trustees, constituting a majority of the Board, will be independent under the CSA Governance Rules. Mark Kenney is considered not to be independent as he is the President and Chief Executive Officer of CAPREIT.

Trustee Skills Matrix

The skills matrix below summarizes the top seven (7) skills possessed by each individual who is proposed for election as a trustee at the Meeting. The skills outlined in the skills matrix below are considered in assessing candidates during the nomination process. Such skills are referred to in identifying any skills gaps. The emphasis placed on a skill may change as part of the ongoing assessment of the composition of the Board.

Skill	Beausoleil	Cody	Kenney	Levasseur	Silver	Stoddart	Todres	Tremblay	Wesik
Real Estate Specific Skills									
1. Real Estate Financing ⁽¹⁾	✓			✓	✓			✓	✓
2. Property Development, Planning and Construction ⁽²⁾		✓			✓			✓	✓
3. Property and Asset Management ⁽³⁾		✓	✓		✓			✓	✓
4. Acquisitions, Dispositions and M&A ⁽⁴⁾	✓		✓	✓	✓			✓	✓
General Business Competencies									
5. Executive Leadership and Management Experience ⁽⁵⁾	✓	✓	✓	✓	✓		✓	✓	✓
6. Financial Accounting and Reporting ⁽⁶⁾	✓		✓	✓	✓				✓
7. Legal/Tax ⁽⁷⁾				✓		✓			
8. Human Capital ⁽⁸⁾		✓	✓		✓	✓	✓	✓	
9. Oversight of Information Technology and/or Cybersecurity ⁽⁹⁾				✓					
10. Government Relations ⁽¹⁰⁾			✓			✓	✓		
Environmental, Social & Governance (ESG) Competencies									
11. Energy Management and/or Climate-related Risk ⁽¹¹⁾		✓					✓		
12. Social Responsibility and Community Engagement ⁽¹²⁾	✓	✓	✓			✓	✓		✓
13. Equity, Diversity and Inclusion ⁽¹³⁾	✓	✓				✓	✓		
14. Corporate Governance ⁽¹⁴⁾	✓			✓		✓	✓	✓	

Notes:

- Experience in real estate financing, including knowledge of debt financing structures and debt metrics.
- Experience in real estate property development, planning and construction in Canada with exposure to sustainable/green development practices.
- Experience in real estate property and asset management, including knowledge of operational, performance and valuation metrics.
- Experience in acquiring and/or disposing of real estate (either retail, commercial or residential) and/or mergers and acquisitions in Canada, including knowledge of complex deal structures.
- Experience as an executive at a publicly listed company or large private company with responsibility for strategy development and implementation and corporate finance.
- Experience in financial accounting and reporting obligations and/or understanding of internal financial controls and has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by CAPREIT's financial statements.
- Experience in the legal, regulatory and/or tax environments associated with carrying on business in Canada.
- Experience in or understanding of compensation programs, succession planning and employee management and development.
- Experience with oversight of information technology strategy and/or cybersecurity risks.
- Experience in or a strong understanding of government and public policy in Canada.
- Experience in energy management strategy and/or knowledge of climate-related risks in the real estate sector.
- Experience and understanding of social responsibility and community engagement as a housing provider in Canada, including residents, employees and communities in which CAPREIT operates.
- Experience developing, implementing and/or promoting equity, inclusion and diversity programs and initiatives.
- Experience as a board member or executive of a Canadian organization (public, private or non-profit) that provides a strong understanding of the requirements of good corporate governance practices.

Interlocking Directorships

The Board is conscious of governance principles and best practices relating to interlocking directorships (i.e., where at least two trustees of CAPREIT sit together on at least one other public company board). While the Board has not adopted a formal policy restricting interlocking directorships, it does believe disclosure of other board memberships is important. Given that trustees have a variety of business interests, trustees are required to disclose to the Board or any applicable committee thereof, any real or perceived conflict in relation to any matter or proposed matter to be considered and in such circumstances, it is the policy of the Board that such trustees excuse themselves from all deliberations on such matters. The Board acknowledges that certain trustees may serve simultaneously on the board of another public entity as a nominee of CAPREIT.

Pursuant to its rights under an investor rights agreement with respect to ERES, as at the date of this Circular, CAPREIT has appointed trustees Harold Burke, Gina Parvaneh Cody, and Gervais Levasseur as its nominees to be trustees of ERES.

On April 4, 2023, Gina Parvaneh Cody was appointed Chair of the board of ERES. On March 31, 2023, Mark Kenney was appointed Chief Executive Officer and a trustee of ERES.

As at the date of this Circular, other than the interlocks noted above, there are no common public board memberships involving the trustees of CAPREIT.

Service on Other Boards

Trustees may serve on the boards of other public entities so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. In this regard, the Board has determined that:

- (a) Non-executive trustees may serve simultaneously on the board of no more than three public entities (including the Board);
- (b) Trustees serving in an executive position at CAPREIT may serve simultaneously on the board of no more than two public entities (including the Board); and
- (c) Trustees serving in an executive position at a public entity other than CAPREIT may serve simultaneously on the board of no more than two public entities (including the Board).

The Board recognizes that there may be circumstances in which it is appropriate to make an exception to the policy; however, any exception to the policy shall require the approval of the Governance and Nominating Committee. Trustees must advise the Chair in advance of accepting an invitation to serve on the board of another public entity. For these purposes and for greater certainty, subject to the discretion reserved by the Governance and Nominating Committee to determine otherwise in the particular circumstances, the Board has determined that accepting of a retainer, position or appointment with a competitor of CAPREIT will generally be considered a conflict of interest and shall not be permitted.

As at the date of this Circular, the Governance and Nominating Committee has determined that (i) no interlocking board or committee membership existed that could be expected to impact the ability of interlocking trustees to act independently from each other and (ii) the outside public company trustee or director appointments held by CAPREIT's trustees do not adversely impact the ability of such trustees to devote sufficient time, effort, and energy to CAPREIT in order to be effective representatives of Trust Unitholders' interests.

Meetings of Independent Trustees

The independent trustees hold regularly scheduled meetings without the attendance of non-independent trustees and management at the end of each meeting of the Board and at each quarterly meeting of the Audit Committee, Human Resources and Compensation Committee, Governance and Nominating Committee and Investment Committee. The Chair of the Audit Committee, Human Resources and Compensation Committee, Governance and Nominating Committee and Investment Committee conducts such committees' respective *in camera* sessions. For the Board, the Chair conducts the *in-camera* sessions without the presence of management or non-independent trustees.

During 2024, the Audit Committee, Human Resources and Compensation Committee, Governance and Nominating Committee and Investment Committee held *in camera* sessions without the presence of management or non-independent trustees.

Meetings of Trustees

The following table shows meeting attendance records for all trustees in 2024:

Trustee	Board ⁽¹⁾	Audit Committee ⁽¹⁾	Governance and Nominating Committee ⁽¹⁾	Human Resources and Compensation Committee ⁽¹⁾	Investment Committee ⁽¹⁾
Lori-Ann Beausoleil	8/8	5/5	N/A	N/A	N/A
Harold Burke	8/8	N/A	N/A	7/7	10/10
Gina Parvaneh Cody	8/8	N/A	N/A	N/A	N/A
Mark Kenney	8/8	N/A	N/A	N/A	N/A
Gervais Levasseur	8/8	5/5	N/A	N/A	10/10
Ken Silver ⁽²⁾	8/8	5/5	N/A	4/4	10/10
Jennifer Stoddart	8/8	N/A	4/4	7/7	N/A
Elaine Todres	8/8	N/A	4/4	7/7	N/A
René Tremblay	8/8	N/A	4/4	N/A	10/10
David Wesik ⁽³⁾	2/2	1/1	N/A	N/A	2/2

Notes:

1. For Board and Committee meetings, attendance is expressed as the number of meetings attended out of the number that each trustee was eligible to attend based on the date the trustee was appointed to or retired from the Board or Committee, as applicable.
2. Mr. Silver joined the Human Resources and Compensation Committee as a member on June 12, 2024.
3. Mr. Wesik was appointed to the Board effective August 9, 2024 and joined the Audit Committee and Investment Committee as a member on August 9, 2024.

Declaration of Trust

Pursuant to the Declaration of Trust, the Board has responsibility for the stewardship of CAPREIT and has been granted broad powers to carry out its responsibilities. The trustees' responsibilities include:

- i. the development and adoption of CAPREIT's strategic planning process;
- ii. the identification of the principal risks associated with the business of CAPREIT and the implementation of appropriate systems to manage these risks;
- iii. the appointment and evaluation of senior management;
- iv. overseeing the communications policy of CAPREIT;
- v. ensuring the integrity of CAPREIT's internal controls and management information systems;
- vi. the creation of position descriptions for the Board and for the President and Chief Executive Officer;
- vii. the implementation of structures and procedures which ensure the Board can function independently of management;
- viii. implementing a process for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual trustees; and
- ix. reviewing the adequacy and form of compensation of trustees and ensuring it realistically reflects the responsibilities and risks involved in being a trustee; and assessing its responsibilities and performance under its mandate.

The Board approves strategic plans of CAPREIT (taking into account the risks and opportunities of CAPREIT's business) and makes major policy decisions. It devotes time at several meetings each year to review major strategic initiatives to ensure that the proposed actions are in accordance with its objectives. Prior to the beginning of each fiscal year, management presents its financial plan and objectives for the upcoming year in the context of the approved strategic plan. On a quarterly basis, management reports to the Board on progress against CAPREIT's current year's goals and analyzes financial results against the financial plan.

Committees of Trustees

To assist the trustees in fulfilling their governance responsibilities, the trustees have formed four (4) committees, each of which is composed of at least a majority of independent, unrelated trustees: the Audit Committee, Human Resources and Compensation Committee, the Governance and Nominating Committee, and the investment committee (the “**Investment Committee**”).

Audit Committee

The Declaration of Trust requires the creation of an Audit Committee, consisting of at least three (3) trustees, to review the consolidated financial statements of CAPREIT. The terms of reference for the Audit Committee require that all members be unrelated and financially literate (as defined in NI 52-110). All members of the Audit Committee are independent and financially literate, as those terms are defined in NI 52-110.

As at the date of this Circular, the Audit Committee of CAPREIT consists of the following four (4) trustees: Lori-Ann Beausoleil, Gervais Levasseur, Ken Silver and David Wesik. Ms. Beausoleil serves as Chair of the Audit Committee.

For further information regarding the Audit Committee, please see Sections 13.2, 13.7 and Appendix “A” of CAPREIT’s annual information form dated March 25, 2025 (the “Annual Information Form”), which can be accessed on SEDAR+ under CAPREIT’s profile at www.sedarplus.ca.

The Audit Committee has the primary function of assisting the Board in fulfilling its audit oversight responsibilities. The committee fulfills its responsibilities by monitoring the quality and integrity of CAPREIT’s financial reporting and related disclosures; specific elements of risk management (including financial risk management); and the performance of internal and external audit processes. The Audit Committee Charter is reviewed annually, and its mandate and procedures are either confirmed by the Board or amended as a result of the information received by the Board in the annual evaluation of the Board and each committee’s performance. See “**Assessments**”.

During the year ended December 31, 2024, the Audit Committee met five (5) times.

Human Resources and Compensation Committee

The Declaration of Trust requires the creation of a Human Resources and Compensation Committee, consisting of at least three (3) trustees, to review the matters relating to human resources, including the compensation of trustees and officers of CAPREIT. All of the members of the Human Resources and Compensation Committee must at all times be independent (as that term is defined in NI 58-101) and free from any relationship that, in the opinion of the Board of CAPREIT, would interfere with the exercise of their independent judgment as a member of the Human Resources and Compensation Committee. Each member of the Human Resources and Compensation Committee should possess (or should acquire within a reasonable period of time after appointment) human resources literacy, meaning an understanding of compensation theory and practice, personnel management and development, succession planning and executive development, as determined by the Human Resources and Compensation Committee.

The Human Resources and Compensation Committee has the primary function of assisting the Board in fulfilling its human resources and compensation oversight responsibilities. The committee has specific responsibilities relating to structuring and reviewing compensation plans; administering CAPREIT’s compensation plans; reviewing CAPREIT’s human resources strategic framework; and reviewing disclosure relating to compensation. For a more detailed discussion of the Human Resources and Compensation Committee’s role in executive compensation, see the “**Compensation Discussion & Analysis – Human Resources and Compensation Committee**” discussion below.

As at the date of this Circular, the Human Resources and Compensation Committee of CAPREIT consists of the following four (4) trustees: Harold Burke, Ken Silver, Jennifer Stoddart and Elaine Todres. Elaine Todres serves as Chair of the Human Resources and Compensation Committee. The Human Resources and Compensation Committee is composed entirely of independent trustees.

The Human Resources and Compensation Committee Charter is reviewed annually, and its mandate and procedures are either confirmed by the Board or amended because of the information received by the Board in the annual evaluation of the Board and each committee’s performance. See “**Assessments**”.

During the year ended December 31, 2024, the Human Resources and Compensation Committee met seven (7) times.

Governance and Nominating Committee

The Declaration of Trust requires the creation of a Governance and Nominating Committee, consisting of at least three (3) trustees, to review the governance of CAPREIT. All of the members of the Governance and Nominating Committee must at all times be independent (as that term is defined in NI 58-101) and free from any relationship that, in the opinion of the Board of CAPREIT, would interfere with the exercise of their independent judgment as a member of the Governance and Nominating Committee, and each of whom should be familiar with corporate governance practices.

The Governance and Nominating Committee has the primary function of assisting the Board in fulfilling its corporate governance oversight responsibilities. The committee has specific responsibilities relating to reviewing CAPREIT's governance framework; assessing the composition and performance of the Board, its committees, and individual trustees; proposing new nominees for appointment to the Board; orienting new trustees; and providing continuing education for existing trustees.

As at the date of this Circular, the Governance and Nominating Committee of CAPREIT consists of the following three (3) trustees: Jennifer Stoddart, Elaine Todres and René Tremblay. René Tremblay serves as Chair of the Governance and Nominating Committee. The Governance and Nominating Committee is composed entirely of independent trustees.

The Governance and Nominating Committee Charter is reviewed annually, and its mandate and procedures are either confirmed by the Board or amended because of the information received by the Board in the annual evaluation of the Board and each committee's performance. See "**Assessments**".

During the year ended December 31, 2024, the Governance and Nominating Committee met four (4) times.

Investment Committee

The Declaration of Trust provides that the trustees shall appoint from among their number an Investment Committee consisting of at least three (3) trustees. A majority of the members of the Investment Committee must have had at least five (5) years of substantial experience in the real estate industry. In addition, a majority of the members of the Investment Committee must be independent trustees.

The duties of the Investment Committee are to review investment and disposition proposals of CAPREIT, subject to such authority as the trustees may delegate to the officers of CAPREIT, and to perform such other duties as the trustees may delegate to the Investment Committee pursuant to Article 8 of the Declaration of Trust.

As at the date of this Circular, the Investment Committee of CAPREIT consists of the following five (5) trustees: Harold Burke, Gervais Levasseur, Ken Silver, René Tremblay and David Wesik. René Tremblay serves as Chair of the Investment Committee.

The Investment Committee Charter is reviewed annually, and its mandate and procedures are either confirmed by the Board or amended because of the information received by the Board in the annual evaluation of the Board and each committee's performance. See "**Assessments**".

During the year ended December 31, 2024, the Investment Committee met ten (10) times.

Position Descriptions

Trustees

As part of its responsibility for identifying and recommending candidates to the Board for election and re-election as trustees, the Governance and Nominating Committee has developed certain criteria to facilitate its review of the qualifications of candidates. These outline the desired complement of trustees' skills and characteristics based on CAPREIT's current and anticipated needs under the broad categories of: (a) real estate financing; (b) property development, planning and construction; (c) property and asset management; (d) acquisitions, dispositions and M&A; (e) executive leadership and management experience; (f) financial accounting and reporting; (g) legal/tax; (h) human capital; (i) oversight of information technology and/or cybersecurity; (j) government relations; (k) energy management and/or climate-related risk; (l) social responsibility and community engagement; (m) equity, diversity and inclusion and (n) corporate governance. The Board reviews and, if required, updates these criteria annually to reflect its assessment of the current needs of the Board and the strategic priorities of CAPREIT. Part of this review entails a self-assessment by each existing trustee of their skills and qualifications. The Board then identifies any gaps, which assists the Governance and Nominating Committee in its search for new candidates. In considering the nomination of a trustee for re-election to the Board, the Governance and Nominating Committee looks at several factors including Board attendance, contribution and feedback from other trustees and reviews and recommendations arising out of trustee effectiveness assessments.

The Chief Executive Officer

The Board has developed a written position description for the Chief Executive Officer of CAPREIT. The Chief Executive Officer is accountable to the Board for the effective overall management of CAPREIT, and for conformity with policies agreed upon by the Board. The Chief Executive Officer has full responsibility for the day-to-day operations of CAPREIT's business in accordance with its strategic plan, as approved by the Board, and its operating plan and financial budgets (including operating and capital budgets), its financial and risk management strategy, its human resource strategy and its investment strategy.

The approval of the Board (or appropriate committee) shall be required for all significant decisions outside of the ordinary course of CAPREIT's business, including major financings, acquisitions and dispositions or material departures from CAPREIT's strategic plan or budgets. The primary accountabilities of the Chief Executive Officer are:

- Developing a long-term strategy and vision for CAPREIT that enhances Unitholder value;
- Developing an annual operating plan and financial budget that support CAPREIT's long-term strategy;
- Developing a financial and risk management strategy that supports CAPREIT's long-term strategy;
- Developing a human resource strategy that supports CAPREIT's long-term strategy;
- Developing an investment strategy that supports CAPREIT's long-term strategy and overseeing the implementation of major mergers, acquisitions and divestitures;
- Fostering a corporate culture that promotes ethical practices and encourages individual integrity;
- Fostering a culture that ensures compliance with regulations;
- Maintaining a positive and ethical work climate that is conducive to attracting, retaining, and motivating top-quality employees at all levels;
- Ensuring that the day-to-day business affairs of CAPREIT are appropriately managed by developing and implementing processes that will ensure the achievement of CAPREIT's financial and operating goals and objectives;
- Formulating and overseeing the implementation of major corporate policies;
- Keeping the Board aware of CAPREIT's performance and events affecting its business, including opportunities in the marketplace and adverse or positive developments;
- Establishing a strong working relationship with the Board;
- Serving as the chief spokesperson for CAPREIT and establishing CAPREIT's stakeholder engagement framework and strategy;
- Ensuring, in cooperation with the Board, that there is an effective succession plan for the Chief Executive Officer position;
- Ensuring that CAPREIT has an effective management team below the level of the Chief Executive Officer, and has an active plan for its development and succession; and
- Ensuring that there is clarity of objectives and focus for all employees and ensuring that there are clear and appropriate standards and measures of performance.

The position description for the Chief Executive Officer is reviewed and considered annually by the Human Resources and Compensation Committee, which recommends changes, if any, to the Board for approval each year.

Chair of the Board

The Board has also developed a written position description for the Chair of the Board. The Chair, who is appointed by the Board on an annual basis at the first meeting of the Board following the annual meeting of Trust Unitholders each year, is responsible for the effective functioning of the Board, their primary responsibility being to facilitate the operations and deliberations of the Board and the satisfaction of the Board's responsibilities under their mandate. The Chair serves for a term expiring following the next annual meeting of Trust Unitholders, or until a successor is appointed or he or she resigns.

The mandate of the Chair of the Board sets out the Chair's key responsibilities. The Chair of the Board is required to establish procedures to govern the Board's work and ensure the Board's full discharge of its duties, including:

- providing overall leadership to enhance the effectiveness and performance of the Board, the committees of the Board, and individual trustees of the Board;
- fostering ethical and responsible decision-making by the Board, the committees of the Board, and individual trustees of the Board;
- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Board meetings;
- providing appropriate information from management to enable the Board and committees to exercise their accountabilities;
- ensuring that items requiring Board/committee approval are appropriately tabled;
- ensuring that the duties and responsibilities of the committees of the Board are carried out in accordance with the charters of such committees;
- assisting the committees of the Board in bringing their recommendations forward to the Board for consideration;
- ensuring proper flow of information to the Board and reviewing adequacy and timing of documentary materials in support of management's proposals;
- creating a cooperative atmosphere where individual trustees of the Board are encouraged to openly discuss, debate, and question matters requiring their attention in a constructive and productive fashion;
- ensuring that the independent trustees of the Board meet in a separate *in camera* session, as deemed necessary or advisable by the Board;
- ensuring that external advisors retained or to be retained by the Board are appropriately qualified and independent; and
- ensuring that the Board has access to members of senior management as may be required by the Board.

The Chair of the Board is also mandated to ensure the Board meets according to its regular schedule and otherwise as required; chair every Board meeting and encourage free and open discussion at meetings; chair every meeting of Trust Unitholders and respond to such questions as are put to the Chair of the Board of trustees at any such meeting; receive notices and materials for all committee meetings and attend all such meetings whenever possible; together with the Governance and Nominating Committee, identify guidelines for the selection of, and evaluation of the performance of, the trustees; act as liaison between the Board and management; and carry out other duties as requested by the Board as a whole, depending on need and circumstances.

The position description for the Chair is reviewed and considered annually by the Governance and Nominating Committee which recommends changes, if any, to the Board for approval each year.

Board Committee Chairs

Position descriptions for the Chairs of the Audit Committee, the Human Resources and Compensation Committee, the Governance and Nominating Committee, and the Investment Committee have also been approved by the respective committees and the Board, which set out their key responsibilities. Each Chair will work with its respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee or board.

Audit Committee

The Chair of the Audit Committee is appointed by the Board on an annual basis at the first meeting of the Board following the annual meeting of Trust Unitholders. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by majority vote of the full committee membership.

The Charter of the Audit Committee and the position description for the Chair sets out the Chair's key responsibilities. The Chair, being responsible for the effective functioning of the Audit Committee, is required to establish procedures to govern the Audit Committee's work and ensure the Audit Committee's full discharge of its duties, including:

- providing leadership to enable the Audit Committee to effectively carry out its duties and responsibilities as described in the charter of the Audit Committee, and as may otherwise be appropriate;
- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Audit Committee meetings;
- providing appropriate information from management to enable the Audit Committee to exercise its mandate;
- in advance of each scheduled Audit Committee meeting, receiving and reviewing a draft of the financial statements and management's discussion and analysis and meeting with management and such other members of the Audit Committee who wish to participate to provide their comments;
- ensuring the Audit Committee meets as necessary or appropriate to fulfill its mandate;
- ensuring that all items requiring Audit Committee approval or Audit Committee recommendations to the Board are appropriately tabled;
- ensuring proper flow of information to the Audit Committee and reviewing adequacy and timing of documentary materials required to be considered by the Audit Committee;
- ensuring that the conduct of Audit Committee meetings provides adequate time for serious discussion of relevant issues;
- overseeing the assessment of the performance of the Audit Committee;
- ensuring that external advisors retained or to be retained by the Audit Committee are appropriately qualified and independent;
- ensuring that the Audit Committee has access to such members of senior management as may be required;
- working with the Audit Committee and management to help ensure an open and frank relationship between the Committee and the internal and external auditors;
- from time to time, and in advance of each scheduled Audit Committee meeting, meeting with the internal auditor and the external auditors, with such other members of the Audit Committee who wish to participate, to review and discuss their respective reporting;
- working with the Audit Committee to oversee and manage the internal auditor and support the independence of the internal auditor; and
- supporting the independence of the external auditor from management.

The Chair of the Audit Committee is also mandated to discuss as necessary with the Chair of the Governance and Nominating Committee the skills, experience, and talents required for the Audit Committee on an ongoing basis; chair every meeting of the Audit Committee and encourage a free and open discussion at the meetings; report to the Board on behalf of the Audit Committee; attend every meeting of Trust Unitholders and respond to such questions from Trust Unitholders as may be put to the Chair of the Audit Committee; and carry out other duties as requested by the Board, depending on need and circumstances.

The position description for the Chair of the Audit Committee is reviewed and considered annually by the Governance and Nominating Committee which recommends changes, if any, to the Board for approval each year.

For further information regarding the Audit Committee, please see Sections 13.2, 13.7, and Appendix "A" of the Annual Information Form, which can be accessed on SEDAR+ under CAPREIT's profile at www.sedarplus.ca.

Human Resources and Compensation Committee

The Chair of the Human Resources and Compensation Committee is elected by the Board on an annual basis at the first meeting of the Board following the annual meeting of Trust Unitholders. Unless a Chair is elected by the full Board, the members of the Human Resources and Compensation Committee may designate a Chair by majority vote of the full committee membership.

The Chair serves for a term expiring following the next annual meeting of Trust Unitholders, or until a successor is appointed or the Chair resigns.

The Charter of the Human Resources and Compensation Committee and the position description for the Chair sets out the Chair's key responsibilities. The Chair, who is responsible for the effective functioning of the Human Resources and Compensation Committee, is required to establish procedures to govern the Human Resources and Compensation Committee's work and ensure the Human Resources and Compensation Committee's full discharge of its duties, including:

- providing leadership to enable the Human Resources and Compensation Committee to effectively carry out its duties and responsibilities as described in the charter of the Human Resources and Compensation Committee, and as may otherwise be appropriate;
- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Human Resources and Compensation Committee meetings;
- providing appropriate information from management to enable the Human Resources and Compensation Committee to exercise its mandate;
- ensuring the Human Resources and Compensation Committee meets as necessary or appropriate to fulfill its mandate;
- ensuring that all items requiring Human Resources and Compensation Committee approval or Human Resources and Compensation Committee recommendations to the Board are appropriately tabled;
- ensuring proper flow of information to the Human Resources and Compensation Committee and reviewing adequacy and timing of documentary materials required to be considered by the Human Resources and Compensation Committee;
- ensuring that the conduct of Human Resources and Compensation Committee meetings provides adequate time for serious discussion of relevant issues;
- overseeing the assessment of the performance of the Human Resources and Compensation Committee;
- ensuring that external advisors retained or to be retained by the Human Resources and Compensation Committee are appropriately qualified and independent; and
- ensuring that the Human Resources and Compensation Committee has access to such members of senior management as may be required.

The position description for the Chair of the Human Resources and Compensation Committee is reviewed and considered annually by the Governance and Nominating Committee which recommends changes, if any, to the Board for approval each year.

Governance and Nominating Committee

The Chair of the Governance and Nominating Committee is elected by the Board on an annual basis at the first meeting of the Board following the annual meeting of Trust Unitholders. Unless a Chair is elected by the full Board, the members of the Governance and Nominating Committee may designate a Chair by majority vote of the full committee membership.

The Chair serves for a term expiring following the next annual meeting of Trust Unitholders, or until a successor is appointed or the Chair resigns.

The Charter of the Governance and Nominating Committee and the position description for the Chair sets out the Chair's key responsibilities. The Chair, being responsible for the effective functioning of the Governance and Nominating Committee, is required to establish procedures to govern the Governance and Nominating Committee's work and ensure the Governance and Nominating Committee's full discharge of its duties, including:

- providing leadership to enable the Governance and Nominating Committee to effectively carry out its duties and responsibilities as described in the charter of the Governance and Nominating Committee, and as may otherwise be appropriate;
- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Governance and Nominating Committee meetings;
- providing appropriate information from management to enable the Governance and Nominating Committee to exercise its mandate;
- ensuring the Governance and Nominating Committee meets as necessary or appropriate to fulfill its mandate;
- ensuring that all items requiring Governance and Nominating Committee approval or Governance and Nominating Committee recommendations to the Board are appropriately tabled;
- ensuring proper flow of information to the Governance and Nominating Committee and reviewing adequacy and timing of documentary materials required to be considered by the Governance and Nominating Committee;
- ensuring that the conduct of the Governance and Nominating Committee meetings provides adequate time for serious discussion of relevant issues;
- overseeing the assessment of the performance of the Governance and Nominating Committee;
- ensuring that external advisors retained or to be retained by the Governance and Nominating Committee are appropriately qualified and independent; and
- ensuring that the Governance and Nominating Committee has access to such members of senior management as may be required by the Board.

The position description for the Chair of the Governance and Nominating Committee is reviewed and considered annually by the Governance and Nominating Committee which recommends changes, if any, to the Board for approval each year.

Investment Committee

The Chair of the Investment Committee is appointed by the Board on an annual basis following the annual meeting of Trust Unitholders. Unless a Chair is elected by the full Board, the members of the Investment Committee may designate a Chair by majority vote of the full Investment Committee membership.

The Charter of the Investment Committee and the position description for the Chair set out the Chair's key responsibilities. The Chair, being responsible for the effective functioning of the Investment Committee, is required to establish procedures to govern the Investment Committee's work and ensure the Investment Committee's full discharge of duties, including:

- providing leadership to enable the Investment Committee to effectively carry out its duties and responsibilities as described in the charter of the Investment Committee, and as may otherwise be appropriate;
- collaborating with the Chief Executive Officer and other members of management, where appropriate, to develop the agenda for Investment Committee meetings;
- obtaining appropriate information from management to enable the Investment Committee to fulfill its mandate;
- ensuring the Investment Committee meets as necessary or appropriate to fulfill its mandate;
- ensuring that all items requiring Investment Committee approval or Investment Committee recommendations to the Board are appropriately tabled;
- ensuring proper flow of information to the Investment Committee and reviewing adequacy and timing of documentary materials required to be considered by the Investment Committee;
- ensuring that the conduct of the Investment Committee meetings provides adequate time for serious discussion of relevant issues;
- overseeing the assessment and performance of the Investment Committee;
- ensuring that external advisors retained or to be retained by the Investment Committee are appropriately qualified and independent; and
- ensuring that the Investment Committee has access to such members of senior management as may be required.

The Chair of the Investment Committee is also mandated to provide leadership to enable the Investment Committee to act effectively in carrying out its duties and responsibilities as described in the Investment Committee charter and as otherwise may be appropriate; ensure that there is an effective relationship between management and the members of the Investment Committee; ensure that external advisors retained by the Investment Committee are appropriately qualified and independent; Chair every meeting of the Investment Committee and encourage free and open discussion at meetings of the Investment Committee; report to the Board on behalf of the Investment Committee; attend every meeting of Trust Unitholders and respond to such questions from Trust Unitholders as may be put to the Chair of the Investment Committee; carry out other duties as requested by the Board, depending on need and circumstances; and ensure that the conduct of the Investment Committee provides adequate time for serious discussion of relevant issues.

The position description for the Chair of the Investment Committee is reviewed and considered annually by the Governance and Nominating Committee which recommends changes, if any, to the Board for approval each year.

Orientation and Continuing Education

New Trustees

CAPREIT ensures that new trustees have a general understanding of both the business of CAPREIT and the roles and responsibilities of the Board and its committees.

New trustees are invited to meet with the Chair of the Board, as well as with each member of senior management. To further provide a comprehensive understanding of both the underlying principles governing CAPREIT's operations as well as the role of the Board and its committees, new trustees are provided with documents material to CAPREIT, including CAPREIT's Annual Information Form, Declaration of Trust, Circular, committee charters, ESG Report, business policies including the disclosure policy, as well as historical financial statements.

In addition, new trustees are invited to tour part of CAPREIT's portfolio to familiarize themselves with CAPREIT's operations, property management, and a segment of the property portfolio. This tour also provides new trustees with an opportunity to ask any questions they may have regarding the nature and operations of the business and the implementation of CAPREIT's business strategy.

Ongoing Education

In addition, CAPREIT provides trustees with ongoing education and information sessions to ensure that they remain current with respect to CAPREIT's financial condition, operations, current trends, and other matters related to the advancement of the success of CAPREIT and the implementation of CAPREIT's long-term strategies.

As part of its formal trustee education program, CAPREIT provides trustees with the following education:

- At each quarterly meeting of the Board, the President and Chief Executive Officer and the Chief Financial Officer make a detailed presentation to the Board with respect to CAPREIT's operating performance and financial results. The President and Chief Executive Officer also provides a comprehensive review of CAPREIT's current and foreseeable opportunities and challenges, market conditions, and market trends.
- To educate the trustees on the operations of CAPREIT, members of CAPREIT's management make presentations to the Board on operational strategy and initiatives, including a review of the competitive environment for acquisitions, dispositions, and development activity, local market trends, and CAPREIT's performance relative to its peers.
- To educate the trustees on the growth and development of CAPREIT employees, members of the human resources department meet with the Human Resources and Compensation Committee and the Board regularly to present on strategy and initiatives in leadership, education, and training.
- At each quarterly meeting of the Board, the Executive Vice President, Risk & Compliance & People provides an update on the progress of the enterprise risk management program and compliance program at CAPREIT. Included in the update is a review of risks faced by CAPREIT, together with any mitigating factors.
- Where possible, trustees participate in property tours with senior management on a periodic basis.
- Every year, the Board meets for a strategy session which may include members of management and/or industry experts.
- At each quarterly meeting of the Board, the President and Chief Executive Officer, and from time-to-time certain members of senior management, update the Board on the status of the implementation of the strategic plan for that year.
- Internal education on topics affecting CAPREIT, including changes to applicable legislation, governance practices and risks are provided on an ongoing basis.

In addition, in 2024, trustees participated in the following:

Attendance	Presenter	Topic
Full Board	EVP, Technology	Information Technology Risks
Full Board	External Service Provider	Enterprise Resource Planning System Presentation
Full Board	Insurance Broker	Directors' and Officers' Liability Insurance and Insurance Trends
Full Board	SVP, Corporate Affairs	Excessive Interest and Financing Expenses Limitation (EIFEL) Rules
Full Board	SVP, Corporate Affairs	Netherlands Tax
Full Board	External Legal Counsel	Kraft (Re) Case on Tipping
Full Board	External Audit Firm, External Legal Counsel and ESG Consultant	ESG Workshop (Part 1) Climate-Related and ISSB Standards ESG Risks Recent Changes to the Competition Act re. Greenwashing
Full Board	EVP, Corporate Affairs and Senior Manager, ESG Integration and Reporting	ESG Workshop (Part 2) ESG Strategy
Full Board	EVP, Technology	Cybersecurity Update (Written Report)
Chair of the Board, Chair of the Governance and Nominating Committee, Chair of the Human Resources and Compensation Committee and a Member of the Human Resources and Compensation Committee	Institute of Corporate Directors	The Complexities of CEO Performance and Succession
Chair of the Board	PricewaterhouseCoopers	Financial and Regulatory Reporting – Year-end Update

Board Oversight of Risk Management

Pursuant to the Board Mandate, the Board has oversight of risk management. The Board regularly discusses with management CAPREIT's approach to risk identification, risk assessment and risk management relating to major strategic, financial, legal, compliance, human resources, governance and operational risk exposures, and the steps management has taken to monitor and control any exposure resulting from such risks. To assist the Board in its risk oversight responsibilities, the Board receives quarterly presentations from management assessing principal risks, risk mitigation and opportunities.

For further information regarding CAPREIT's principal risks, please see Section 7.18 of the Annual Information Form.

ESG Oversight

Pursuant to the Board's mandate, the Board shall oversee and monitor CAPREIT's policies and practices related to its Environmental, Social and Governance ("ESG") program, including management of climate-related risks and opportunities and alignment of the ESG strategy with CAPREIT's overall business strategy. The Board shall satisfy itself that CAPREIT has developed and implemented appropriate ESG standards in the conduct of its operations. At least annually, the Board shall review CAPREIT's ESG reporting and verify compliance with any applicable legal and regulatory requirements related to ESG disclosure. The Audit

Committee, the Human Resources and Compensation Committee, the Governance and Nominating Committee, and the Investment Committee have responsibilities related to ESG laid out in their respective charters, as detailed below.

Pursuant to the charter of the Audit Committee, the members of the Audit Committee must satisfy themselves that adequate procedures and controls are in place for the review of metrics, key performance indicators, and other quantitative data included in CAPREIT's public disclosure relating to ESG reporting.

Pursuant to the charter of the Human Resources and Compensation Committee, the Human Resources and Compensation Committee is responsible for the periodic review of CAPREIT's policies and programs in place related to human resources planning, leadership and career development, diversity, equity and inclusion, health and safety, and succession planning for executives, and, where appropriate, is responsible for ensuring such policies and programs are consistent with CAPREIT's overall business plan and strategy, including its ESG strategy as it relates to human capital and corporate culture.

Pursuant to the charter of the Governance and Nominating Committee, the Governance and Nominating Committee shall review CAPREIT's Diversity, Refreshment and Renewal Policy at least annually and take into consideration the Diversity, Refreshment and Renewal Policy when establishing qualifications for potential trustees and officers. In addition, the charter provides that the Governance and Nominating Committee shall review, on a periodic basis, CAPREIT's governance practices in relation to its ESG program and its climate action plan, including assessing and making recommendations regarding the Board's level of ESG education and expertise, and shall review CAPREIT's public disclosure related to its ESG/climate policies and practices.

Pursuant to the charter of the Investment Committee, the Investment Committee shall review all proposed investments prior to approval for alignment with CAPREIT's ESG program and strategy.

In addition, the trustee skills matrix includes various ESG-related skills including energy management and/or climate-related risk; social responsibility and community engagement; equity, diversity and inclusion and corporate governance. See the trustee skills matrix under "**Trustee Skills Matrix**" for a summary of ESG-related skills possessed by each individual who is proposed for election as a trustee at the Meeting.

CAPREIT's Chief Financial Officer has direct authority over ESG at the executive level and oversees CAPREIT's internal ESG team. The ESG team includes a Senior Vice President and a Senior Manager. The ESG team ensures CAPREIT's ESG strategy is translated into departmental action plans and budgets. The team also supports internal and external sustainability reporting, including CAPREIT's annual ESG Report (the "**ESG Report**") and disclosures such as the Global Real Estate Sustainability Benchmark ("**GRESB**") submission. The ESG team organized educational sessions and provided updates to the Board and management in 2024 and enables Board-level awareness of ESG/climate-related matters at CAPREIT through updates from each of the committees.

CAPREIT continues to review and refine its multi-year ESG strategy, which is aligned with CAPREIT's vision of being the best place to Live, Work, and Invest. CAPREIT's overarching commitments include ensuring that its buildings and services meet the highest achievable standards, fostering a culture where diversity, equity and inclusion are foundational, and ultimately integrating ESG into all aspects of CAPREIT's business and throughout all levels of its organization, supported by strong corporate governance, and standardized and comprehensive ESG disclosures. These commitments allow CAPREIT to better demonstrate its environmental responsibility, attract and retain the best people in the business in which it operates, build strong relationships with its residents and the communities in which they live, adopt best practice programs in corporate governance, monitor its progress on ESG priorities, and maintain open and transparent communication with its investors and other stakeholders. Please see CAPREIT's annual ESG Report available on CAPREIT's website at www.capreit.ca for more information on CAPREIT's ESG strategy, its commitments and priority areas, and its plan to move forward.

CAPREIT focuses on several ESG-specific deliverables. Through building in-house ESG subject matter expertise, CAPREIT empowers its people to be advocates and enablers of ESG transparency and performance, to develop and monitor cross-functional policies, carry out ongoing stakeholder engagements, establish frameworks, platforms, and practices to deliver investment-grade data, identify and monitor its progress, and build standardized and comprehensive ESG disclosures. In support of CAPREIT's ongoing commitment to ESG integration and performance, management continues to support submission to the GRESB, the results of which will inform future cycles of improvement and the evolution of CAPREIT's strategy going forward. CAPREIT will continue to focus on releasing annual ESG Reports while aligning closely with the Canadian Sustainability Disclosure Standards. In addition, CAPREIT will continue such disclosure with reference to leading global standards such as the Global Reporting Initiative, Task Force on Climate-related Financial Disclosures, and the Sustainability Accounting Standards Board and will add climate-related information throughout CAPREIT's public disclosures.

Information Security

Pursuant to the Board's Mandate, included at Appendix 1 of this Circular, the Board has oversight over information security. Accordingly, in order to fulfill this oversight responsibility, each quarter the Board reviews reports provided by management on any significant privacy breach, or information or cybersecurity related events, that could impact CAPREIT's business or operations. In addition, annually, the Board reviews reports provided by management on CAPREIT's information and cybersecurity program, including a review of the key policies and procedures, the investment in information security, and reporting on training completed by CAPREIT employees. In addition, CAPREIT's Technology team meets with the Board and the Audit Committee to brief them on CAPREIT's cybersecurity control environment. Also, the Board is responsible for oversight of enterprise-wide risks. To this end, the Board receives quarterly reports from management on the top risks, one of which includes risks relating to information technology and security. Management also updates the Board on emerging risks relating to Artificial Intelligence ("AI") and the steps management is taking to mitigate these risks. For example, in 2024, management developed an AI Usage Policy to govern employee usage of AI tools. Access to CAPREIT's confidential information, including personal information, is controlled through physical measures (e.g., locked offices and secure storage locations, alarm monitoring, cameras), administrative measures (e.g., data minimization, data retention policies, data destruction practices, and audits) and IT security measures (e.g. multi-factor authentication, firewalls, antivirus, intrusion detection, and encryption). Cybersecurity personnel and third-party consultants are engaged, where required, to assist with assessing the IT environment and cyber risks. Annually, CAPREIT engages industry-leading third parties to assess and/or challenge its cybersecurity defenses. In 2024, security assessments were completed on internal, external and cloud systems. CAPREIT employees receive regular awareness training on cybersecurity, privacy, and data protection. To date, CAPREIT has not experienced a material information security breach. CAPREIT maintains cybersecurity insurance coverage.

The trustee skills matrix includes oversight of information technology and/or cybersecurity as a key skill. Mr. Levasseur currently possesses this skill. In addition, Ms. Stoddart has significant experience advising on privacy and cybersecurity breaches.

Nomination of Trustees

CAPREIT has a Governance and Nominating Committee with nominating responsibilities. However, the full Board retains the discretion to select nominees and fill vacancies. The Governance and Nominating Committee is required, as necessary or appropriate, to establish qualifications for trustees and procedures for identifying possible nominees who meet these criteria. In doing so, it should (i) consider the Diversity, Refreshment and Renewal Policy, the desired competencies and skills, and the appropriate size of the Board, (ii) analyze the current skills and competencies of the Board, as well as the needs of the Board, when vacancies arise on the Board, and (iii) identify and recommend nominees who meet such needs. For the Governance and Nominating Committee to recommend an individual for Board membership, candidates should be assessed on their individual qualifications, diversity, experience, expertise, ESG and climate-related experience or capabilities and should exhibit the highest degree of integrity, professionalism, values, and independent judgment. The Governance and Nominating Committee believes that nominees for the Board should possess established skill sets, including but not limited to management and executive leadership experience, corporate governance, financial accounting, real estate, information technology, climate-related risk management and diversity and inclusion.

In 2024, the Governance and Nominating Committee recommended to the Board the appointment of David Wesik effective August 9, 2024.

The Governance and Nominating Committee also has the responsibility of recommending the resignation or removal of trustees or officers, where their current or past conduct is or has been improper or reasonably likely to adversely affect the assets or reputation of CAPREIT.

The Governance and Nominating Committee is composed entirely of independent trustees.

Ethical Business Conduct

The code of business ethics and conduct (the "**Code of Business Ethics and Conduct**") applies to CAPREIT, its subsidiaries and to their officers, trustees, directors, employees and contract employees.

The principles outlined in the Code of Business Ethics and Conduct are intended to:

- i. establish a minimum standard of conduct by which all officers, trustees, directors, employees and contract employees are expected to abide;
- ii. protect the interests of CAPREIT and its stakeholders, including employees, residents, and investors;
- iii. maintain CAPREIT's reputation of doing what is right; and
- iv. facilitate mechanisms for open communication by CAPREIT officers, trustees, directors, employees and contract employees regarding how CAPREIT complies with legal and regulatory obligations, and how business is conducted generally.

The Code of Business Ethics and Conduct addresses a range of topics, including honesty and integrity, following the letter and spirit of the law, how to avoid and address conflicts of interest, workplace behaviour (i.e. human rights, diversity and inclusion, anti-discrimination, anti-harassment and work place health and safety), anti-bribery, anti-corruption, confidentiality, privacy and protecting CAPREIT's assets, disclosure controls and internal controls, and, most importantly, the obligation of CAPREIT officers, trustees, directors, employee and contract employees to speak up about any concerns or violations of CAPREIT's principles.

The Governance and Nominating Committee reviews the Code of Business Ethics and Conduct annually, along with the process for socializing and ensuring compliance with it. The Board monitors compliance with the Code of Business Ethics and Conduct, with assistance from the Compliance and Ethics Department, through comprehensive record keeping and reporting from management.

The Code of Business Ethics and Conduct, in addition to CAPREIT's Declaration of Trust, requires that if any officers, trustees, directors, employees and contract employees of CAPREIT is a party to a proposed or existing material contract or transaction with CAPREIT or has a material interest in, a person who is a party to a proposed or existing material contract or transaction with CAPREIT, they must promptly disclose such conflict of interest in writing to the Compliance and Ethics Department, or, for trustees and executive officers, disclosure must be made to the Governance and Nominating Committee. Except in limited circumstances, a trustee who has a conflict of interest may not vote on any resolution to approve such a contract or transaction.

The trustees, as part of their mandate, are responsible for satisfying themselves as to the integrity of the Chief Executive Officer and other executives, and that the Chief Executive Officer and other executives create a culture of integrity throughout CAPREIT's organization.

Any changes to the Code of Business Ethics and Conduct are considered by the Board for approval. The Code of Business Ethics and Conduct is available on CAPREIT's website at <https://ir.capreit.ca> and is available on SEDAR+ under CAPREIT's profile at www.sedarplus.ca.

Compensation

The Human Resources and Compensation Committee reviews and recommends, for Board approval, CAPREIT's trustee compensation policy and practices. The Human Resources and Compensation Committee considers many factors, including whether the compensation fairly reflects the responsibilities and risks involved. The Human Resources and Compensation Committee may retain an independent external consultant to provide data and advice to the Human Resources and Compensation Committee on the appropriateness of its trustee compensation policy and levels, particularly in light of the number of meetings and amount of time required to be spent by the trustees to fulfill their Board and committee obligations. See **"Trustee Compensation"** above for further information.

Assessments

The Board has a formal process in place for the annual evaluation and review of its own performance and that of its committees and its trustees. The Board delegated this function to the Governance and Nominating Committee which, under its Charter, is required to conduct an annual assessment of the effectiveness of the trustees and the Board as a whole. The Governance and Nominating Committee may retain an external consultant to assist in conducting this assessment.

The assessment process for the 2024 financial year was completed in February 2025. In connection with this assessment, the trustees participated in a review process overseen by the Chair of the Governance and Nominating Committee to assess the performance of the Board and its committees, which included a trustee self-assessment and an opportunity to comment on the performance of peers. The trustees complete questionnaires to assist in reviewing their own and their peers' performance, as well as the performance of the Board and its committees, against their mandate and other criteria. The questionnaires covered a range of dimensions such as board skills, board strategy, board responsibilities, board structure, and board committees. The data obtained from the questionnaires, and any individual interviews which the Chair of the Governance and Nominating Committee may conduct, were compiled. The assessment culminated in a formal report by the Chair of the Governance and Nominating Committee to the full Board. The Chair of the Governance and Nominating Committee discussed the report with the trustees and highlighted any improvement opportunities to facilitate the greater functioning of the Board and its committees. Overall, the results of the assessment process for the 2024 financial year indicated that the Board and its committees are continuing to function effectively, and the Board and its committees were led by experienced trustees who dedicate the time required to properly fulfill their roles and responsibilities.

Trustee Term Limits and Other Mechanisms of Board Renewal

CAPREIT values the need to retain institutional knowledge and expertise while fostering Board renewal along with objectivity and innovation. In light of the foregoing objectives, the Board has adopted fixed term limits for non-executive trustees and accordingly, non-executive trustees will not stand for re-election at the annual meeting following the year in which they reach 15 years of continuous service on the Board.

In limited circumstances where the Board determines it to be in the best interests of CAPREIT, the Chair of the Board may, in consultation with the Governance and Nominating Committee, recommend a non-executive trustee for re-election for an additional one-year term after the expiration of such trustee's 15-year term. Diversity and Board renewal is also supported through other mechanisms, including the Diversity, Refreshment and Renewal Policy (as explained below).

As of December 31, 2024, the average tenure of CAPREIT's Board was 5.5 years.

Diversity, Refreshment and Renewal Policy

CAPREIT has adopted a Diversity, Refreshment and Renewal Policy in order to ensure that the Board is comprised of highly talented and experienced individuals, having regard to the need to foster and promote diversity among board members. CAPREIT's Diversity, Refreshment and Renewal Policy stipulates that a truly diverse Board will include and make good use of differences in skills, regional and industry experience, geographic knowledge and location, as well as gender, ethnicity, age, national origin, disability, sexual orientation, and other factors which reflect the diversity of CAPREIT's stakeholders, including customers and employees and the changing demographics of the communities in which CAPREIT operates.

Pursuant to the terms of the Diversity, Refreshment and Renewal Policy, the Governance and Nominating Committee shall, in considering candidates for nomination to the Board:

- consider individuals who are highly qualified, based on their talents, experience, functional expertise, personal skills, character, and qualities, having regard to CAPREIT's current and future plans and objectives, as well as anticipated regulatory and market developments;
- have due regard for the need to identify and promote individuals who are reflective of the diversity recognized in the Diversity, Refreshment and Renewal Policy for nomination for election to the Board; and
- consider the level of representation of men, women and racially and/or ethnically diverse trustees on the Board when making recommendations for nominees to the Board and in general with regard to succession planning for the Board.

CAPREIT's Governance and Nominating Committee ensures that the Diversity, Refreshment and Renewal Policy is effectively implemented by:

- completing annual evaluations and assessments of individual board members, as well as board committees and the Board as a whole, to identify strengths and areas for improvement;
- developing and maintaining a trustee skills matrix that identifies the skills, experience, and expertise required for the Board, along with potential areas for growth and improvement, with regard to the future needs of CAPREIT based on its strategic plans;

- developing measures designed to ensure that the nominee recruitment and identification processes are appropriate in terms of depth and scope to foster identification and progression of diverse candidates; and
- if deemed appropriate in the circumstances, engage qualified independent external advisors to assist the Governance and Nominating Committee and the Board in conducting searches for candidates that align with the goals of the Diversity, Refreshment and Renewal Policy, as noted above. Any search firm engaged to assist in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates reflecting the goals and commitments set out in the Diversity, Refreshment and Renewal Policy.

The Governance and Nominating Committee will track the annual and cumulative progress of CAPREIT in achieving the objectives of the Diversity, Refreshment and Renewal Policy in 2025 and beyond. The Governance and Nominating Committee will measure the effectiveness of the Diversity, Refreshment and Renewal Policy on an annual basis by considering whether the Board is composed of appropriately qualified people with a broad range of expertise relevant to CAPREIT's business.

A copy of CAPREIT's Diversity, Refreshment and Renewal Policy is available on CAPREIT's website at <https://ir.capreit.ca>. CAPREIT reserves the right, at its absolute discretion, to change the Diversity, Refreshment and Renewal Policy from time to time as it considers necessary.

Commitment to Diversity in Executive Officer Appointments

In appointing individuals to the senior management team, CAPREIT considers the level of representation of women in senior management positions. In filling these positions, CAPREIT takes into account the following factors:

- the competencies and skills the senior management team, as a whole, should possess;
- the competencies, skills, personal and other diverse qualities the existing senior management team possess; and
- the competencies, skills, personal and other diverse qualities required for new members of the senior management team in order to add value to CAPREIT in light of opportunities and risks facing CAPREIT.

CAPREIT's Targets Regarding Diversity on the Board and in Executive Officer Positions

In furtherance of CAPREIT's commitment to maintaining a diverse Board, the Board has established a target such that 30% of the trustees on the Board will be women or men. In furtherance of the specific commitment to racial and/or ethnic diversity, the Board has established a target that at least one trustee on the Board will be racially and/or ethnically diverse. CAPREIT is also committed to ensuring that diversity and inclusion is reflected in senior management positions. As such, the Human Resources and Compensation Committee has regard to the need to foster and promote diversity among members of the executive and senior management teams with respect to attributes such as gender, ethnicity, age, national origin, disability, sexual orientation, and other factors as identified in the Diversity, Refreshment and Renewal Policy or that may be representative of the changing demographics of the communities in which CAPREIT operates.

Target Representation for Women

	Target		Target Date	Progress
	Number	%		
Board of trustees	N/A	30%	None	Met Target ⁽¹⁾
Executive Officer Positions	N/A	N/A	N/A	N/A

Notes:

1. The target has been achieved. Women represented 40% of trustees as of December 31, 2024.

Target Representation for Racial and/or Ethnic Diversity

	Target		Target Date	Progress
	Number	%		
Board of trustees	1	N/A	None	Met Target ⁽¹⁾
Executive Officer Positions	N/A	N/A	N/A	N/A

Notes:

1. The target has been achieved. There are two racially and/or ethnically diverse trustees as of December 31, 2024.

Diversity on the Board and in Senior Executive Management Positions

CAPREIT believes that having a mix of trustees and senior executive management who are from varied backgrounds and who bring a diverse range of perspectives and insights fosters enhanced decision-making and promotes better corporate governance.

The following table summarizes CAPREIT's diversity on the Board and in senior executive management (Vice President and above) positions at CAPREIT and CAPREIT's major subsidiaries (as that term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Reporting Exemptions*), excluding ERES, as of December 31, 2024. In addition, 40% of the trustees on the Board are bilingual in English and French.

	Diversity Statistics	
	Number	%
Women on the Board	4/10	40%
Women in senior executive management	5/15	33%
Trustees who self-identify as Indigenous Peoples (First Nations, Métis and Inuit)	0/10	0%
Senior executive management who self-identify as Indigenous Peoples (First Nations, Métis and Inuit)	0/15	0%
Trustees who self-identify as a member of a visible minority	2/10	20%
Senior executive management who self-identify as a member of a visible minority	7/15	47%
Trustees who self-identify as a person with a disability	0/10	0%
Senior executive management who self-identify as a person with a disability	0/15	0%
Trustees who self-identify as a member of two or more designated groups	2/10	20%
Senior executive management who self-identify as a member of two or more designated groups	3/15	20%

Compensation Discussion & Analysis

Letter from the Chair, Human Resources and Compensation Committee

Dear Fellow Unitholders,

On behalf of the Human Resources and Compensation Committee of CAPREIT, I would like to share with you our perspective on CAPREIT's 2024 financial performance, pay decisions and outcomes, and our commitment to best practices in executive compensation.

2024 Financial Performance

During 2024, CAPREIT demonstrated resilience and growth in a challenging market environment. Our annual operating revenues increased by 4.5%, driven by strategic acquisitions that enhanced our portfolio and same property operational growth. We achieved a 5.1% increase in FFO, reflecting our commitment to operational excellence and effective cost management. As at December 31, 2024, total debt to gross book value decreased by 3.2% compared to December 31, 2023, and interest and debt service coverage ratios were 3.3x and 1.9x, respectively, compared to 3.3x and 1.8x in 2023. These results are a testament to the hard work and dedication of our leadership team and demonstrate our commitment to delivering unitholder value.

Changes to the Named Executive Officers

In 2024, there was a change to the executive management team whereby Roman Brailovski's (former Executive Vice President, Operations) employment ended with CAPREIT effective July 26, 2024 and on September 23, 2024, Nick Savino was promoted to Senior Vice President, Operations. As a result of the timing of these changes, some of the compensation decisions outlined below would not be applicable to the Senior Vice President, Operations for the 2024 fiscal year.

2024 Compensation Decisions and Outcomes

In 2024, the Human Resources and Compensation Committee completed a holistic review of CAPREIT's executive compensation programs, with assistance from its independent compensation consultant, to ensure that the compensation framework aligns with market practice and with CAPREIT's performance and long-term strategic goals. In 2024, we approved changes to the annual incentive plan (the "Annual Incentive Plan") to align the measures more closely with market practice. The financial component of the Annual Incentive Plan, representing 60% of the award, was based on performance against four metrics: FFO per unit: 30%, Adjusted Same Property NOI: 10%, Debt to Gross Book Value: 10%, and Interest Coverage Ratio: 10%. The remaining 40% of the annual incentive award reflected non-financial performance in three categories: Strategic Initiatives, ESG and Individual Performance. Based on performance against the combined financial and non-financial goals, annual incentive awards ranged from 108%-134% of base salary for the CEO, CFO and CIO. The Senior Vice President, Operations was not appointed to the role until September 23, 2024 and therefore did not have the same Annual Incentive Plan goals as the CEO, CFO and CIO.

For 2024 long-term incentive awards, the Human Resources and Compensation Committee approved equally weighted grants of time-based restricted unit rights (RURs) and performance-based RURs (as defined below) to enhance the pay-for-performance connection for the NEOs. As the Senior Vice President, Operations was not appointed into the role until September 23, 2024, he did not receive performance-based RURs for 2024. In prior years, long-term incentive awards were based on the same financial and non-financial performance measures as the annual incentive awards.

The performance-based RURs will vest based on performance against two metrics: 3-year forward-looking FFO per unit and 3-year relative total unitholder return against a peer group of 17 publicly-traded Canadian real estate investment trusts. The revised long-term incentive plan is designed to focus management on achieving long-term financial goals and outperforming peer companies while increasing unitholder value and promoting executive retention.

Best Pay Practices

In line with our commitment to best practices, we have several key components built into our compensation structure:

- **Performance-based annual incentives:** A substantial portion of our executives' annual bonuses are tied to the achievement of specific financial, strategic and operational targets to motivate our leaders to drive results that benefit all stakeholders.
- **Alignment with Strategy:** Our executive compensation program is aligned to the achievement of CAPREIT's strategic initiatives.
- **Long-term incentives:** Our long-term incentive plan aligns the interests of our executives with those of our unitholders. By granting performance-based RURs, we encourage our executives to focus on long-term value creation.
- **Pay policies:** We have adopted unitholder-friendly pay policies and practices to ensure an effective link between pay and performance and to mitigate compensation risk, including unit ownership guidelines and clawback and anti-hedging policies.
- **Transparency and accountability:** We are committed to clear communication about our compensation policies and practices, which are regularly reviewed and benchmarked against industry standards to ensure competitiveness and fairness.
- **Unitholder engagement:** We value your feedback and seek your input on our compensation practices. Your insights are crucial in shaping our approach and ensuring that we remain aligned with Trust Unitholder's interests.

We believe our compensation programs and decisions reflect our commitment to performance and uphold the principle of pay for performance. We are confident that our approach will continue to drive CAPREIT's success and enhance Trust Unitholder value.

Thank you for your continued support and trust in CAPREIT.

Sincerely,

Elaine Todres
Chair, Human Resources and Compensation Committee
CAPREIT

Named Executive Officers

For purposes of this Circular, the named executive officers are Messrs. Kenney, Co, Schonfeldt, Savino, and Brailovski (each, an "NEO" and together, the "NEOs"). Mr. Brailovski's employment with CAPREIT ended on July 26, 2024.

- Mark Kenney – President and Chief Executive Officer
- Stephen Co – Chief Financial Officer
- Julian Schonfeldt – Chief Investment Officer
- Nick Savino – Senior Vice President, Operations
- Roman Brailovski – Former Executive Vice President, Operations

Year in Review – Executive Summary

CAPREIT continued to achieve its key financial and strategic objectives throughout 2024, with strong operating performance, an increase in FFO, and a conservative FFO payout ratio and maintained a strong and flexible financial position.

In 2024, CAPREIT focused on the quality instead of the quantity of its Canadian property portfolio. CAPREIT disposed of 12,982 non-strategic suites and sites in Canada for a gross sale price of \$1.1 billion and acquired 1,286 suites of recently built properties in Canada, for a gross purchase price of \$670 million. With these strategic transactions, CAPREIT's total Canadian property portfolio contracted to 44,195 residential apartment suites and townhomes (excluding 1,492 suites and sites classified as assets held for sale) as of December 31, 2024, with a fair value of approximately \$13.7 billion.

Furthermore, in 2024, CAPREIT disposed of a total 3,877 residential suites and ancillary commercial space in Europe for a gross sale price of \$1.4 billion. With these strategic transactions, CAPREIT's European portfolio decreased to 2,698 residential suites (excluding 311 suites classified as assets held for sale) as of December 31, 2024, with a fair value of approximately \$1.2 billion.

Portfolio Performance

Operating Revenues

Annual operating revenues increased by 4.5% to \$1.1 billion, compared to December 31, 2023, due to the contributions from acquisitions and increased monthly rents on the same property residential suite portfolio, partially offset by dispositions. Same properties for operating revenues and net operating income (“**NOI**”) for the year ended December 31, 2024 are defined as all properties owned by CAPREIT continuously since December 31, 2022, and therefore do not take into account the impact on performance of acquisitions or dispositions completed during 2024 and 2023, or properties that are classified as held for sale as at December 31, 2024.

Occupied Average Monthly Rents (“**AMR**”)

Same property Occupied AMR and occupancy include all properties owned as at December 31, 2023, but exclude properties disposed of or held for sale as at December 31, 2024. Same property AMR increased by 6.0% to \$1,623 for the Canadian portfolio, and increased by 6.8% to €1,245 for the Netherlands portfolio as at December 31, 2024, compared to \$1,531 and €1,166, respectively, from December 31, 2023. As at December 31, 2024, same property occupancy for the total portfolio decreased to 97.4%.

NOI

Annual NOI increased by 5.5% to \$730.7 million for the year ended December 31, 2024, compared to December 31, 2023. On a same property portfolio basis, same property NOI increased by 6.0% to \$594.6 million for the year ended December 31, 2024, compared to December 31, 2023. NOI is a key indicator of operating performance in the real estate industry and of CAPREIT’s performance. NOI is comprised of all rental revenues and other related ancillary income generated at the property level, less (i) related direct costs such as realty taxes, utilities, repairs and maintenance costs, on-site wages and salaries, insurance costs, and expected credit losses, and (ii) an appropriate allocation of overhead costs. It may not, however, be comparable to similar measures presented by other real estate investment trusts or companies.

NOI margin on a same property portfolio basis for the year ended December 31, 2024 was 64.7% compared to 64.5% for the year ended December 31, 2023.

Operating Performance

FFO

FFO for the year ended December 31, 2024, increased by 5.1% to \$428.6 million compared to \$407.7 million in 2023, generating a FFO payout ratio of 57.9%, compared to 60.5% in 2023. FFO is the key measure of CAPREIT’s operating performance.

FFO and FFO payout ratio are non-IFRS measures. Please see the “*Non-IFRS Financial Measures*” section of this Circular.

Liquidity and Leverage

Total Debt to Gross Book Value

Total debt to gross book value as at December 31, 2024, was conservative at 38.4% compared to 41.6% as at December 31, 2023.

Mortgage Financings

In 2024, completed mortgage financings totalling \$539.9 million, with a weighted average term to maturity of 7.4 years and a weighted average interest rate of 4.33% per annum.

Interest and Debt Coverage

Interest coverage and debt service coverage ratios of 3.3 and 1.9 times, respectively, were achieved in 2024 compared to 3.3 and 1.8 times, respectively, in 2023.

The Human Resources and Compensation Committee

The Declaration of Trust requires the creation of a Human Resources and Compensation Committee (the “**Human Resources and Compensation Committee**”), consisting of at least three (3) trustees, to review the compensation offered to trustees and officers of CAPREIT. All of the members of the Human Resources and Compensation Committee are unrelated and “independent” (as that term is defined in NI 58-101). As at the date of this Circular, the Human Resources and Compensation Committee of CAPREIT consisted of the following four (4) trustees: Harold Burke, Ken Silver, Jennifer Stoddart and Elaine Todres. Elaine Todres serves as Chair of the Human Resources and Compensation Committee.

The Human Resources and Compensation Committee assists the Board in fulfilling its governance responsibilities for CAPREIT’s human resources and compensation principles and policies. As part of its mandate, the Human Resources and Compensation Committee reviews CAPREIT’s compensation principles and policies annually and reports to the Board on CAPREIT’s executive officer and trustee compensation. The Human Resources and Compensation Committee has specific responsibilities relating to the following: structuring and reviewing compensation plans; the administration of CAPREIT’s compensation plans; and reviewing CAPREIT’s human resources strategy and disclosure relating to compensation. For more information on the responsibilities, powers and operations of the Human Resources and Compensation Committee, please see below “**Declaration of Trust – Committees of Trustees – Human Resources and Compensation Committee**” and “**Declaration of Trust – Position Descriptions – Human Resources and Compensation Committee**”.

The Human Resources and Compensation Committee meets at least four (4) times per year, or more frequently as required. The Chair reports to the Board on the Human Resources and Compensation Committee’s operations at each regularly scheduled Board meeting. The Human Resources and Compensation Committee also reviewed and approved the Compensation Discussion & Analysis included in this Circular.

To better align the interests of management of CAPREIT with the interests of Trust Unitholders, the compensation paid to the NEOs consists of a base salary supplemented by such performance-based incentives as may be determined by the Board. The base salary and the parameters for the performance-based incentives (as determined by the Board from time to time) paid to: (i) Messrs. Kenney, Co, Schonfeldt and Savino are governed by the terms of their employment agreements dated March 27, 2019, August 11, 2022, August 2, 2022 and September 23, 2024, respectively, each as may be amended from time to time, and (ii) Mr. Brailovski was governed by the terms of his employment agreement dated October 2, 2023, as amended from time to time, (collectively, the “**NEO Contracts**”) each as more fully described under “**Significant Terms of Executive Employment Agreements**”.

The Human Resources and Compensation Committee is involved in oversight of the negotiation and settlement of the terms of the employment contracts for the NEOs. In determining the appropriate terms of these contracts, the Human Resources and Compensation Committee considers the following objectives:

- i. retaining executives who are critical to the success of CAPREIT and the enhancement of Trust Unitholder value;
- ii. providing fair and competitive compensation; and
- iii. balancing the interests of management and Trust Unitholders of CAPREIT.

In 2024, the Human Resources and Compensation Committee:

- ✓ Reviewed the performance of CAPREIT executives and senior management relative to CAPREIT’s annual and long-term objectives;
- ✓ engaged a third-party compensation consultant to assist in refining the specificity and objectivity of the targets set out in the 2024 Annual Incentive Plan;
- ✓ enhanced the pay-for-performance component of the executive compensation program by approving the adoption of and metrics relating to performance-based RURs;
- ✓ reviewed and made recommendations to the Board on the compensation of trustees and the NEOs;
- ✓ aligned on the approach for an executive succession plan for certain of CAPREIT’s senior executives including identifying key competencies, conducting 360 reviews and psychometric testing;
- ✓ provided oversight over Management’s initiatives to enhance CAPREIT’s culture and enhance employee engagement; and
- ✓ reviewed and approved CAPREIT’s long-term human resources strategy.

Succession Plan

In 2024, the Human Resources and Compensation Committee provided oversight over CAPREIT's approach to succession for the President and Chief Executive Officer and other senior executives. The approach includes conducting 360 reviews and psychometric testing of senior executives, identifying the future skill sets required for each senior executive position and identifying potential successors. The President and Chief Executive Officer is responsible for the development of succession plans for other senior management. The Human Resources and Compensation Committee and the President and Chief Executive Officer discuss the performance of his direct reports annually, and discuss qualifications required for senior management positions, and the competencies and development considerations for potential successor candidates.

The Human Resources and Compensation Committee is granted unrestricted access to information about CAPREIT that is necessary or desirable to fulfill its duties and all trustees, officers, and employees are directed to cooperate as requested by its members. The Human Resources and Compensation Committee has the authority to retain, at CAPREIT's expense, independent compensation consultants or other advisors to assist the Human

Resources and Compensation Committee in fulfilling its duties and responsibilities, including the sole authority to retain and to approve any such firm's fees and other retention terms without the prior approval of the Board.

CAPREIT's executives and senior management are precluded from attending Human Resources and Compensation Committee meetings when their compensation is being deliberated.

In addition to their experience as members of the Human Resources and Compensation Committee of CAPREIT, each member of the Human Resources and Compensation Committee has direct experience that is relevant to their responsibilities as a member of the Human Resources and Compensation Committee.

As part of their role, each member of the Human Resources and Compensation Committee has had access to relevant information regarding compensation, governance, and applicable market practices, including access to independent compensation consultants and other experts from time to time, to give them the tools required to make decisions relating to the suitability of CAPREIT's compensation policies and practices.

The Human Resources and Compensation Committee Members

Harold Burke

Mr. Burke has over 11 years of experience as a senior executive at a large Canadian real estate development and asset management company and over 30 years of experience as a partner at various public accounting firms. During this time, Mr. Burke managed the compensation and performance of the employees reporting to him.

Ken Silver

Mr. Silver was the Chief Executive Officer of CT REIT for nine years and has over 40 years of experience in retail and commercial real estate, and in the retail industry. During his time as Chief Executive Officer of CT REIT, Mr. Silver worked closely with the Governance, Nominating and Compensation Committee of CT REIT to develop and implement executive compensation practices to support the achievement of strategic objectives and to attract, retain and motivate executives to maximize unitholder value. Mr. Silver has significant experience related to variable elements of total compensation, including short-term incentive plans and long-term incentive plans.

Jennifer Stoddart

Ms. Stoddart has had a long career in management positions in both the Québec and Canadian government, during which time she has gained experience in managing collective bargaining agreements, grievances, and arbitrations as well as particular arrangements under Order in Council appointments. As a member of the Québec Bar, Ms. Stoddart managed a human rights complaint system, gaining insight into the discriminatory power dynamics of the workplace, rental accommodation, and other venues. Ms. Stoddart was extensively involved in addressing pay equity issues in both the Canadian and Québec governments prior to 2000. As the current Honorary Colonel of the 34th Combat Engineering Regiment, based in Montreal, Ms. Stoddart is involved in the necessary behaviour changes in the Canadian Armed Forces, affecting the career aspirations of women and minorities.

Dr. Elaine Todres

Dr. Todres has over 30 years of experience in governance and human resources in both the public and private sectors. As President of Todres Leadership Counsel, Dr. Todres consults regularly to boards and senior management on matters relating to governance and human resources strategy. Dr. Todres was Deputy Minister of Human Resources and was the Chair of the Civil Service Commission for the Government of Ontario, where she was responsible for all human resources practices, including compensation, policy, pension bargaining and talent management for a workforce of approximately 150,000 employees.

Compensation Philosophy/Objectives of CAPREIT’s Executive Compensation Program

The executive compensation programs (as more fully described below), in the Human Resources and Compensation Committee’s view, provide executives with an appropriate and competitively balanced mix of guaranteed cash (base salary) and performance-based (short-term cash-based and long-term equity-based) incentive compensation. CAPREIT’s compensation programs are designed to achieve the following objectives:

- attract, retain, and motivate highly qualified executive officers, while at the same time promoting a greater alignment of interests between such executive officers and Trust Unitholders;
- provide a reward for the achievement of CAPREIT’s annual and long-term strategic, ESG and financial and non-financial objectives;
- provide competitive compensation aligned with those companies with which CAPREIT competes for talent;
- differentiate compensation to provide recognition and reward individual executive officer’s performance, responsibilities, experience, skill, value and contribution to CAPREIT; and
- discourage excessive risk-taking behaviour that could have a material adverse effect on CAPREIT.

Short- and long-term incentive awards are determined by the achievement of annual specified non-financial performance objectives and the ability of CAPREIT to meet targeted financial performance levels established for each financial year. In connection with such awards, NEOs receive a combination of cash incentives and equity-based incentives.

Compensation Policies and Practices

What We Do	What We Don’t Do
• Link executive pay to business performance through our annual and long-term incentive plans • Balance among short- and long-term incentives, cash and equity and fixed and variable pay • Compare executive compensation and business performance to relevant peer group companies • Require executives to meet minimum equity ownership requirements • Enforce a compensation clawback policy for unearned incentive pay or for unethical conduct	• Permit hedging or pledging by executives or trustees of equity holdings • Grant, renew or extend loans to employees • Guarantee annual base salary increases • Maintain pay policies or practices that pose material adverse risk to CAPREIT • Use an aspirational peer group of significantly larger businesses

Elements of Executive Compensation

The elements of executive compensation and their associated reward structure are described in the table below:

Compensation Element	How it is Paid	What it is Designed to Reward
Base Salary	Fixed Cash	- Determined annually by assessment of the executive's performance - Rewards skills, knowledge and experience - Reflects the level of responsibility and the expected contribution of the executive
Annual Incentive (Bonus)	Variable Cash (Following financial year end)	- Rewards financial and strategic achievement as set out in CAPREIT's annual business plan - Rewards individual contribution to CAPREIT's overall performance, as well as the achievement of business-wide and departmental objectives - Award is generally based on how CAPREIT, its employees and the executive performed against pre-determined objectives
Performance-based RURs (New in 2024)	RURs (settled in Units upon vesting)	- Rewards contribution to the long-term performance of CAPREIT by aligning executive compensation to business absolute and relative performance - Aligns eligible participants' interests with those of Unitholders and provides additional incentive for eligible participants to increase Unitholder value
Time-based RURs	RURs (settled in Units upon vesting)	- Promotes retention of executive talent - Aligns participants' interests with those of Unitholders and provides additional incentive for participants to increase Unitholder value
Other Elements of Compensation		
Executive RRSP	Cash	- Award equal to 5% of the respective executive's base salary, subject to RRSP limits, other than with respect to Mr. Kenney who is entitled to his full annual RRSP contribution - Award is intended to provide a portion of the respective executive's retirement savings
Perquisites and other benefits	Cash	- Automobile allowance - Other health benefits consistent with those of all other employees and comparable to peer organizations
EUPP	Units	- An EUPP Participant is entitled to acquire a number of Units up to a maximum value of 10% of their respective annual base salary through payroll deductions, consistent with any employee who participates in the EUPP - EUPP Participants receive an additional amount equal to 20% of the Units purchased pursuant to the EUPP, which amount is automatically paid in the form of additional Units at the time of the purchase of Units

Executive Unit Ownership Requirements

CAPREIT encourages its executive officers to own equity in CAPREIT recognizing the importance of aligning their financial interests with the interests of CAPREIT while also enabling them to share in its long-term growth and success. Accordingly, CAPREIT's executive officers and senior management are required to comply with CAPREIT's minimum unit ownership guidelines, as measured on an annual basis based on the closing price of the Units on the TSX on the date measured, which require:

- a) the President and Chief Executive Officer of CAPREIT to own or acquire, over a maximum period of five years from the date of their appointment, such number of Units (which may include RURs for purposes of calculating whether the President and Chief Executive Officer has met the minimum unit ownership guidelines) having a value equal to five times their annual base salary;
- b) the President and Chief Executive Officer of CAPREIT to hold such number of Units having a value equal to five times their annual base salary for a period of one year following their departure from CAPREIT; and
- c) all other senior management of CAPREIT to own or acquire, over a maximum period of five years from the date of their appointment, such number of Units (which may include RURs for purposes of calculating whether a member of senior management has met the minimum unit ownership guidelines) having a value equal to (i) in the case of the NEOs (other than the President and Chief Executive Officer of CAPREIT), three times their annual base salary and (ii) in the case of other officers (vice presidents and above), two times their annual base salary.

If unit ownership falls below the minimum guideline due to a decline in the unit price of Units, the Board may, in its discretion, grant such person a transition period to own or acquire such number of additional Units (which may include RURs) to meet the thresholds under these guidelines.

For the purposes of calculating compliance with these unit ownership guidelines, unexercised unit options (or similar awards requiring exercise) and performance-based awards shall not be included until they are exercised or considered earned, as applicable. For greater certainty, granted or issued and outstanding deferred units, restricted unit rights or other similar instruments that are not subject to performance criteria are considered to be earned for the purposes of these guidelines and may be included.

The following table summarizes the number of Units and RURs beneficially owned, controlled, or directed, directly or indirectly, as of March 25, 2025, by each NEO of CAPREIT, with the exception of Roman Brailovski whose employment ended on July 26, 2024, the dollar value of such interests, the percentage of such interests as a percentage of CAPREIT's issued and outstanding Units, and each NEO's Unit ownership as a multiple of his annual base salary.

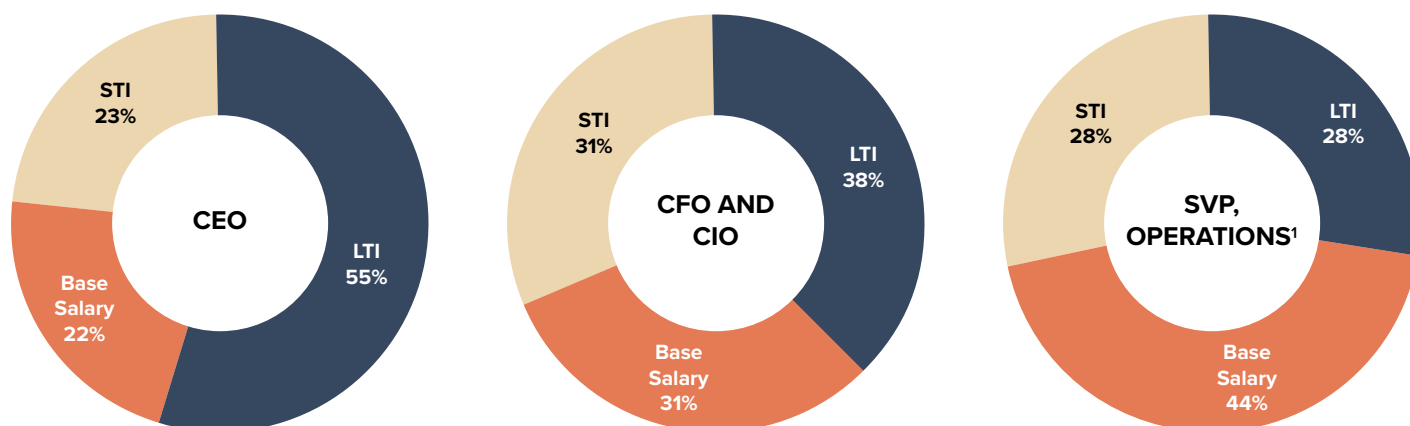
NEO	Required Ownership	Trust Units		RURs ⁽¹⁾				Total Trust Units and RURs (#)	Value of Trust Units and RURs ⁽²⁾ (\$)	Actual Multiple of Base Salary ⁽³⁾
		Number	Value (\$)	Vested		Unvested				
				Number	Value (\$)	Number	Value (\$)			
Mark Kenney President and Chief Executive Officer	5x	285,303	\$ 12,219,527	159,195	\$ 6,818,322	142,582	\$ 6,106,787	587,080	\$ 25,144,636	27.12x
Stephen Co ⁽⁴⁾ Chief Financial Officer	3x	5,190	\$ 222,288	14,304	\$ 612,641	23,292	\$ 997,596	42,786	\$ 1,832,525	4.14x
Julian Schonfeldt ⁽⁵⁾ Chief Investment Officer	3x	0	\$ 0	0	\$ 0	28,247	\$ 1,209,819	28,247	\$ 1,209,819	2.73x
Nick Savino ⁽⁶⁾ Senior Vice President, Operations	3x	858	\$ 36,748	0	\$ 0	7,855	\$ 336,430	8,713	\$ 373,178	1.29x

Notes:

- RURs are time-based RURs (as defined below) and vest on the third anniversary of the grant date.
- Individual executive officers have furnished information as to Units and RURs beneficially owned, controlled, or directed, directly or indirectly, by them. See "Outstanding Unit-based Awards".
- Dollar amounts represent the estimated market value of Units and RURs (vested or unvested) beneficially owned, controlled, or directed, directly or indirectly, by each NEO, as determined by multiplying such number of Units and RURs as of March 25, 2025, by the closing price of the Units on the TSX on such date.
- Mr. Co was appointed Chief Financial Officer on August 11, 2022 and is in the process of meeting his ownership requirement.
- Mr. Schonfeldt was appointed Chief Investment Officer on August 2, 2022, and is in the process of meeting his ownership requirement.
- Mr. Savino was appointed Senior Vice President, Operations on September 23, 2024 and is in the process of meeting his ownership requirement.

Targeted Pay Positioning and Mix

CAPREIT's executive compensation mix (the proportion of base salary and short-term and long-term incentive awards) is designed to reflect the relative impact of the executive's role on CAPREIT's performance and considers how the compensation mix aligns with long-term Trust Unitholder value creation. The charts below outline the target compensation mix for the CEO, the CFO and CIO and the Senior Vice President, Operations.



Note:

1. The target pay mix for the SVP, Operations is effective on the date of his appointment of September 23, 2024.

Base Salary

Base salary is the principal fixed source of cash compensation provided to the NEOs. Base salary reflects each executive's level of responsibility, capabilities and experience in the context of their role and the market. Base salaries are reviewed annually and increases may be provided from time to time, including when an executive assumes increased responsibilities or significantly deepens their knowledge and expertise, or when there is a material change in the compensation levels of comparable roles in the compensation peer group.

Executive	2023 Salary	2024 Salary	Percentage change
Mark Kenney President and Chief Executive Officer	\$ 852,500	\$ 900,000	6%
Stephen Co Chief Financial Officer	\$ 341,154	\$ 410,003	20%
Julian Schonfeldt Chief Investment Officer	\$ 410,000	\$ 430,000	5%
Nick Savino Senior Vice President, Operations	\$ 210,004	\$ 246,350 ⁽¹⁾	17%
Roman Brailovski Former Executive Vice President, Operations ⁽²⁾	\$ 350,000	\$ 350,000	—

Notes:

1. Mr. Savino's base salary as shown in the table above is prorated based on a base salary of \$231,000 (effective January 1, 2024). His base salary increased to \$280,000 upon his promotion to Senior Vice President, Operations on September 23, 2024.
2. Mr. Brailovski joined CAPREIT on October 2, 2023, and his employment ended on July 26, 2024. The salaries shown are the annualized salaries for each of 2023 and 2024.

Mr. Co was appointed Chief Financial Officer on August 11, 2022 and his compensation from his date of appointment through to 2023 was reflective of being new and developing in the role. CAPREIT conducted a market compensation review and adjusted Mr. Co's compensation in 2024 to bring him closer to market competitive compensation levels. Mr. Kenney and Mr. Schonfeldt also received 6% and 5% increases, respectively, as a result of the market compensation review to ensure their compensation remains competitive. Mr. Savino was appointed SVP, Operations on September 23, 2024. Accordingly, Mr. Savino's base salary increased by 16% to reflect his new role.

Annual Incentive Awards

CAPREIT's annual incentive awards are designed to incentivize individuals to meet financial, operational and strategic objectives. The Human Resources and Compensation Committee is responsible for approving the plan design and objectives at the start of the year, and awards for the NEOs based on year-end results.

The annual incentive compensation (bonus) payout levels for the NEOs are shown in the chart below:

NEO	Annual Incentive Bonus Payout Levels as a Percentage of Base Salary			
	Minimum	Threshold	Target	Maximum
Mark Kenney	0%	56%	108%	150%
Stephen Co	0%	56%	100%	120%
Julian Schonfeldt	0%	56%	100%	120%
Nick Savino	0%	N/A	N/A	65% ⁽¹⁾
Roman Brailovski	N/A	N/A	N/A	N/A

Note:

1. Mr. Savino's bonus potential was 52% of base salary effective January 1, 2024. His bonus potential increased to 65% of base salary upon his promotion to Senior Vice President, Operations on September 23, 2024 (shown in the chart above). Accordingly, Mr. Savino's prorated bonus potential for 2024 was 56%.

The target annual incentive compensation (bonus) level for the President and Chief Executive Officer is set at 108% of base salary (100% for financial metrics and 120% for non-financial metrics). The target annual incentive compensation for the Chief Financial Officer and the Chief Investment Officer is 100% of base salary. For the 2024 year, there were no threshold or target payout levels set for the Senior Vice President, Operations. The prorated maximum annual incentive compensation for the Senior Vice President, Operations is 56% of base salary.

Considering the achievements of CAPREIT, as set out in the section entitled "**Year In Review/Executive Summary**" and the individual executive performance reviews (in which executives achieved their individual functional, business-wide, and departmental objectives, as applicable), CAPREIT paid out annual incentives to the NEOs for the 2024 year.

Annual incentive compensation for the NEOs in the 2024 financial year was determined based upon 60% financial and 40% non-financial measures (as further described below), with the exception of the Senior Vice President, Operations. Given that the Senior Vice President, Operations was appointed to his new role on September 23, 2024, for the 2024 fiscal year, the Senior Vice President, Operations had 100% non-financial measures based on individual objectives as described below under "Individual Performance".

Performance Category (Percentage of Annual Incentive Award)	Weighting	Specific Measures
Financial (60%)	• 30% • 10% • 10% • 10%	• FFO per Unit • Adjusted Same Property NOI • Total Debt to Gross Book Value • Interest Coverage Ratio
Non-Financial (40%)	• 15% • 10% • 15%	• Strategic Initiatives • ESG Performance Metrics • Individual Performance

Financial Components

The financial components of the NEOs' (excluding the Senior Vice President, Operations) annual incentive compensation are based on the financial performance of CAPREIT and were historically measured by the actual percentage growth in the retrospective three-year weighted average FFO per Unit (the "**FFO per Unit**"), achieved against a predetermined scale, based on targets set by the Human Resources and Compensation Committee.

For 2024, the Human Resources and Compensation Committee approved changes to the Annual Incentive Plan to align the measures more closely with market practice and with key financial metrics tracked by investors. Accordingly, the financial components of a NEO's annual incentive compensation (excluding the Senior Vice President, Operations) is now comprised of FFO per Unit and three additional metrics: Adjusted Same Property NOI, Total Debt to Gross Book Value, and Interest Coverage Ratio (each as defined and further described below). Each financial metric is measured over a one-year performance period, with a total weighting of 60% of the applicable NEOs' annual incentive compensation potential.

FFO per Unit

The FFO per Unit metric was historically measured over a three-year period but is now measured over a single year for the purpose of the Annual Incentive Plan; however, there is a forward-looking three-year FFO per Unit Growth metric built into the revised long-term incentive plan. See the “Long-Term Incentive Awards” section for more details.

FFO is a measure of operating performance based on the funds generated by the business before reinvestment or provision for other capital needs. Management considers FFO to be an important measure of CAPREIT’s operating performance. Fair value adjustments, gains or losses on dispositions, and other non-cash items do not necessarily provide an accurate picture of CAPREIT’s past or recurring operating performance. FFO as presented is in accordance with the recommendations of the Real Property Association of Canada (“REALPAC”), with the exception of (i) the adjustment for gains or losses on fair value through profit or loss marketable securities, (ii) the adjustment for amortization of property, plant, and equipment and right-of-use asset, and (iii) the exclusion of the effects of certain items that are not indicative of CAPREIT’s long-term operating performance. These items include reorganization, senior management termination and retirement costs, costs relating to transactions that were not completed, net loss (gain) on derecognition of debt, mortgage prepayment costs, and amortization of losses on certain hedging instruments previously settled and paid. It may not, however, be comparable to similar measures presented by other real estate investment trusts or companies in similar or different industries. As it is an operating performance metric, no adjustment is made to FFO for capital expenditures.

Adjusted Same Property NOI

“Adjusted Same Property NOI” is defined as NOI from all properties of CAPREIT held continuously for the immediate fiscal year ended and therefore does not take into account the impact on performance of acquisitions or dispositions completed in the immediate fiscal year. Adjusted Same Property NOI is a new metric that was added to the Annual Incentive Plan to align executive compensation with the performance of CAPREIT’s existing assets.

Total Debt to Gross Book Value

Total Debt to Gross Book Value is a new metric that was added to the Annual Incentive Plan to incentivize NEOs to prudently manage debt balances.

Interest Coverage Ratio

Interest Coverage Ratio is a new metric that was added to the Annual Incentive Plan to ensure CAPREIT maintains a healthy balance between debt and income. Interest Coverage Ratio is useful in determining CAPREIT’s ability to service the interest requirements of its outstanding debt.

For the year ended December 31, 2024, the Human Resources and Compensation Committee set the payout scale for the financial component of the annual incentive compensation potential for each of Mr. Kenney, Mr. Co and Mr. Schonfeldt as set forth in the table below. Mr. Brailovski’s employment with CAPREIT ended on July 26, 2024, and accordingly, he did not receive an annual incentive award in respect of the 2024 financial year. As noted above, for 2024, Mr. Savino did not have the same annual incentive compensation metrics as the other NEOs.

Payout as a % of base salary ¹⁾	Financial Component (60%)			
	Minimum	Threshold	Target	Maximum
Mark Kenney President and Chief Executive Officer	0%	60%	100%	150%
Stephen Co Chief Financial Officer	0%	60%	100%	120%
Julian Schonfeldt Chief Investment Officer	0%	60%	100%	120%
Nick Savino Senior Vice President, Operations	N/A	N/A	N/A	N/A

Note:

1. This component of the annual incentive payout is determined by financial measures and is based on a percentage of base salary and weighted as 60% of the overall annual incentive compensation entitlement for each of the NEOs.

As set out in the table below, payment of the financial component of the annual incentive compensation is based on performance against predetermined threshold, target and maximum performance levels. No annual incentive compensation based on the financial measure is payable to the NEOs where performance falls below threshold levels of achievement. Payout for performance in between threshold, target and maximum is linearly interpolated.

FFO per Unit, Total Debt to Gross Book Value and Interest Coverage Ratio are non-IFRS measures. Please see the “Non-IFRS Financial Measures” section of this Circular for additional information related to such measures. For the 2024 financial year, performance was measured and assessed against the targets set by the Human Resources and Compensation Committee for the year as follows:

Financial Component	Weighting	Threshold	Target	Maximum	Actual	Multiplier CEO/Other NEOs ⁽²⁾
FFO per Unit	30%	\$2.40	\$2.48	\$2.54	\$2.534 ⁽¹⁾	145%/118%
Adjusted Same Property NOI	10%	\$595.9 M	\$615.9 M	\$631.3 M	\$618.0 M	107%/103%
Total Debt to Gross Book Value	10%	43%	41%	39%	38.4% ⁽¹⁾	150%/120%
Interest Coverage Ratio	10%	2.7x	3.0x	3.3x	3.3x ⁽¹⁾	150%/120%
	60%	Total Financial Component Multiplier				140%/117%
		Total Financial Component Payout as a % of Salary				84%/70%

Notes:

1. Refer to the MD&A for the year ended December 31, 2024 for definitions and reconciliations of non-IFRS measures.
2. Other NEOs includes Mr. Co and Mr. Schonfeldt. Mr. Savino does not have a financial component to his annual incentive compensation.

Non-Financial Components

The non-financial components of the NEOs’ annual incentive compensation are based on both organizational and individual performance. The non-financial components were historically measured by employee engagement and personal performance based on targets and objectives set by the Human Resources and Compensation Committee.

For 2024, the Human Resources and Compensation Committee approved changes to the Annual Incentive Plan such that the non-financial components are comprised of three metrics: Strategic Initiatives: 15%, ESG Initiatives: 10% and Individual Performance: 15% (each as described further below). Each non-financial metric is measured over the one-year performance period, with a total weighting of 40% of the applicable NEO’s annual incentive compensation potential (with the exception of the Senior Vice President, Operations, whose entire annual incentive compensation was determined based solely on the Individual Performance non-financial component). For the year ended December 31, 2024, the Human Resources and Compensation Committee set the payout scale for the non-financial components of the annual incentive compensation potential for each of Mr. Kenney, Mr. Co, Mr. Schonfeldt and Mr. Savino as set forth below. Mr. Brailovski’s employment with CAPREIT ended on July 26, 2024, and accordingly, he did not receive an annual incentive award in respect of the 2024 financial year.

			Non-Financial Component					Actual Payout as a % of Salary (%)
			Multiplier					
Weighting			Minimum	Threshold	Target	Maximum	Actual (%)	
Mark Kenney President and Chief Executive Officer	Strategic Initiatives	15%					144	
	ESG Initiatives	10%	0%	50%	120%	150%	70	
	Individual Objectives	15%					143	50%
	Total	40%					125%	
Stephen Co Chief Financial Officer	Strategic Initiatives	15%					116	
	ESG Initiatives	10%	0%	50%	100%	120%	60	
	Individual Objectives	15%					101	38%
	Total	40%					96%	
Julian Schonfeldt Chief Investment Officer	Strategic Initiatives	15%					116	
	ESG Initiatives	10%	0%	50%	100%	120%	95	
	Individual Objectives	15%					110	43%
	Total	40%					108%	

Mr. Savino’s annual incentive bonus compensation was entirely based on the individual objectives set out in the section entitled “Individual Objectives” below. Based on an assessment by the CEO and approved by the Human Resources and Compensation Committee and the Board, Mr. Savino earned 100% of his bonus potential in the amount of 56% of salary.

Strategic Initiatives

The Strategic Initiatives measure is a new addition to the 2024 Annual Incentive Plan intended to align executive compensation with key strategic and operational initiatives based on performance against metrics in three categories set forth in the table below.

Performance Metric	Weighting	Strategic Initiatives
Asset Management	5%	Metrics related to disposition, acquisition and development activities
Portfolio Management	5%	Initiatives include deployment of ancillary revenue strategy, enterprise resource planning tool implementation milestones and advancing the ERM and compliance programs
Capital Management	5%	Metrics relating to liquidity, deployment of capital market strategies and execution of capital expenditure program
Total Strategic Initiatives	15%	

ESG Initiatives

The ESG Initiatives component of the non-financial portion of annual incentive compensation is intended to align executive compensation with CAPREIT's goal of creating and maintaining an engaged workforce. CAPREIT has been supporting and measuring employee engagement since 2010 through an annual employee engagement survey, conducted by a third party. These initiatives are also intended to align executive compensation with activities that are intended to reduce GHG emissions and conserve energy across its portfolio of assets.

Performance Metric	Weighting	ESG Initiative
Team Engagement Score	3.5%	This metric is based on the employee engagement score achieved for the previous financial year. The result of the annual employee engagement survey conducted by Mercer was used to determine the team engagement score for each NEO based on a sliding scale. NEOs receive no payout where the employee engagement score falls below 70%. The overall business-wide engagement score is used for Mr. Kenney and the average departmental engagement scores for the departments under Mr. Co's and Mr. Schonfeldt's direct responsibility were used.
Development of ESG Plan	2.5%	Initiatives related to: - the 2023 ESG Report - Board education workshop on climate and ISSB standards - ESG risk factors - the advancement of the ESG vision
Energy Conservation and GHG Capital Investment Plans	4%	- Metrics related to the undertaking of targeted energy conservation investments of \$25 million - Metrics related to the undertaking of targeted GHG reduction projects between \$5 million and \$6 million
Total ESG Initiatives	10%	

Individual Objectives

The Individual Performance measure is a non-financial component of annual incentive compensation based on a NEO's performance against specific individual goals and objectives established for the NEO at the beginning of the year, based on the Human Resources and Compensation Committee's recommendation (in consultation with the Chief Executive Officer) to the Board and the Board's approval (with the exception of the Senior Vice President, Operations, whose approval was provided by the Chief Executive Officer).

For 2024, the Individual Performance measure was weighted at 15% of the NEOs' annual incentive compensation potential (with the exception of the Senior Vice President, Operations, whose Individual Performance measure was weighted at 100% of the annual incentive compensation potential).

The following goals and objectives were used to determine the Individual Performance non-financial incentive components for the NEOs in 2024 (excluding Mr. Brailovski, whose employment with CAPREIT ended on July 26, 2024, and accordingly, he did not receive a 2024 annual incentive award):

NEO	Individual Performance Goals and Objectives
Mark Kenney President and Chief Executive Officer	• Advance CAPREIT's capital allocation strategic plan and build upon the progress made in 2023 • Execute on the optimization strategy for CAPREIT's European investments • Formulate options for a capital markets strategy • Advance the development strategy • Provide leadership to the CAPREIT executive team • Strengthen succession planning and leadership development • Continue proactive engagement in political outreach and advocacy to address Canada's housing supply and affordability challenges, focusing on the financialization of REITs
Stephen Co Chief Financial Officer	• Provide leadership to the information technology department to optimize IT service delivery, manage cybersecurity risks effectively and deploy enterprise projects • Continue to engage in investor relations activities • Advance CAPREIT's enterprise resource planning strategy • Maintain corporate liquidity objectives • Continue to execute on the cost management strategy • Provide leadership and support in the development of CAPREIT's ESG strategy • Continue to develop, grow, recruit and retain talent within the IT, Finance and Accounting teams • Provide leadership on employee engagement initiatives • Continue to develop personal leadership skills
Julian Schonfeldt Chief Investment Officer	• Advance CAPREIT's capital allocation strategic plan and build upon the progress made in 2023. • Advance the development strategy • Work with the CEO to implement an asset management process for evaluating CAPREIT's existing portfolio • Continue to engage in investor relations activities • Continue to develop, grow, recruit and retain talent within the Investment and Development Teams • Provide leadership on employee engagement initiatives • Continue to develop personal leadership skills
Nick Savino Senior Vice President, Operations	• Lead the operations leadership teams with a new operations mandate • Provide leadership to the Procurement team to optimize service delivery • Oversee the launch of the ancillary revenue program • Actively participate in the migration of the enterprise resource planning system • Strengthen succession planning and leadership development within the Operations teams • Improve communications and engagement activities within the Operations teams

At the end of the year, each NEO's Individual Performance measure was assessed by the Human Resources and Compensation Committee and the Board (except in the case of the Senior Vice President, Operations, whose performance was assessed by the CEO). Individual Performance is measured against seven qualitative descriptions ranging from exceptional to improvement required NEOs (with the exception of the Senior Vice President, Operations whose assessment criteria was based on a qualitative assessment by the CEO up to his maximum prorated bonus potential of 56% for the 2024 fiscal year). The Individual Performance non-financial component of the annual incentive compensation for each NEO is based on the following assessment criteria in 2024:

Individual Performance Assessment	Individual Performance Payout Multiplier ⁽¹⁾ (%)			
	Mr. Kenney	Mr. Co	Mr. Schonfeldt	Mr. Savino
Exceptional	150%	120%	120%	Between 0% and 100%
Outstanding Performance	140%	115%	115%	
Exceeds Expectations	130%	110%	110%	
Meeting All Expectations	120%	100%	100%	
Meeting Most Expectations	100%	75%	75%	
Progressing	50%	50%	50%	
Improvement Required	0%	0%	0%	
Actual Multiplier	143%	101%	110%	100%

Note:

1. This component of the annual incentive payout is determined by individual measures and is based on a percentage of base salary and weighted as to 15% of the overall annual incentive compensation entitlement for each of the NEOs (with the exception of the Senior Vice President, Operations whose individual performance represents 100% of his annual incentive compensation entitlement).

Calculation of Financial and Non-Financial Components

The Human Resources and Compensation Committee arrives at a formulaic annual incentive compensation award for each NEO, by calculating each of the financial and non-financial performance measures independently, as applicable to each NEO, with the ability of each measure to be overachieved or underachieved. The minimum overall annual incentive compensation is zero for all NEOs, and the maximum annual incentive compensation is 150% of base salary for Mr. Kenney, 120% for Mr. Co and Mr. Schonfeldt and 56% for Mr. Savino (prorated to account for a change in Mr. Savino's annual incentive compensation bonus upon his appointment to SVP, Operations on September 23, 2024). The Board may, in consultation with the President and Chief Executive Officer, use discretion to increase or decrease the payout for certain NEOs, as deemed appropriate in the circumstances. In 2024, the Board did not use discretion to amend the payouts for the NEOs.

The chart below summarizes the payout of the financial and non-financial components for each of the NEOs for the 2024 financial year. The weightings shown below do not apply to Mr. Savino (whose payout was based entirely on the Individual Performance non-financial component) and Mr. Brailovski, whose employment with CAPREIT ended on July 26, 2024 and accordingly did not receive a 2024 annual incentive award.

	Weighting	Mr. Kenney	Mr. Co	Mr. Schonfeldt	Mr. Savino
Total Financial Component	60%	140%	117%	117%	N/A
Non-Financial Component:					
Strategic Initiatives	15%	144%	116%	116%	N/A
ESG Performance Metrics	10%	70%	60%	95%	N/A
Individual Performance	15%	143%	101%	110%	56%
Total Non-Financial Component	40%	125%	96%	108%	56%
Total Annual Incentive Plan Payout as a % of Salary	100%	134%	108%	113%	56%

Long-Term Incentive Awards

The long-term incentive awards are designed to attract and retain key employees and to incentivize management to achieve long-term organizational goals while increasing Unitholder value. Long-term incentive awards for NEOs are granted annually at the discretion of the Human Resources and Compensation Committee, which determines the quantum and, if applicable, the performance metrics and related vesting conditions applicable to such awards. Long-term incentive awards for NEOs are governed by the terms of their NEO Contracts. Please refer to the section entitled “**Significant Terms of Executive Employment Agreements**” for the details of the long-term incentive award arrangements related to the NEO Contracts.

Long-term incentive awards granted in previous years were comprised of RURs awarded based on the same financial and non-financial performance measures applicable to the Annual Incentive Awards in the corresponding year. For long-term incentive awards made in 2024, the Human Resources and Compensation Committee approved the grant of performance-based RURs. The performance-based RURs will vest at the end of a three-year performance period subject to the achievement of prescribed performance conditions as determined by the Human Resources and Compensation Committee or the Board. The terms and conditions of RUR awards, including the quantity, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to such awards are set out in the applicable participant's award agreement.

Equity vehicle	Grant frequency	Performance conditions	Vesting period	Payout (cash/units)
Time-based RURs	Annual	N/A	3 years	Units
Performance-based RURs	Annual	Determined by the Human Resources and Compensation Committee and approved by the Board	3 years	Units

Time-Based RURs

CAPREIT grants time-based RURs to align the interests of the Trust's NEOs with Trust Unitholders, to provide an effective retention tool for such NEOs, and to align CAPREIT's incentive plans with market practice. No time-based RUR grants were made in respect of the 2024 fiscal year. CAPREIT granted time-based RURs in February 2024 in respect of the 2023 fiscal year and additional time-based RURs in consideration of the NEO's agreement to extend the settlement date of RURs that were granted in February 2021.

Performance-Based RURs

In August 2024, the Human Resources and Compensation Committee and the Board approved amendments to the RUR Plan (as defined below) related to the grant of performance-based RURs to promote stronger pay for performance for management, to align compensation with CAPREIT's relative performance compared to peers, and to further incentivize management to achieve long-term organizational goals. Performance-based RUR awards will have a three-year performance period and the number of units that will ultimately vest at the end of the performance period will depend on the achievement of performance conditions determined by the Human Resources and Compensation Committee or the Board. However, in 2024 the performance-based awards were granted on September 26, 2024 due to additional time required for implementation of the incentive plan changes. Despite granting the awards later in the year, the awards were approved and communicated to management earlier in the year and thus have a performance period from January 1, 2024 to December 31, 2026, and will be eligible to vest on March 5, 2027, subject to the terms of the RUR Plan and related award agreement.

The performance-based RURs granted to the NEOs on September 26, 2024 will vest depending upon the achievement against two equally weighted performance criteria: three-year forward-looking FFO per Unit and relative total unitholder return against the Performance Peer Group (as defined below) comprised of other REITs. The performance multipliers for the performance-based RURs will be determined based on the following:

Performance Multiplier	Weighting	Performance Curve			Payout Curve (% of target)		
		Threshold	Target	Max	Threshold	Target	Max
FFO per Unit (3-Year Forward Looking)⁽¹⁾	50%	1.5%	3%	≥ 6%	50%	100%	200%
Relative Total Unitholder Return⁽²⁾ ("TUR")	50%	P25	P50	P75	50%	100%	200%

1. The payout curve is dependent on the average annual FFO per Unit growth over the three-year period.
2. The Relative TUR payout will be capped at target should CAPREIT's TUR be negative over the performance period. The references to "P25", "P50" and "P75" refer to CAPREIT's TUR percentile ranking relative to its Performance Peer Group (e.g., "25th Percentile", "50th Percentile" and "75th Percentile", respectively).

The performance multipliers above will be calculated using linear interpolation for achievement between the threshold, target and maximum performance levels.

The table below shows all RURs granted to each of the NEOs in 2024. No time-based RURs were awarded in respect of the 2024 year. Additional time-based RURs (bonus RURs) were awarded in respect of the 2021 Grant equal to 20% of the original value of the 2021 RUR Grant. Mr. Savino was not eligible to receive performance-based RURs as he was not appointed to the role of Senior Vice President, Operations at the time the performance-based RURs were awarded. Mr. Brailovski, whose employment with CAPREIT ended on July 26, 2024, did not receive a 2024 long-term incentive award.

Name	Time-based RURs ⁽¹⁾ (#)	Performance-based RURs ⁽²⁾ (#)	Total Value (\$)
Mark Kenney President and Chief Executive Officer	6,651	20,366	1,445,018
Stephen Co Chief Financial Officer	478	4,454	269,039
Julian Schonfeldt Chief Investment Officer	0	4,671	258,026
Nick Savino Senior Vice President, Operations	0	0	0
Roman Brailovski Former Executive Vice President, Operations	N/A	N/A	N/A

Notes:

1. The Time-based RURs are based on a per Unit price of \$48.11 representing additional RURs granted under the RUR Plan to Mr. Kenney and Mr. Co in consideration of their agreement to extend the settlement date of RURs granted to each of them in February 2021. Amounts are rounded to the nearest whole RUR.
2. The Performance-based RURs are based on a per Unit price of \$55.24 determined in accordance with the RUR Plan. Amounts are rounded to the nearest whole RUR.

Executive Compensation Recovery (Clawback) Policy

On February 22, 2024, the Board amended its executive compensation recovery policy. Under this amended policy, the Board may: (a) cancel or clawback all or any part of unvested, unexercised, unsettled or other unpaid incentive-based compensation; (b) require that the NEO return or repay to CAPREIT, or reimburse CAPREIT, all or part of the after-tax amount of any gain on the exercise or settlement of any incentive-based compensation; and/or (c) seek recovery from such NEO of all or part of the incentive-based compensation awarded to and received by the NEO where:

- a) CAPREIT restates previously issued financial statements (other than a restatement caused by a change in applicable accounting rules or interpretations) (a **"Restatement Event"**); or
- b) a NEO has engaged in fraud, theft, embezzlement, or other serious misconduct, irrespective of whether there was a restatement of previously issued financial statements (a **"Violation Event"** and together with Restatement Event, a **"Triggering Event"**).

"Serious misconduct" means gross negligence or dishonest or unethical intentional misconduct, including the willful breach of CAPREIT's Code of Business Conduct and Ethics, regardless of whether the conduct constitutes cause for termination under such NEO's employment agreement with CAPREIT or a subsidiary. The amendments to the policy apply to "incentive-based compensation" that is paid or awarded after the effective date of the amendments, being February 22, 2024. Incentive-based compensation includes all bonuses and other incentive compensation that is paid, awarded, or vested based in whole or in part on the attainment of financial results in any form, including cash or in equity, whether vested or unvested.

New Actions/Decisions or Policies

In 2024, the Human Resources and Compensation Committee, with the assistance of an independent consultant, completed a holistic review of CAPREIT's compensation programs. This review included the compensation philosophy and alignment to business strategy, an assessment of the existing peer group, benchmarking NEO compensation against the approved peer group, and design of CAPREIT's incentive plans (both annual incentive awards and long-term incentive awards). Following this review, the Human Resources and Compensation Committee approved certain changes to CAPREIT's peer group and incentive plans to modernize the compensation programs and align with current market practice and peer practice.

In 2024, in accordance with the RUR Plan (as defined below), the Human Resources and Compensation Committee agreed to permit the extension of the settlement date by three (3) years of RURs (as defined below) granted in 2021 (the **"2021 RUR Grant"**) for purposes of further aligning the long-term interests of RUR Participants and Trust Unitholders by facilitating the continued holding of the 2021 RUR Grant. In consideration of their long-term commitment to CAPREIT, additional RURs were granted to those participants who agreed to extend the settlement date of their 2021 RUR Grant from March 7, 2024, to March 19, 2027, equal to twenty percent (20%) of the original value of their 2021 RUR Grant.

In 2024, in accordance with the RUR Plan and as described above, the Human Resources and Compensation Committee and the Board approved amendments to the RUR Plan related to the grant of performance-based RURs. Performance-based RURs are RURs that generally become vested, if at all, subject to the attainment of certain performance vesting conditions which are determined by the Human Resources and Compensation Committee or the Board (and set out in a related award agreement). Such conditions may include, but are not limited to, financial or operational performance of the CAPREIT, TUR or individual performance criteria, measured over a prescribed performance period.

In 2025, in accordance with the RUR Plan, the Human Resources and Compensation Committee agreed to permit the extension of the settlement date by three (3) years of RURs (as defined below) granted in 2022 (the **"2022 RUR Grant"**) for purposes of further aligning the long-term interests of RUR Participants and Trust Unitholders by facilitating the continued holding of the 2022 RUR Grant. In consideration of their long-term commitment to CAPREIT, additional RURs were granted to those participants who agreed to extend the settlement date of their 2022 RUR Grant from March 7, 2025, to March 10, 2028, equal to twenty percent (20%) of the original value of their 2022 RUR Grant.

In 2024, in accordance with the RUR Plan, the Human Resources and Compensation Committee extended the settlement date to a mutually agreed upon future date following March 11, 2024 for: (a) RURs granted in 2018 (the **"2018 RUR Grant"**) (for which, the settlement date had previously been extended by 3 years from March 12, 2021 to March 11, 2024) and (b) for additional RURs granted in 2021 to RUR Participants who had agreed to extend the settlement date of their 2018 RUR Grant by three (3) years.

In 2025, the Human Resources and Compensation Committee and the Board approved an increase in Mr. Co's base salary in recognition of his contributions to CAPREIT and to better align his fixed base compensation to the fixed base compensation provided to Mr. Schonfeldt.

In 2025, in accordance with the RUR Plan, the Human Resources and Compensation Committee extended the settlement date to a mutually agreed upon future date following March 10, 2025 for: (a) RURs granted in 2019 (the **"2019 RUR Grant"**) (for which, the settlement date had previously been extended by 3 years from March 11, 2022 to March 10, 2025) and (b) for additional RURs granted in 2022 to RUR Participants who had agreed to extend the settlement date of their 2019 RUR Grant by three (3) years.

During the year ended December 31, 2024, the DUP was amended to clarify that an election notice or redemption notice cannot be filed during a blackout period and if the date upon which Units are to be issued in settlement of Deferred Units falls during a blackout period, such settlement shall be extended to the second business day immediately following the expiration of such blackout period.

Risk Analysis

The Board has the overall responsibility for the oversight of CAPREIT's risk management policies and practices. The Human Resources and Compensation Committee provides oversight of, and makes recommendations to the Board with respect to, risk management and mitigation in connection with its review and approval of CAPREIT's compensation policies and practices. On an annual basis or more frequently as required, the Human Resources and Compensation Committee, in conjunction with the Board, reviews CAPREIT's compensation policies and practices to determine whether they may encourage excessive or inappropriate risk that would be reasonably likely to have a material adverse effect on CAPREIT. The trustees discuss risks associated with short-term decisions that may be made by the NEOs, and the possibility of such decisions having an effect on results, which form the performance-based elements of NEO compensation. CAPREIT's compensation program is designed to motivate and reward executives who take appropriate business risks in support of CAPREIT's goals.

The trustees established compensation practices which mitigate such risks by: (i) benchmarking performance-based compensation against several financial and non-financial metrics including FFO, as it adjusts for non-recurring or unusual items that can affect short-term results, and is a better indicator of CAPREIT's long-term financial condition; (ii) tying both the short-term incentive (cash) bonus and long-term incentive (equity) bonus, to CAPREIT's financial performance and to the NEO's individual performance, as well as business-wide and departmental objectives; (iii) by capping the maximum amount of incentive bonus a NEO may receive, subject only to the Human Resources and Compensation Committee's discretion; (iv) by adopting the claw-back policy (described above) for the NEOs; and (v) by adopting unit ownership requirements.

In considering the implications of the risks associated with CAPREIT's compensation policies and practices, the Human Resources and Compensation Committee has not identified risks arising from CAPREIT's compensation policies and practices that are reasonably likely to have a material adverse effect on CAPREIT.

Pursuant to CAPREIT's Insider Trading Policy, all Reporting Insiders (as defined under applicable securities laws), which includes the trustees and NEOs, are not permitted to enter into any transaction that has the effect of offsetting the economic value of any direct or indirect interest of such Reporting Insider in securities of CAPREIT. This includes the purchase of financial instruments such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in the market value of equity securities granted to such Reporting Insiders as compensation or otherwise held directly or indirectly by such Reporting Insiders.

In addition, in the view of the Human Resources and Compensation Committee, the structure and nature of trustees and executive compensation, including the manner in which Unit-based awards are granted, vested and paid out under the applicable long-term incentive plans, is designed to reduce the need to hedge or offset any potential decrease in the price of CAPREIT's Units and is adequate to ensure that the interests of the trustees and NEOs are adequately aligned with those of CAPREIT generally.

Engagement of Independent Compensation Consultants

The Human Resources and Compensation Committee from time to time retains and receives the benefit of the advice of independent and qualified executive compensation consultants in connection with its negotiation of the NEO Contracts. Since 2020, the Human Resources and Compensation Committee has retained Mercer Canada Ltd. ("**Mercer**") as its independent advisor to review and advise the committee on market practice in executive and trustee compensation and plan design and governance, as well as competitive market benchmarking. Mercer reports directly to the Human Resources and Compensation Committee, which must pre-approve any services Mercer provides to management.

Mercers' services in 2024 included:

- Reviewing and recommending changes to CAPREIT's peer group;
- Reviewing CAPREIT's executive compensation and alignment of compensation programs to market, and advising on the competitiveness and appropriateness of compensation for certain senior executives to the 50th percentile of CAPREIT's peer group;
- Reviewing and advising changes for the executive compensation plan design (short- and long-term incentive plans, pay mix and performance peer group) and other governance items to better align with market practice and business strategy; and
- Reviewing and revising the compensation discussion and analysis section of CAPREIT's proxy circular.

The Human Resources and Compensation Committee considers Mercer's information and recommendations but uses its own judgment when making compensation decisions.

Summary of Fees Paid to Mercer:

Nature of Fees	2023	2024
Executive Compensation-Related Fees	\$ 132,655	\$ 181,295
All Other Fees ⁽¹⁾	–	\$ 56,000
Total⁽²⁾	\$ 132,655	\$ 237,295

Notes:

1. Amounts included in All Other Fees in 2024 are for an employee engagement survey which Mercer administers to measure employee engagement and perceptions into the employee experience.
2. Amounts exclude sales taxes

In 2024, the Human Resources and Compensation Committee also engaged Meridian Compensation Partners ("Meridian") to conduct a trustee compensation benchmarking assessment.

Summary of Fees Paid to Meridian:

Nature of Fees	2023	2024
Executive Compensation-Related Fees	0	\$ 33,203
All Other Fees	–	0
Total⁽¹⁾	\$ 0	\$ 33,203

Note:

1. Amounts exclude sales taxes

2024 Peer Groups

Mercer proposed, and the Human Resources and Compensation Committee approved, the following set of organizations against which to benchmark executive compensation (the “**Compensation Peer Group**”). Such set of organizations is composed of seventeen (17) Canadian publicly traded real estate investment trusts and real estate management and development organizations, and “brick and mortar” retail companies. Organizations were included in the Compensation Peer Group in consideration of various factors, including the following selection criteria: industry relevance, customer base, operational alignment, annual revenues, total assets, market capitalization and EBITDA. Relative to the approved peer group, CAPREIT is positioned at or above the median on the financial criteria noted. The organizations included in the Compensation Peer Group have business operations comparable to CAPREIT and compete with CAPREIT for talent so their compensation policies are relevant for consideration.

2024 Compensation Peer Group

- | | | | | | |
|--------------------------|------------------------|--|-----------------------------------|----------------------------|-------------------------------------|
| • Allied Properties REIT | • Boardwalk REIT | • Canadian Tire Corporation, Limited | • Chartwell Retirement Residences | • Choice Properties REIT | • Colliers International Group Inc. |
| • CT REIT | • Dollarama Inc. | • First Capital REIT | • FirstService Corporation | • Granite Real Estate Inc. | • H&R REIT |
| • Metro Inc. | • Morguard Corporation | • Northwest Healthcare Properties REIT | • RioCan REIT | • SMARTCENTRES REIT | |

The results of the Mercer engagement, and the benchmarking that was applied, was used in 2024 to determine the overall composition of the NEO’s total compensation, setting levels for base salary and performance-based (both short-term cash and long-term equity-based) incentive compensation. With the exception of performance-based RURs, CAPREIT does not determine performance-based incentive compensation based on how CAPREIT performed relative to its peer group on an annual basis. No adjustments were made for the trustees’ compensation in 2024.

While the Compensation Peer Group includes real estate investment trusts and companies that are close to CAPREIT in size and scale across selected metrics, it also contains real estate investment trusts and companies from other industries that involve different business cycles, growth drivers, and exposure to macroeconomic market influences and other factors, making their unit or share price less relevant for comparison to CAPREIT. Accordingly, starting in 2024, CAPREIT will use a separate performance peer group to meaningfully assess relative total unitholder return for the purpose of the performance-based RUR grants.

Mercer proposed, and the Human Resources and Compensation Committee approved, the following set of organizations against which to measure the performance of relative total unitholder return (the “**Performance Peer Group**”). The Performance Peer Group is composed of seventeen (17) Canadian publicly traded real estate investment trusts, fifteen (15) of which are included in the S&P/TSX Capped REIT Index as well as two (2) additional residential real estate investment trusts. These real estate investment trusts and companies are operationally aligned within the same industry as CAPREIT, compete for similar customers and investor capital, and are subject to the same external market conditions.

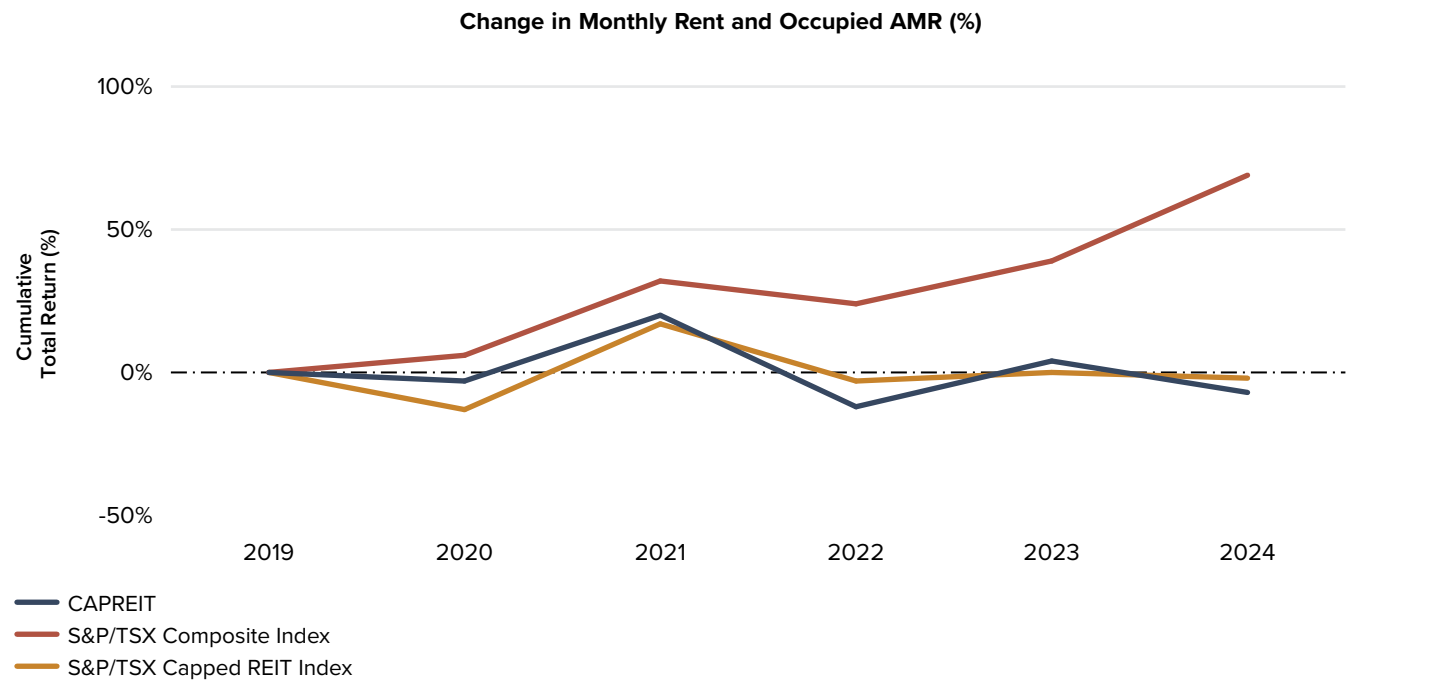
2024 Performance Peer Group

- Allied Properties REIT
 - CT REIT
 - Minto Apartment REIT
- Boardwalk REIT
 - Dream Industrial REIT
 - Morguard North American Residential REIT
- Crombie REIT
 - First Capital REIT
 - Northwest Healthcare Properties REIT
- Primaris REIT
 - InterRent REIT
 - RioCan REIT
- Choice Properties REIT
 - Granite Real Estate Inc.
 - SMARTCENTRES REIT
- Killam Apartment REIT
 - H&R REIT

Neither Mercer nor Meridian provided any other services to CAPREIT or to any of its trustees or members of management other than as described above.

Performance Graph

The following graph compares the total cumulative Unitholder return for \$100 invested in Units on December 31, 2019, with the cumulative total return of the TSX Composite Index and the TSX Capped REIT Index during the five (5) most recently completed financial years of CAPREIT.



Cost of NEO Compensation

The aggregate total compensation for the NEOs and the total compensation of the NEOs as a percentage of FFO for the five (5) years ended December 31, 2024, and as a percentage of market capitalization for the five (5) years ended December 31, 2024, are shown below:

	2020	2021	2022	2023	2024
Total Compensation of the NEOs (in \$ thousands) ⁽¹⁾	\$ 5,810	\$ 6,257 ⁽²⁾	\$ 8,197 ⁽³⁾	\$ 7,631	\$ 8,196 ⁽⁴⁾
FFO (in \$ thousands) ⁽⁵⁾	\$ 388,958	\$ 402,194	\$ 406,977	\$ 407,662	\$ 428,640
Total Compensation of the NEOs as a percentage of FFO	1.49%	1.56%	2.01%	1.87%	1.91%
Total Compensation of the NEOs as a percentage of market capitalization (as at December 31 of each year)	0.07%	0.06%	0.11%	0.09%	0.12%

Notes:

1. Total compensation is calculated in the same manner as in the Summary Compensation Table and includes the NEOs for each respective year.
2. The calculations for 2021 include one-time termination payments of \$937,767 made to Jonathan Fleischer, who ceased to be Executive Vice President of CAPREIT on June 23, 2021.
3. The calculations for 2022 include one-time termination payments of \$1,863,859 made to Scott Cryer, who ceased to be Chief Financial Officer of CAPREIT on March 31, 2022.
4. The calculations for 2024 include one-time termination payments of \$1,474,096 made to Roman Brailovski, who ceased to be EVP, Operations on July 26, 2024.
5. FFO is a non-IFRS financial measure. Please see the "Non-IFRS Financial Measures" section of this Circular.

During the four years ended December 31, 2024, compensation for CAPREIT's NEOs was not linked directly to Total Unitholders Return ("TUR") and, as such, it did not necessarily move in line with relative TUR performance. During this period, TUR performance did not sufficiently reflect CAPREIT's investment or operating strategy or the achievement by CAPREIT of its objectives, which included maintaining a strong balance sheet, maintaining sustainable and predictable distributions to Unitholders, a conservative financing strategy, and a long-term approach to real estate investment. Accordingly, for fiscal years 2020 to 2023, CAPREIT determined that compensation delivered to the NEOs versus performance, as measured by FFO, was a more meaningful illustration of CAPREIT's pay for performance policy than TUR. For the year ended December 31, 2024, CAPREIT expanded its performance metrics to include other financial and non-financial metrics to better align pay with performance. One of the metrics included in the Long-term Incentive Awards is relative TUR measured over a three-year period. The impact of this performance metric will not immediately be shown in the 2024 compensation results. As a result, CAPREIT's NEO compensation during this period was more heavily linked to the success of CAPREIT's generation of FFO for Unitholders and other financial and non-financial metrics.

Summary Compensation Table

The following table sets forth a summary of the compensation earned by each NEO of CAPREIT in 2024. For comparison purposes, the compensation information from 2023 and 2022 for each NEO is set out below in the summary compensation table. There were no time-based RURs issued in 2024 in respect of the 2024 fiscal year. The only unit-based awards issued in 2024 were performance-based RURs.

Executive	Year	Salary (\$)	Unit-based Awards (\$)	Non-equity Incentive Plan Compensation (\$)		All Other (\$)	Total Compensation (\$)
				Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)		
Mark Kenney President and Chief Executive Officer	2024	900,000	1,445,018 ⁽⁵⁾	1,206,000 ⁽⁸⁾	—	109,265 ⁽¹¹⁾	3,660,283
	2023	852,500	2,642,250 ⁽⁶⁾	1,163,663 ⁽⁹⁾	—	94,426 ⁽¹²⁾	4,752,839
	2022	820,000	2,155,724 ⁽⁷⁾	1,178,340 ⁽¹⁰⁾	—	83,759 ⁽¹³⁾	4,237,823
Stephen Co⁽¹⁾ Chief Financial Officer	2024	410,003	269,039 ⁽⁵⁾	442,800 ⁽⁸⁾	—	56,360 ⁽¹¹⁾	1,178,202
	2023	341,154	377,850 ⁽⁶⁾	357,850 ⁽⁹⁾	—	51,683 ⁽¹²⁾	1,128,537
	2022	273,494	361,000 ⁽⁷⁾	345,000 ⁽¹⁰⁾	—	34,381 ⁽¹³⁾	1,013,875
Julian Schonfeldt⁽²⁾ Chief Investment Officer	2024	430,000	258,026 ⁽⁵⁾	485,900 ⁽⁸⁾	—	55,052 ⁽¹¹⁾	1,228,978
	2023	410,000	431,525 ⁽⁶⁾	431,525 ⁽⁹⁾	—	41,331 ⁽¹²⁾	1,314,381
	2022	167,692	547,827 ⁽⁷⁾	230,000 ⁽¹⁰⁾	—	8,554 ⁽¹³⁾	954,073
Nick Savino⁽³⁾ Senior Vice President, Operations	2024	246,350	— ⁽⁵⁾	137,243 ⁽⁸⁾	—	31,483 ⁽¹¹⁾	415,076
	2023	210,004	110,000 ⁽⁶⁾	110,000 ⁽⁹⁾	—	28,845 ⁽¹²⁾	458,849
	2022	200,000	100,000 ⁽⁷⁾	100,000 ⁽¹⁰⁾	—	19,000 ⁽¹³⁾	419,000
Roman Brailovski⁽⁴⁾ Former Executive Vice President, Operations	2024	201,923	N/A	N/A	—	1,511,123 ⁽¹¹⁾	1,713,046
	2023	87,500	170,156 ⁽⁶⁾	95,156 ⁽⁹⁾	—	82,260 ⁽¹²⁾	435,072
	2022	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- Mr. Co was appointed Interim Chief Financial Officer on April 1, 2022, and subsequently appointed Chief Financial Officer on August 11, 2022.
- Mr. Schonfeldt was appointed Chief Investment Officer on August 2, 2022.
- Mr. Savino was appointed Senior Vice President, Operations on September 23, 2024.
- Mr. Brailovski was appointed Executive Vice President, Operations on October 2, 2023. His employment ended on July 26, 2024.
- No time-based RUR grants were made in respect of the 2024 fiscal year, however performance-based RUR grants were made to Mr. Kenney, Mr. Co and Mr. Schonfeldt. Mr. Savino was not eligible to receive performance-based RURs as he was not appointed to the role of Senior Vice President, Operations at the time the performance-based RURs were awarded. Represents 20,366 performance-based RURs issued to Mr. Kenney, 4,454 performance-based RURs issued to Mr. Co, and 4,671 performance-based RURs issued to Mr. Schonfeldt on September 26, 2024, in respect of the 2024 financial year. In accordance with the RUR Plan, the grant date fair value of the Units is based on the weighted average price of the Units on the TSX for the five trading days prior to grant of \$55.24. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$54.52. Represents also an additional 6,651 RURs issued to Mr. Kenney for a value of \$320,000 and an additional 478 RURs issued to Mr. Co for a value of \$23,000 on March 5, 2024. These additional RURs were granted to Mr. Kenney and Mr. Co as they agreed to extend the settlement date of the 2021 RUR Grant. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$47.77. See "Compensation Discussion & Analysis – New Actions/Decisions or Policies".
- Represents 44,300 RURs issued to Mr. Kenney, 7,438 RURs issued to Mr. Co, 8,970 RURs issued to Mr. Schonfeldt, 2,286 RURs issued to Mr. Savino and 1,978 RURs issued to Mr. Brailovski on March 5, 2024, in respect of the 2023 financial year. In accordance with the RUR Plan, the grant date fair value of the Units is based on the weighted average price of the Units on the TSX for the five trading days prior to grant of \$48.11. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$47.77. Represents also an additional 1,652 RURs issued to Mr. Brailovski on October 2, 2023, as a signing bonus for a value of \$75,000. Represents also an additional 5,691 RURs issued to Mr. Kenney for a value of \$280,000 and an additional 407 RURs issued to Mr. Co for a value of \$20,000 on March 2, 2023. These additional RURs were granted to Mr. Kenney and Mr. Co as they agreed to extend the settlement date of the 2020 RUR Grant. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$48.80. In addition, on March 4, 2024, Mr. Kenney was awarded 100,000 ERES RURs with a value of \$231,000 in respect of the 2023 financial year.
- Represents 41,667 RURs issued to Mr. Kenney, 7,012 RURs issued to Mr. Co and 4,675 RURs issued to Mr. Schonfeldt and 2,034 RURs issued to Mr. Savino on March 2, 2023, in respect of the 2022 financial year. In accordance with the RUR Plan, the grant date fair value of the Units is based on the weighted average price of the Units on the TSX for the five trading days prior to grant of \$49.20. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$48.80. Represents also an additional 6,755 RURs issued to Mr. Schonfeldt on September 6, 2022, as a signing bonus for a value of \$317,827. Represents also an additional 1,947 RURs issued to Mr. Kenney for a value of \$105,724 and an additional 295 RURs issued to Mr. Co for a value of \$16,000 on February 25, 2022. These additional RURs were granted to Mr. Kenney and Mr. Co as they agreed to extend the settlement date of the 2019 RUR Grant. The accounting fair value for financial statement purposes is determined based on the closing prices of the Units on the TSX on the date of grant of \$53.63.
- This bonus was earned in respect of the 2024 financial year and paid in February 2025.
- This bonus was earned in respect of the 2023 financial year and paid in February 2024.
- This bonus was earned in respect of the 2022 financial year and paid in February 2023.
- Represents the total value of perquisites, including car allowance of \$24,000 and Executive RRSP contribution of \$42,625 for Mr. Kenney. Represents the total value of perquisites, including car allowance of \$24,000, and Executive RRSP contribution of \$17,000 for Mr. Co. Represents the total value of perquisites, including car allowance of \$24,000, and Executive RRSP contribution of \$20,500 for Mr. Schonfeldt. Represents the total value of perquisites, including car allowance of \$14,000, and Executive RRSP contribution of \$10,500 for Mr. Savino. The amount included for Mr. Brailovski includes the termination payment in the amount of \$1,474,096 as well as the total value of perquisites, including car allowance of \$13,846 and Executive RRSP contribution of \$4,375. This also includes the taxable portion of the additional Units received by each NEO, as applicable, from CAPREIT pursuant to the 20% match under the EUPP and insurance premiums paid by CAPREIT in respect of life insurance for each NEO, which amounts for 2024 were immaterial.
- Represents the total value of perquisites, including car allowance of \$19,385 and Executive RRSP contribution of \$41,000 for Mr. Kenney. Represents the total value of perquisites, including car allowance of \$19,385, and Executive RRSP contribution of \$15,000 for Mr. Co. Represents the total value of perquisites, including car allowance of \$19,385, and Executive RRSP contribution of \$10,000 for Mr. Schonfeldt. Represents the total value of perquisites, including car allowance of \$6,000 and \$75,000 signing bonus for Mr. Brailovski. This also includes the taxable portion of the additional Units received by each NEO, as applicable, from CAPREIT pursuant to the 20% match under the EUPP and insurance premiums paid by CAPREIT in respect of life insurance for each NEO, which amounts for 2023 were immaterial.
- Represents the total value of perquisites, including car allowance of \$18,000 and Executive RRSP contribution of \$41,000 for Mr. Kenney. Represents the total value of perquisites, including car allowance of \$14,308, and Executive RRSP contribution of \$11,000 for Mr. Co. Represents the total value of perquisites, including car allowance of \$7,546 for Mr. Schonfeldt. This also includes the taxable portion of the additional Units received by each NEO, as applicable, from CAPREIT pursuant to the 20% match under the EUPP and insurance premiums paid by CAPREIT in respect of life insurance for each NEO, which amounts for 2022 were immaterial.

Narrative Discussion

Significant Terms of Executive Employment Agreements

The NEO Contracts contemplate an annual review of base salaries. All capitalized terms used in this section and not otherwise defined shall have the meanings ascribed thereto in the NEO Contracts.

Long-term incentive awards for NEOs are governed by the terms of the plans unless otherwise stipulated in the terms of their NEO Contracts. The Human Resources and Compensation Committee bases its determinations with respect to bonus entitlements and eligibility under CAPREIT's long-term incentive plans on the achievement of targeted annual performance levels. See **"Annual Incentive Awards"** and **"Elements of Executive Compensation"**.

As used below, a **"change of control"** is broadly defined to contemplate circumstances where a person or group of persons acting jointly or in concert acquire beneficial ownership or control of more than 50% of the outstanding Units or votes attaching thereto and includes the acquisition by a person or group of persons acting jointly or in concert of all of the assets of CAPREIT or its subsidiaries.

The significant terms of each NEO Contract are summarized below (with the exception of Mr. Brailovski whose employment ended on July 26, 2024).

	Mr. Kenney NEO Contract	Messrs. Co and Schonfeldt NEO Contract	Mr. Nick Savino NEO Contract
Term	Indefinite	Indefinite	Indefinite
Termination without cause, with notice	CAPREIT may terminate Mr. Kenney's NEO Contract without cause by giving written notice to such effect to the executive, and providing the executive with a working notice period, or pay in lieu thereof, in any combination, at the election of the executive, of thirty-six (36) months (the "Executive Notice Period"). During the Executive Notice Period, Mr. Kenney shall receive an amount equal to the sum of: (i) thirty-six (36) months of the amount paid or payable as base salary at the time of termination; plus (ii) three (3) times the highest bonus paid over the preceding three years, (the "Termination Payments"). Any RURs or long-term incentives or equity granted to Mr. Kenney that have not yet vested, shall be accelerated and vest upon Mr. Kenney's last day of employment with CAPREIT.	CAPREIT may terminate Messrs. Co and Schonfeldt's NEO Contracts without cause by giving written notice to such effect to the executive, and providing the executive with a working notice period of, or pay in lieu thereof, in any combination, (i) twenty-four (24) months if the executive's employment is terminated after his second anniversary but before his third anniversary of employment with CAPREIT; or (ii) thirty (30) months if the executive's employment is terminated after his third anniversary of employment with CAPREIT (the "Notice Period"). During the Notice Period, the executive shall receive an amount equal to his base salary, plus the average annual bonus awarded to the executive in respect of the two (2) most recent calendar years preceding the date the notice of termination is received, as well as maintenance of benefits for the Notice Period (the "Termination Payments").	CAPREIT may terminate Mr. Savino's NEO Contract without cause by giving written notice to such effect to the executive, and providing the executive with a working notice period of, or pay in lieu thereof, in any combination of eighteen (18) months if the executive's employment is terminated after his second anniversary of employment with CAPREIT (the "Notice Period"). During the Notice Period, the executive shall receive an amount equal to his base salary, plus the average of any annual bonus awarded in respect of the two (2) calendar years preceding the date notice of termination is delivered as well as maintenance of benefits for the Notice Period (the "Termination Payments").

	Mr. Kenney NEO Contract	Messrs. Co and Schonfeldt NEO Contract	Mr. Nick Savino NEO Contract
Term	Indefinite	Indefinite	Indefinite
Termination without cause, without notice	In lieu of the Executive Notice Period, the executive may elect to receive the Termination Payments in one or more lump sums or installments over a period not exceeding thirty-six (36) months.	In lieu of the Notice Period, CAPREIT may elect to immediately terminate Messrs. Co and Schonfeldt's NEO Contracts upon payment to the executive of a lump sum equal to the total Termination Payments. At the option of the executive, any lump sum payment payable may be paid in instalments until the full amount is paid.	N/A
Resignation by executive	Six (6) months' notice of the executive's resignation must be given to CAPREIT. In the event Mr. Kenney delivers a notice of resignation (the " Notice of Resignation "), he will be entitled to receive, over a thirty-six (36) month period payable in quarterly instalments, an amount equal to the sum of: (i) thirty-six (36) months of the amount paid or payable as base salary at the time the Notice of Resignation is provided; plus (ii) three (3) times the highest bonus paid over the preceding three (3) years. Any RURs or long-term incentives or equity granted to Mr. Kenney that have not yet vested, shall be accelerated and vest upon the last day of employment with CAPREIT.	Three (3) months' notice of the executive's resignation must be given to CAPREIT. After such time, CAPREIT shall have no further obligations under Messrs. Co and Schonfeldt's NEO Contracts or CAPREIT's employee benefit plans.	Three (3) months' notice of the executive's resignation must be given to CAPREIT. After such time, CAPREIT shall have no further obligations under Mr. Savino's NEO Contract or CAPREIT's employee benefit plans.

	Mr. Kenney NEO Contract	Messrs. Co and Schonfeldt NEO Contract	Mr. Nick Savino NEO Contract
Term	Indefinite	Indefinite	Indefinite
Termination in the event of a change of control	In the event of change of control, Mr. Kenney may elect to resign or may be terminated without cause. Mr. Kenney's termination payments will equal to the sum of: (i) thirty-six (36) months of the amount paid or payable as base salary at the time of termination; plus (ii) three (3) times the highest bonus paid over the preceding three years. Any RURs or long-term incentives or equity granted to the executive that have not yet vested, shall be accelerated and vest upon the executive's last day of employment with CAPREIT.	Messrs. Co and Schonfeldt may elect to terminate their respective NEO Contract, for any reason, exercisable for a period of six (6) months following the date of the change of control (the "Change of Control Election"), which termination shall be effective thirty (30) days after the date that the executive serves notice of such election. Mr. Co is entitled to receive a severance payment in the amount equal to three (3) times the sum of: (i) his base salary paid during the previous twelve (12) months, plus (ii) the average bonus awarded to the executive during the previous two (2) years, as well as maintenance of benefits for a period of thirty-six (36) months from the date of termination. Mr. Schonfeldt is entitled to receive a severance payment in the amount equal to two (2) times the sum of: (i) his base salary paid during the previous twelve (12) months, plus (ii) the average bonus awarded to the executive during the previous two (2) years, as well as maintenance of benefits for a period of twenty-four (24) months from the date of termination. If Messrs. Co or Schonfeldt elects to terminate their NEO Contract pursuant to the Change of Control Election, any RURs or long-term incentives granted to them that have not yet vested, shall be accelerated and vest upon the executive's last day of employment with CAPREIT.	Mr. Savino may elect to terminate his respective NEO Contract, for any reason, exercisable for a period of six (6) months following the date of the change of control (the "Change of Control Election"), which termination shall be effective thirty (30) days after the date that the executive serves notice of such election. Mr. Savino is entitled to receive a severance payment in the amount equal to one and a half (1.5) times the sum of: (i) his base salary paid during the previous twelve (12) months, plus (ii) the average bonus awarded to the executive with respect to the two (2) previous calendar years, as well as maintenance of benefits for a period eighteen (18) months from the date of termination. Any RURs or long-term incentives or equity granted to him that have not yet vested, shall be accelerated and vest upon the executive's last day of employment with CAPREIT.
Non-Competition, Non-Solicitation and Confidentiality	The NEO Contract contains certain customary non-competition, non-solicitation (for a period of thirty-six months following the termination of employment) and confidentiality provisions in favour of CAPREIT.	Each NEO Contract contains certain customary non-competition, non-solicitation (for a period of twelve months following the termination of employment) and confidentiality provisions in favour of CAPREIT.	The NEO Contract contains certain customary non-competition, non-solicitation (for a period of twelve months following the termination of employment) and confidentiality provisions in favour of CAPREIT

Effective July 26, 2024, Mr. Brailovski's employment with CAPREIT ended. Accordingly, Mr. Brailovski received payments totalling \$1,474,096.

Executive Registered Retirement Savings Plan

CAPREIT has established an Executive Registered Retirement Savings Plan (the “**ERRSP**”) for key senior management. The ERRSP contributions for the year are equal to five percent (5%) of the executive’s base salary, subject to applicable *Income Tax Act* (Canada) limitations. However, there are no guarantees that contributions will be made in any particular year or that any contributions which are made will equal any specific amount. Without limiting the generality of the foregoing, the making of contributions or the level thereof in any given year may depend on CAPREIT’s and/or individual, business-wide, or departmental performance in that year. The ERRSP is intended to assist participants in generating long-term capital appreciation for the executives’ retirement income and, as such, is not designed to provide short-term compensation. Accordingly, in the event that while still employed by CAPREIT, an executive withdraws any assets from their ERRSP account, CAPREIT will make no further contributions to the ERRSP on the executive’s behalf. A resumption of ERRSP contributions on the executive’s behalf in such circumstances will only be possible if there is a specific subsequent decision to such effect by the President and Chief Executive Officer of CAPREIT.

Under his NEO Contract, Mr. Kenney is entitled to receive the maximum amount allowable to be contributed under the *Income Tax Act* (Canada) to his registered retirement savings plan.

Incentive Plan Awards

Outstanding Unit-based Awards

The following table sets forth a summary of the Unit-based awards for each NEO outstanding as at December 31, 2024.

NEO	Unit Based Awards		
	Number of Units That Have Not Vested (#)	Market or Payout Value of Unit-Based Awards That Have Not Vested ⁽¹⁾ (\$)	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed ⁽¹⁾ (\$)
Mark Kenney President and Chief Executive Officer	165,055	7,036,296	4,916,561
Stephen Co Chief Financial Officer	23,982	1,022,373	452,252
Julian Schonfeldt Chief Investment Officer	26,063	1,111,050	—
Nick Savino Senior Vice President, Operations	4,485	191,177	—
Roman Brailovski⁽²⁾ Former Executive Vice President, Operations	0	0	0

Notes:

- Value based on the closing price of Units on the TSX on December 31, 2024. Performance-based RURs have been valued assuming target performance vesting (100%) is achieved.
- Mr. Brailovski ceased to be Executive Vice President, Operations of CAPREIT on July 26, 2024.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Unit-Based Awards – Value Vested During the Year ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Mark Kenney President and Chief Executive Officer	1,917,113	1,206,000
Stephen Co Chief Financial Officer	131,309	442,800
Julian Schonfeldt Chief Investment Officer	–	485,900
Nick Savino Senior Vice President, Operations	–	137,243
Roman Brailovski⁽²⁾ Former Executive Vice President, Operations	–	–

Notes:

- Represents 38,138 and 2,608 RUR grant units which vested in February 2024 for Mr. Kenney and Mr. Co, respectively.
- Mr. Brailovski ceased to be Executive Vice President, Operations of CAPREIT on July 26, 2024, and in connection with such cessation of employment, he forfeited all unit-based awards received during the tenure of his employment.

Narrative Discussion

Equity Based Incentive Plans

The following table provides a brief description of CAPREIT's amended and restated restricted unit rights plan (the "**RUR Plan**"), which is its key long-term equity incentive plan through which long-term incentive compensation will be awarded and is available to certain officers and employees of CAPREIT and its designated affiliates (the "**RUR Participants**").

A more fulsome description of each of CAPREIT's equity incentive plans follows.

RUR Plan	
Incentive Type	RURs settled in Units.
Applies To	Officers and employees of CAPREIT as well as any affiliate (as such term is defined in the <i>Securities Act</i> (Ontario)) of CAPREIT that may be designated.
Period	Subject to certain exceptions, RURs (and Distribution RURs (as defined below)) vest in entirety on the third anniversary of each grant date (in the case of performance-based RURs, with the number of RURs vesting, if any, subject to the attainment of certain performance vesting conditions which are determined by the Human Resources and Compensation Committee or the Board). RUR Participants may be entitled to defer settlement of vested RURs (and Distribution RURs). Unvested RURs and Distribution RURs accrued thereon are forfeited in the event of termination for cause.
Other Provisions	On each distribution date, CAPREIT accumulates and accrues for the benefit of RUR Participants such number of Distribution RURs economically equivalent to the aggregate value of the distribution that the RUR Participant would have received had the RUR Participant held the Units represented by all such RURs and Distribution RURs at the distribution date. Subject to the terms of a NEO Contract, if an RUR Participant ceases to be employed by reason of retirement or termination without cause on a date prior to vesting such unvested RURs, and any Distribution RURs credited in respect thereof, shall vest on a <i>pro rata</i> basis after the first anniversary of the grant date based on the number of years since the original grant. In the event of death or disability of an RUR Participant or if there is a change of control, vesting may be accelerated. The Human Resources and Compensation Committee or its delegate retains the discretionary authority to accelerate vesting.

Description of Equity Based Incentive Plans

Active Plans

The following is a summary of CAPREIT's RUR Plan and amended and restated employee unit purchase plan (the "**EUPP**", together with the RUR Plan and the DUP, the "**Plans**") as at the date of this Circular and is qualified entirely by the full terms and conditions of each Plan.

Currently, the maximum number of Units issuable under the Plans is 11,500,000 Units (representing approximately 7% of the number of outstanding Units as of December 31, 2024) and as of December 31, 2024, 1,626,592 Units remained available for future issuances under the Plans.

RUR Plan

CAPREIT has established the RUR Plan as the primary plan through which long-term incentive compensation will be awarded. The Human Resources and Compensation Committee of the Board may award restricted unit rights ("**RURs**") under the RUR Plan, subject to the attainment of specified performance objectives to the RUR Participants. The purpose of the RUR Plan is to provide the RUR Participants with additional incentives, to encourage ownership of Units by RUR Participants, and to encourage RUR Participants to remain employed by CAPREIT or its subsidiaries through the issuance of RURs which, upon vesting, are settled in Units (each RUR is settled for one (1) Unit).

The RURs awarded to RUR Participants vest on the third anniversary of the award, unless otherwise determined by the Human Resources and Compensation Committee. RURs awarded to RUR Participants may be time-based RURs, which generally become vested, if at all, following a period of continuous service ("**time-based RURs**"), or performance-based RURs, which generally become vested, if at all, subject to the attainment of certain performance vesting conditions which are determined by the Human Resources and Compensation Committee or the Board (and set out in a related award agreement) ("**performance-based RURs**"). The performance vesting conditions applicable to performance-based RURs may include, but are not limited to, financial or operational performance of the CAPREIT, TUR or individual performance criteria, measured over a prescribed performance period.

All vested RURs credited to the RUR Participant, including any Distribution RURs (as defined below), are settled by the issuance of fully paid Units to the RUR Participant.

Under no circumstances shall RURs be considered Units or entitle a RUR Participant to any Trust Unitholder rights, including, without limitation, voting rights, distribution entitlements or rights on liquidation.

The maximum number of Units issuable to Insiders (as such term is defined in the RUR Plan) under the RUR Plan, or when combined with any other Unit incentive compensation plans, at any time, may not exceed ten percent (10%) of the Units issued and outstanding. The maximum number of Units which may be issued to Insiders under the RUR Plan, or when combined with any other Unit incentive compensation plans, within any one (1) year period, may not exceed ten percent (10%) of the Units issued and outstanding.

The RURs earn notional distributions in respect of each distribution paid on RURs commencing from the grant date. Such notional distributions are used to calculate additional RURs ("**Distribution RURs**"), which are accrued for the benefit of the RUR Participants.

The Distribution RURs are credited to the RUR Participants only when the underlying RURs upon which the Distribution RURs are earned become vested. Subject to certain exceptions, RURs granted under the RUR Plan (and Distribution RURs accrued thereon) vest in their entirety on the third anniversary of each grant date. Unvested RURs (and Distribution RURs accrued thereon) are fully forfeitable unless and until such RURs become vested. Subject to the terms of a NEO Contract, if a RUR Participant is terminated for cause or resigns, unvested RURs (and Distribution RURs) accrued thereon will be forfeited. See "**Significant Terms of Executive Employment Agreements**".

In the event of a change of control, subject to the terms of any employment agreement, if an RUR Participant is terminated without cause during the two (2) year period following the change of control, or an RUR Participant who is an officer terminates their employment agreement for "good reason" to the extent provided for in such RUR Participant's employment agreement, the RUR Participant shall receive, in full settlement of each unvested RUR, the number of Units that would have been issued to the participant on the expiry of the applicable vesting period (including Units for any Distribution RURs accrued but not yet credited and, in the case of performance-based RURs, based on the level of achievement of the performance vesting conditions up to the applicable termination date, as determined by the Human Resources and Compensation Committee, in its sole discretion). In the event of a change of control, if the acquirer does not provide a substituted plan or adopt the RUR Plan, an RUR Participant shall receive, in full settlement of each unvested RUR (including Distribution RURs), the number of Units that would have been issued to the RUR Participant on the expiry of the applicable vesting period (in the case for performance-based RURs, based on the level of achievement of the performance vesting conditions up to the applicable termination date, as determined by the Human Resources and Compensation Committee, in its sole discretion). There is no automatic acceleration of vesting of unvested RURs under the RUR Plan simply arising because of the change of control. However, if the Board deems it advisable to do so in connection with a proposed change of control, the Board may (without the consent of RUR Participants) take such steps with respect to outstanding RURs and make such amendments to the RUR Plan as it deems necessary or advisable in connection with the change of control. A "change of control" is broadly defined to contemplate the circumstances where a person or group of persons acting jointly or in concert acquire beneficial ownership or control of more than fifty percent (50%) of the outstanding Units or votes attaching thereto or of all or substantially all of the assets of CAPREIT or its subsidiaries and includes a takeover.

In the event of a retirement or termination without cause before the first anniversary of any grant date, any RURs granted to an RUR Participant on such grant date shall remain unvested and forfeited as of such date of retirement or termination, as applicable, and the RUR Participant shall not be entitled to any compensation for loss of any benefit under the RUR Plan. If an RUR Participant retires or is terminated without cause after the first anniversary of the grant date but before the second anniversary of the grant date, one-third (1/3) of the RURs granted on such grant date shall vest as of such date of retirement or termination, as applicable, and the remainder of the RURs granted on such grant date shall remain unvested and forfeited. If an RUR Participant retires or is terminated on or after the second anniversary of any grant date but before the last day of the vesting period, two-thirds (2/3) of the RURs granted on such grant date shall vest as of such date of retirement or termination, as applicable, and the remainder of the RURs granted on such grant date shall remain unvested and forfeited as of such date of retirement or termination, as applicable, and such RUR Participant shall not be entitled to any compensation for loss of any benefit under the RUR Plan. Notwithstanding the foregoing, the Human Resources and Compensation Committee may, in its sole discretion, determine that in the event of the retirement or termination without cause of an RUR Participant, vesting of unvested RURs (including for greater certainty any Distribution RURs accrued but not yet credited to the RUR Participant) may be accelerated in whole or in part.

In the event of a death or disability before the last day of any vesting period, all RURs granted to an RUR Participant in respect of such vesting period (including for any greater certainty Distribution RURs accrued but not yet credited to the RUR Participant) shall vest.

Subject to the provisions of any change in control or employment agreement and the terms and conditions upon which the award was made, in the event an RUR Participant's employment is terminated for cause before the last day of any vesting period, all RURs granted in respect of such vesting period (including for greater certainty any Distribution RURs accrued but not yet credited to the RUR Participant) shall remain unvested and forfeited as of such date of termination and the RUR Participant shall not be entitled to any compensation for loss of any benefit under the RUR Plan.

In the event of the resignation before the last day of any vesting period, all RURs granted to an RUR Participant in respect of such vesting period (including for greater certainty all Distribution RURs) will remain unvested and forfeited as of such resignation date and such RUR Participant shall not be entitled to any compensation for loss of any benefit under the RUR Plan. Notwithstanding the foregoing, the Human Resources and Compensation Committee may, in its sole discretion, determine that in the event an RUR Participant resigns as an employee before the last day of any vesting period, vesting of unvested RURs (including for greater certainty any Distribution RURs accrued but not yet credited) may be accelerated in whole or in part.

Other than as provided in the RUR Plan, the rights or interests of a RUR Participant under the RUR Plan may not be assigned or transferred in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon the death of such RUR Participant, by will or by the laws of succession and distribution or otherwise required by law.

The trustees may, from time to time, subject to applicable securities laws and requisite regulatory or other approvals, amend, suspend or terminate the RUR Plan, in whole or in part, without Trust Unitholder or RUR Participant approval, except in certain limited circumstances: (i) amendments to increase the aggregate number of Units reserved for issuance under all of CAPREIT's equity incentive plans; (ii) amendments to extend eligibility to participate in the RUR Plan; (iii) amendments to the definition of Market Price under the RUR Plan; (iv) amendments which may permit equity-based awards granted under the RUR Plan to be transferable or assignable other than for normal estate settlement purposes; (v) amendments that modify the amendment provision of the RUR Plan itself; and (vi) amendments required to be approved by Trust Unitholders under applicable law (including rules of the TSX). The trustees may amend the RUR Plan without Trust Unitholder approval, including but not limited to: (i) amendments of a housekeeping nature; (ii) the addition or change to the vesting provisions of a RUR or the RUR Plan; (iii) a change to the termination provisions of a RUR or the RUR Plan; (iv) amendments to reflect changes to applicable securities law; and (v) amendments to ensure RURs granted under the RUR Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction to which a RUR Participant may from time to time be subject. However, if any such amendment materially adversely affects the rights of a RUR Participant with respect to a grant of RURs, that RUR Participant's written consent is required.

As at December 31, 2024, 580,151 RURs have been issued and are outstanding under the RUR Plan to RUR Participants; the Units issuable under such grants constitute 0.4% of CAPREIT's outstanding Units as at December 31, 2024. In the event that all issued and outstanding performance-based RURs were to vest based on the applicable maximum performance level, the number of Units issuable under all outstanding RURs would constitute 0.4% of CAPREIT's outstanding Units as at December 31, 2024.

CAPREIT's annual burn rate of the RURs granted under the RUR Plan was 0.06% in fiscal 2022, 0.08% in fiscal 2023 and 0.10% in fiscal 2024. The burn rate is subject to change from time to time and is calculated by dividing the number of RURs granted under the RUR Plan during the relevant fiscal year by the weighted average number of Units outstanding for the applicable fiscal year.

During the year ended December 31, 2024, the RUR Plan was amended to: (a) specifically contemplate the issuance of performance-based RURs and delineate the terms of such awards (including in respect of related performance vesting conditions), as well as clarify the treatment of performance-based RURs upon a participant's cessation of service and in connection with a change in control of CAPREIT; (b) extend the settlement time of RURs in the event that the applicable settlement date occurs during or within five business days immediately following a blackout period applicable to the trading of Units; and (c) permit the Human Resources and Compensation Committee to delegate certain powers to the Chair of the Human Resources and Compensation Committee and/or management. These changes did not require approval of Trust Unitholders pursuant to the terms of the RUR Plan.

The foregoing summary of the RUR Plan is qualified entirely by the full terms and conditions of the RUR Plan.

Employee Unit Purchase Plan

CAPREIT has adopted the EUPP, which is available to certain full-time employees and senior officers of CAPREIT. The purpose of the EUPP is to advance the interests of CAPREIT and Trust Unitholders by facilitating and encouraging employees and senior officers of CAPREIT and its subsidiaries to purchase Units. Under the terms of the EUPP, each EUPP Participant is entitled to acquire a number of Units up to a maximum of ten percent (10%) of their respective annual salary from payroll deductions. A EUPP Participant may not assign, transfer, or dispose of their interest in the EUPP. Units issuable under the EUPP will be issued at the weighted average trading price of the Units on the TSX for the five (5) trading days immediately preceding the date of issue.

In addition, all EUPP Participants receive an additional number of Units equal to twenty percent (20%) of the Units purchased pursuant to the EUPP, which amount is automatically paid in the form of additional Units at the time of purchase of Units.

No Units of CAPREIT shall be issued under the EUPP if such issuance would result in the majority of the Units to be allocated under the EUPP being or becoming issuable to Insiders (as such term is defined in the EUPP) or if the EUPP, together with all other previously established or proposed Unit incentive compensation plans, could result, at any time in: (i) the issuance to Insiders, within a one (1) year period, of a number of Units exceeding ten percent (10%) of the outstanding issue; (ii) the issuance to Insiders, at any time, of a number of Units exceeding ten percent (10%) of the outstanding issue; or (iii) the number of Units which may be issued or reserved for issuance, within a one (1) year period, under the EUPP and any other Unit incentive compensation plans to any single employee exceeding five percent (5%) of the outstanding issue.

Disentitlement under the EUPP occurs where an EUPP Participant voluntarily retires or resigns or is terminated before "**Normal Retirement**" (means retirement coincident with or the next day following such EUPP Participant attaining the age of sixty-five (65), or such earlier time as agreed to). On the occurrence of an Event of Disentitlement (as defined in the EUPP), (i) if an EUPP Participant has any outstanding subscriptions under the EUPP, such subscriptions will be automatically cancelled and the EUPP Participant's contributions (as of the date of the cancellation) will be returned to such EUPP Participant by CAPREIT, and (ii) any Units held on behalf of the EUPP Participant under the EUPP and any cash held in an RRSP and a Tax-Free Savings Account ("**TFSA**") account of the EUPP Participant will be transferred to or in accordance with such EUPP Participant's directions. Further, if at the end of any calendar year, an EUPP Participant has not contributed their portion of their salary during the calendar year, the EUPP Participant may be required to terminate their participation in the EUPP. Upon termination, all funds and Units held on behalf of such EUPP Participant under the EUPP will be withdrawn. Upon the death or permanent disability of an EUPP Participant, or in the event of an EUPP Participant's Normal Retirement, such EUPP Participant immediately ceases to be eligible to participate in the EUPP.

In the event of a change of control, as described in the EUPP, the Board may determine the manner in which all Units subject to the terms of the EUPP shall be treated.

The EUPP can be amended by the Board, subject to applicable law, without Trust Unitholder approval, except in certain limited circumstances, which include: (i) amendments to increase the number of Units reserved for issuance under the EUPP, including an increase in the fixed maximum number of Units, or a change from a fixed maximum number of Units to a fixed maximum percentage; (ii) amendments to reduce the Purchase Price (as defined in the EUPP) of a Unit that has been previously granted, except in limited circumstances; (iii) amendments for the purpose of extending eligibility to participate in the EUPP; (iv) amendments for the purpose of permitting Units purchased or rights or interests acquired under the EUPP to be transferred or assigned other than in accordance with the terms of the EUPP; (v) amendments that modify the amendment provision of the EUPP itself; (vi) amendments to increase the insider participation limits under the EUPP; and (vii) amendments required to be approved by Trust Unitholders under applicable law (including rules of the TSX). Examples of the types of amendments that the trustees could make without Trust Unitholder approval, include amendments of a housekeeping nature, provided that no amendment to the EUPP shall divest any EUPP Participant of their entitlement to their Units or of any rights an EUPP Participant may have in respect of the Units or have the effect of altering the terms of any outstanding right of an EUPP Participant without the prior written consent of the EUPP Participant, and provided further that any required regulatory or Trust Unitholders approvals, as applicable, are received prior to the issuance of any Units under the provisions of the amended form of the EUPP.

As at December 31, 2024, 711,035 Units have been issued under the EUPP, constituting 0.4% of CAPREIT's outstanding Units as at December 31, 2024.

CAPREIT's annual burn rate of the Units granted under the EUPP was 0.04% in fiscal 2022, 0.04% in fiscal 2023 and 0.04% in fiscal 2024. The burn rate is subject to change from time to time and is calculated by dividing the number of Units granted under the EUPP during the relevant fiscal year by the weighted average number of Units outstanding for the applicable fiscal year.

During the year ended December 31, 2024, no amendments were made to the EUPP.

The foregoing summary of the EUPP is qualified entirely by the full terms and conditions of the EUPP.

Deferred Unit Plan

In 2008, CAPREIT established the DUP, which has been amended and restated from time to time, most recently on May 9, 2024, which is available to non-executive trustees of CAPREIT. The purpose of the DUP is to promote a greater alignment of interests between the non-executive trustees of CAPREIT and the Trust Unitholders of CAPREIT.

For the year ended December 31, 2024, each DUP Participant (meaning a person who was, on the applicable Election Date (as defined in the DUP), a non-executive trustee) was required to elect to be paid between fifty percent (50%) and one hundred percent (100%) (the "**Elected Percentage**") of their Board compensation (such product being herein referred to as the "Elected Amount"), in the form of deferred units ("**Deferred Units**"), in lieu of cash, on a dollar-for-dollar basis. Deferred Units are ascribed a value on each Award Date (as defined in the DUP) equal to the Market Value (as defined in the DUP) on such dates.

DUP Participants may not change their Elected Percentage or terminate their DUP participation during the calendar year. Under no circumstances shall Deferred Units be considered Units or entitle a DUP Participant to any Trust Unitholder rights, including, without limitation, voting rights, distribution entitlements, or rights on liquidation. Deferred Units are settled (i) upon a DUP Participant electing to withdraw up to twenty percent (20%) of the Deferred Units credited to their Deferred Unit account and redeem them for Units at any one time or from time to time in any five-year period (a "**Redemption Period**") or (ii) upon a DUP Participant ceasing to be a trustee, at which time all of such DUP Participant's

Deferred Units are settled. In order to facilitate the payment of the applicable withholding taxes arising on the settlement of such Deferred Units, the Participant may elect to settle such amount by way of a broker assisted "cashless exercise" (pursuant to which a broker may sell certain of the Units otherwise deliverable upon settlement of the Deferred Units and deliver an amount equal to the applicable withholding taxes to CAPREIT), having CAPREIT withhold such amount from the Participant's other earnings or by paying such amount in full. The Redemption Period commences on the date the Deferred Units are first credited to a DUP Participant's Deferred Unit account and expires on the fifth anniversary thereof; with each subsequent Redemption Period occurring in five-year increments thereafter. In the event that a DUP Participant does not elect to withdraw up to a total of twenty percent (20%) of the Deferred Units credited to their Deferred Unit account and redeem them for Units during a Redemption Period, the remaining balance of up to twenty percent (20%) of the Deferred Units credited to their Deferred Unit account at the end of such Redemption Period shall be carried forward to the next Redemption Period. Upon issuance of such Units, the redeemed Deferred Units will be cancelled.

For the year ended December 31, 2024, the number of Deferred Units (including fractional Deferred Units) to be credited to a DUP Participant as of any particular Award Date pursuant to the DUP are to be calculated by dividing: (i) the amount calculated by dividing the dollar amount of the DUP Participant's Elected Amount by four; by (ii) the Market Value of a Unit on the Award Date (as defined in the DUP).

Whenever cash distributions are paid on the Units, additional Deferred Units are credited to the DUP Participant's Deferred Unit account. The number of such additional Deferred Units are calculated by dividing: (i) the amount determined by multiplying: (a) the number of Deferred Units in such DUP Participant's Deferred Unit account on the record date for the payment of such distribution by (b) the distribution paid per Unit; by (ii) the Market Value of a Unit on the distribution payment date for such distribution, in each case, with fractions computed to two (2) decimal places.

As at December 31, 2024, 154,409 Deferred Units have been issued and are outstanding under the DUP Plan to DUP Participants; the Units issuable under such grants constitute 0.1% of CAPREIT's outstanding Units as at December 31, 2024.

CAPREIT's annual burn rate of the Deferred Units granted under the DUP was 0.01% in fiscal 2022, 0.01% in fiscal 2023 and 0.01% in fiscal 2024. The burn rate is subject to change from time to time and is calculated by dividing the number of Deferred Units granted under the DUP during the relevant fiscal year by the weighted average number of Units outstanding for the applicable fiscal year.

In no event may the rights or interests of a DUP Participant under the DUP be assigned, encumbered, pledged, transferred, or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a DUP Participant, by will or by the laws of succession and distribution.

The DUP may be amended by the Board, subject to applicable law, without Trust Unitholder approval, except in certain limited circumstances, which are substantially similar to those listed in the RUR Plan, as described above (with the exception that the DUP Plan also requires Trust Unitholder approval for amendments to (i) permit the issuance of Deferred Units to DUP Participants on a discretionary basis and (ii) increase the non-executive trustee

participation limit. Such amendments to the DUP that the trustees may make without Trust Unitholder approval, include, but are not limited to: (i) minor changes of a house-keeping nature; (ii) amendments which, in the opinion of the Board, are necessary or desirable to remove conflicts or inconsistencies in the DUP; (iii) amendments as the Board in their discretion deem necessary or desirable as a result of changes in the taxation laws from time to time; and (iv) a change to or the addition of any vesting provisions of Deferred Units issued pursuant to the DUP. During the year ended December 31, 2024, the DUP was amended to clarify that an election notice or redemption notice cannot be filed during a blackout period and if the date upon which Units are to be issued in settlement of Deferred Units falls during a blackout period, such settlement shall be extended to the second business day immediately following the expiration of such blackout period. These changes did not require approval of Trust Unitholders pursuant to the terms of the DUP.

The foregoing summary of the DUP is qualified entirely by the full terms and conditions of the DUP.

Securities Authorized for Issuance Under Equity Compensation Plans

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b) ⁽¹⁾	Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a) ⁽²⁾
Equity compensation plans approved by securityholders			
RUR Plan	580,151	—	N/A
EUPP	N/A	—	N/A
DUP Plan	154,409	—	N/A
Equity compensation plans not approved by securityholders			
Total	734,560		1,626,592

Notes:

1. There is no exercise price in respect of RURs, units under the EUPP or Deferred Units. There are no outstanding Options.
2. Any combination of new issuance under the Equity compensation plans cannot exceed the remaining balance available on the Total line.

Pension Plan Benefits

CAPREIT has not established a defined benefit plan or a defined contribution plan.

Termination and Change of Control Benefits

The following table provides a brief description of CAPREIT's termination provisions by compensation program as they relate to the NEOs.

Plan	Death, Retirement or Resignation	Termination With Cause	Termination Without Cause	Termination Without Cause Following a Change-In-Control
Base Salary	No longer eligible effective date of death, retirement, or resignation. For Mr. Kenney's retirement benefit, see "Compensation Discussion and Analysis – Elements of Executive Compensation" .	No longer eligible effective date of termination.	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").
Annual Incentive (Bonus)	Receive pro-rated payment based on proportion of financial year completed as of the date of death or retirement. For Mr. Kenney's retirement benefit, see "Compensation Discussion and Analysis – Elements of Executive Compensation" .	No longer eligible effective date of termination.	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").
RUR Plan	In the event of death or disability, vesting of RURs shall be accelerated; in the event of retirement, <i>pro rata</i> vesting of RURs occurs subsequent to the first anniversary of the grant date; in the event of resignation, no vesting of unvested RURs occurs, other than with respect to Mr. Kenney, who is entitled to automatic vesting. The Board or the Human Resources and Compensation Committee, as applicable, retains discretion to accelerate vesting, see "Description of Equity Based Incentive Plans – RUR Plan" .	Subject to the provisions of any change in control or employment agreement between CAPREIT and the RUR Participant, no vesting of unvested RURs occurs, see "Description of Equity Based Incentive Plans – RUR Plan" .	<i>Pro rata</i> vesting of RURs occurs subsequent to the first anniversary of the grant date, other than with respect to Mr. Kenney who is entitled to automatic acceleration of vesting. The Board or the Human Resources and Compensation Committee, as applicable, retains discretion to accelerate vesting, see "Description of Equity Based Incentive Plans – RUR Plan" .	There is no automatic acceleration of vesting of unvested RURs under the RUR Plan simply arising because of a change of control. Vesting of unvested RURs will be accelerated in the event of a change of control: (i) if the acquirer does not provide a substituted plan or adopt the RUR Plan, (ii) if the RUR Participant is terminated without cause within two years of the change of control, or (iii) if the RUR Participant who is an officer of CAPREIT terminates their employment agreement for "good reason", see "Description of Equity Based Incentive Plans – RUR Plan" . Under the terms of Messrs. Kenney, Co, Schonfeldt and Savino's employment agreements, if such executive elects to terminate his employment within six (6) months of a change of control, vesting of RURs is accelerated.
Benefits	No longer eligible effective date of death, retirement, or resignation. For Mr. Kenney's retirement benefit, see "Compensation Discussion and Analysis – Elements of Executive Compensation" .	No longer eligible effective date of termination.	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").
Perquisites	No longer eligible effective date of death, retirement, or resignation.	No longer eligible effective date of termination.	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").	Eligible for severance or lump sum severance payment (for amounts, see "Significant Terms of Executive Employment Agreements").

Each of the NEO Contracts provides defined termination provisions. Please refer to the section entitled **"Significant Terms of Executive Employment Agreements"** for the details of the NEO termination provisions. Each of the NEO Contracts contains certain customary non-competition, non-solicitation, and confidentiality provisions in favour of CAPREIT.

The following table provides details pertaining to the estimated incremental payments from CAPREIT to each of the NEOs under the termination scenarios, assuming termination on December 31, 2024.

Name	Death or Retirement (\$)	Termination With Cause (\$)	Termination Without Cause (\$) ⁽¹⁾	Termination Without Cause Following a Change-In-Control (\$) ⁽¹⁾
Mark Kenney President and Chief Executive Officer ⁽²⁾	972,000 Death or 6,599,040 Retirement/ Resignation	Nil	6,599,040	6,599,040
Stephen Co Chief Financial Officer	410,003	Nil	2,195,863	2,635,035
Julian Schonfeldt Chief Investment Officer	430,000	Nil	1,919,177	1,919,177
Nick Savino Senior Vice President, Operations	280,000	Nil	671,507	671,507
Roman Brailovski ⁽²⁾ Former Executive Vice President, Operations ⁽³⁾	N/A	N/A	1,474,096	N/A

Notes:

- Includes benefits premiums and car allowance.
- For Mr. Kenney's additional entitlements under his NEO Contract dated January 1, 2023, please refer to "**Significant Terms of Executive Employment Agreements**".
- Mr. Brailovski ceased to be the Executive Vice President, Operations of CAPREIT on July 26, 2024. The calculated amount reflects the compensation received by Mr. Brailovski pursuant to the termination of his NEO Contract.

Indemnification of Trustees and Officers

CAPREIT indemnifies the trustees, directors and officers against certain losses arising from allegation against them in their capacity for certain acts, errors, or omissions, as such. CAPREIT maintains management liability insurance for its trustees, directors and officers. The policy provides insurance for trustees, directors, and officers of CAPREIT in respect of certain losses arising from claims against them for certain of their acts, errors, or omissions in their capacities as trustees, directors or officers. CAPREIT is also reimbursed by the management liability insurance against loss arising out of any payment for which it is required or permitted by law to make to trustees, directors or officers in respect of such claims and for direct securities claims against CAPREIT. For the policy period ended March 31, 2025 the policy limit for such management liability insurance coverage applicable to CAPREIT and its trustees, directors and officers was \$80 million per annual aggregate with a \$250,000 deductible. The premium (excluding applicable taxes) paid by CAPREIT for the period ending March 31, 2025, was approximately \$250,000.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Other than the election of trustees, none of the trustees or executive officers of CAPREIT who have been a trustee or executive officer since the commencement of CAPREIT's last financial year, nominees for election as trustees of CAPREIT, or associate or affiliate of any of the foregoing have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting.

Information on CAPREIT's Auditor

EY has been CAPREIT's auditor since May 15, 2023. For the year ended December 31, 2024, EY has advised that they are independent with respect to CAPREIT in the context of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

The Audit Committee is responsible for selecting, evaluating, and recommending to the Board of Trustees the appointment and compensation of the external auditor and overseeing the work of the external auditor.

As part of this function, the Audit Committee is responsible for evaluating and monitoring the external auditor's qualifications, performance and independence, as well as assessing the appropriateness of the audit fees. This includes implementation and assessment of controls and other procedures designed to ensure auditor independence, such as mandatory audit partner rotation and limits on auditor tenure. In furtherance of these goals, subject to the Audit Committee's assessment and evaluation of the external auditor at the relevant time, including the risks and benefits of having a long-tenured auditor, it is the goal of CAPREIT that the external audit services be put out to tender not less frequently than every ten (10) years, with the maximum term of the external auditor generally to be fifteen (15) years.

The following chart summarizes the fees for services provided by the auditor to CAPREIT, excluding fees for services provided to ERES, which are disclosed by ERES in its current annual information form, for the fiscal years 2024 and 2023.

(\$ Thousands)		
Nature of Fees	2024	2023 ¹
Audit fees: Includes fees billed for audit and review services in respect of the annual and quarterly consolidated financial statements, consultations regarding financial accounting and reporting for the financial statements under audit, prospectuses filed during the respective years, and other regulatory filings.	\$1,190	\$982
Audit-related fees: Includes fees billed for other compliance related matters not included under "Audit fees".	37	—
Tax-related fees:		
• Compliance. Includes fees billed for tax compliance and the review of tax returns.	—	—
• Consulting. Includes tax fees billed for tax planning and tax advisory services.	—	—
All other fees: Includes fees billed for all other services other than those presented in the categories of audit fees, audit-related fees and tax fees, including other advisory services.	90	—
Total	\$1,317	\$982

Note:

1. Fees for the year ended December 31, 2023 exclude amounts billed by the former auditor.

The Audit Committee considered and agreed that the above fees are compatible with maintaining the independence of CAPREIT's auditor. Further, the Audit Committee determined that, to ensure the continued independence of the auditor, only limited non-audit-related services will be provided to CAPREIT by CAPREIT's external auditor and in such case, only with the prior approval of the Audit Committee.

General

The consolidated financial statements of CAPREIT for the financial year ended December 31, 2024, together with the report of the auditor thereon, will be presented to Trust Unitholders at the Meeting for their consideration.

Open dialogue with Trust Unitholders is a key priority for the Board, and Trust Unitholders are encouraged to provide feedback. To this end, the Board has adopted a formal unitholder engagement policy, which reinforces the commitment to regular and constructive communication and engagement with Trust Unitholders and speaks to how this commitment is fulfilled and how executive management and the Board may be contacted about perspectives or concerns. The policy is available at: <https://ir.capreit.ca>.

Board of Trustees: Trust Unitholders can write directly to the Chair of the Board at: gcody@crbod.net. The Chair of the Board meets with Trust Unitholders upon request. For instance, in 2024, the Chair of the Board joined the executive team on CAPREIT's annual investor day and property tour, which took place in Halifax, Nova Scotia in September 2024, and was attended by a total of eleven Trust Unitholders, in addition to sixteen analysts and advisors. The Chair of the Board additionally met directly with two of CAPREIT's largest Trust Unitholders.

Management: The President and Chief Executive Officer and the executive team meet regularly with financial analysts and institutional investors. During 2024, the executive team met with over 100 unique analysts and institutional investors, excluding repeat meetings that are regularly held with key names. This includes attendees who travelled to Halifax, Nova Scotia to attend CAPREIT's annual investor day hosted by management, which is organized in addition to other frequent tours provided of CAPREIT's properties predominantly in the Greater Toronto Area.

Investor Relations: Our Investor Relations group is responsible for maintaining communications with the investing public. Investor Relations staff are available to Trust Unitholders by email at: ir@capreit.net.

Events: The President and Chief Executive Officer and the executive team regularly attend and speak at industry events. The executive team attended over 15 investor-focused conferences and events, which took place throughout Canada and the United States over the course of 2024, in addition to other industry events, which they participate in and speak at throughout the year.

Live Broadcasts: Quarterly earnings calls with analysts and investors are broadcast live and are archived for one year on our Investor Relations website at: <https://ir.capreit.ca>.

Contacting the Board

Trust Unitholders, employees and other interested parties may communicate directly with the Board through the Chair of the Board by writing to:

Dr. Gina Parvaneh Cody
c/o Canadian Apartment Properties Real Estate Investment Trust
11 Church Street, Suite 401
Toronto, Ontario, M5E 1W1

Additional Information

Additional information relating to CAPREIT is available on SEDAR+ under CAPREIT's profile at www.sedarplus.ca and on CAPREIT's website at www.capreit.ca. Trust Unitholders may contact the Chief Financial Officer of CAPREIT at (416) 306-3009 to request copies of CAPREIT's consolidated financial statements and management's discussion and analysis.

Financial information is provided in CAPREIT's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial year which are available on SEDAR+ under CAPREIT's profile at www.sedarplus.ca.

The information contained on any websites referenced in this Circular are not intended to be included in or incorporated by reference into this Circular.

Approval of Trustees

The contents and the sending of this Circular have been approved by the trustees of CAPREIT.

DATED at Toronto this 10th day of April 2025.

On behalf of the trustees of

CANADIAN APARTMENT PROPERTIES REAL ESTATE INVESTMENT TRUST



Mark Kenney
President and Chief Executive Officer

Appendix 1:

Board Mandate

CANADIAN APARTMENT PROPERTIES REAL ESTATE INVESTMENT TRUST BOARD MANDATE

1. Purpose

The amended and restated declaration of trust dated June 1, 2022 (as may be further amended or restated from time to time, the **"Declaration of Trust"**) for Canadian Apartment Properties Real Estate Investment Trust (**"CAPREIT"**) stipulates that the trustees (the **"Trustees"**) of CAPREIT have power, control, and authority over the assets of CAPREIT and over the affairs of CAPREIT. The objectives of CAPREIT are contained in CAPREIT's Declaration of Trust. In achieving these objectives, the Trustees are subject to the investment guidelines and operating policies set out in the Declaration of Trust. For purposes of this Mandate, **"CAPREIT"** refers to Canadian Apartment Properties Real Estate Investment Trust together with its subsidiaries and controlled entities.

2. Procedure and Organization

The operations of CAPREIT are subject to the control of the Trustees and the Declaration of Trust. Subject to the provisions of the Declaration of Trust, the Trustees may delegate any of their powers to the committees of Trustees and allow any person to operate the real properties of CAPREIT.

3. Duties and Responsibilities

As noted above, the Trustees are responsible for the stewardship of CAPREIT. In fulfilling their responsibilities and duties, the Trustees shall exercise their power and carry out their functions honestly, in good faith and in the best interests of CAPREIT and its unitholders and in connection therewith they must exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Trustees' principal responsibilities and duties fall into a number of categories which are outlined below.

Declaration of Trust

The Trustees shall be responsible for exercising their powers or taking whatever actions as may be necessary or desirable in order to carry out the provisions of the Declaration of Trust and ensuring that the exercise of such powers or taking of such actions is not inconsistent with the provisions of the Declaration of Trust.

Strategic Planning

Strategic Plans and Objectives

At least annually, the board of Trustees of CAPREIT (the **"Board"**) shall review and, if advisable, adopt and approve a strategic planning process and a strategic plan for CAPREIT. In discharging this responsibility, the Board shall review the plan in light of management's assessment of CAPREIT's broad strategic objectives and values, emerging trends, the competitive environment, the opportunities for the business of CAPREIT, risk issues, CAPREIT's environmental, social and governance (ESG) program and significant business practices and products. In this regard, the Board will:

- i. Approve long-term strategies;
- ii. Review and approve, on an annual basis if appropriate, management's strategic and operational plans so that they are consistent with long-term goals;
- iii. Review and approve CAPREIT's financial objectives, plans and actions;
- iv. Approve significant acquisitions, sales of assets or units, and material financing arrangements;
- v. Review and approve CAPREIT's distribution policy and approve the timing and payment of distributions;
- vi. Set targets and budgets against which to measure the performance of the executives of the Trust (which, for greater certainty, shall mean employees holding the position of "Executive Vice President" or a more senior position at the Trust) (collectively, the "Executives") and the performance of CAPREIT;
- vii. Satisfy itself of the appropriateness of all executive compensation matters relating to Executives and that the executive compensation policy is designed to ensure alignment with the performance of CAPREIT;
- viii. Satisfy itself of the appropriateness of all Trustee compensation matters; and
- ix. Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of Executives.

Business and Capital Plans

At least annually, the Board shall review and, if advisable, approve CAPREIT's annual business and capital plans as well as policies and processes generated by management relating to the authorization of major investments and significant allocation of capital.

Monitoring and Assessment Criteria

At least annually, the Board shall review management's implementation of CAPREIT's strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans and shall, from time to time, determine the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context.

Environmental, Social and Governance

The Board shall oversee and monitor CAPREIT's policies and practices related to its ESG program, including management of climate-related risks and opportunities, and alignment of the ESG strategy with CAPREIT's overall business strategy. The Board will satisfy itself that CAPREIT has developed and implemented appropriate ESG standards in the conduct of its operations. At least annually, the Board shall review CAPREIT's ESG report and verify compliance with any applicable legal and regulatory requirements related to ESG disclosure.

Enterprise Risk Management and Compliance

General

The Board shall oversee and monitor the effectiveness of CAPREIT's enterprise risk management and compliance programs. At least annually, the Board shall review reports provided by management of principal risks associated with CAPREIT's business and operations, review the implementation by management of appropriate systems to manage these risks, review reports provided by management outlining the advancement of the compliance program, review reports provided by management relating to the incident management program, and review reports by management relating to the operation of, and any material deficiencies in, these systems.

Verification of Controls

The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management. The Board shall continuously oversee CAPREIT's financial reporting and disclosure obligations in accordance with applicable law, approve CAPREIT's financial statements, management's discussion and analysis and related releases, and oversee CAPREIT's compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures.

Information Security

At least quarterly, the Board shall review reports provided by management on any significant privacy breach, or information or cyber security related events, that could impact CAPREIT's business or operations. At least annually, the Board shall review reports provided by management on CAPREIT's information and cyber security program, including a review of the key policies and procedures, the investment in information security, and reporting on training completed by CAPREIT employees.

Oversight of Management

Executive Compensation

The Board shall review and approve (upon the recommendation and report from the Human Resources and Compensation Committee) the compensation of the Trustees, the Board Chair, the members and chairs of the Board committees and the Executives. At least annually, the Board shall review CAPREIT's approach to compensation Executives and Trustees.

Succession Review

At least annually, the Board shall review the succession plans of CAPREIT for the Board Chair, Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Chief People, Culture and Brand Officer including the appointment, training and monitoring of such persons. The Board may delegate succession planning to a committee to consider CAPREIT's succession plans in greater detail and report to the Board as necessary.

Integrity of Executives

The Board shall, to the extent feasible, oversee the Executives and satisfy itself as to the integrity of the Executives and that the Executives strive to create a culture of integrity throughout CAPREIT.

Corporate Governance

General

At least annually, the Board shall review CAPREIT's approach to corporate governance.

Trustee Independence

At least annually, the Board shall review Trustee independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.

Ethics Reporting

The Board has adopted a written Code of Business Ethics and Conduct (the "**Code**") applicable to Trustees, officers and employees of CAPREIT. At least annually, the Board shall review compliance with, or material deficiencies from, the Code and approve changes it considers appropriate. The Board shall review any complaints received under the Code.

Board Mandate Review

Periodically, at least every five years, the Board shall review and assess the adequacy of its Mandate to ensure compliance with any rules of regulations promulgated by any regulatory body and approve any modifications to this Mandate as considered advisable.

Communications

General

The Board has adopted a Disclosure Policy for CAPREIT. The Board shall review CAPREIT's Disclosure Policy on an annual basis, including measures for receiving feedback from CAPREIT's stakeholders, and management's compliance with such policy. The Board shall, if advisable, approve material changes to CAPREIT's Disclosure Policy.

Unitholders

CAPREIT shall endeavor to keep its unitholders informed of its progress through disclosures required by applicable securities laws, including annual and interim financial statements and periodic press releases. The Board has adopted a Unitholder Engagement Policy. Trustees and management shall be available to meet with CAPREIT's unitholders at the annual meeting and respond to questions at that time, and to engage with unitholders in accordance with the Unitholder Engagement Policy.

4. Composition

Each Trustee must have an understanding of CAPREIT's principal operational and financial objectives, plans and strategies, and financial position and performance. Trustees who experience a significant change in their personal circumstances that are reasonably likely to affect the performance of their duties as Trustees are expected to advise the Chair of the Board.

Chair of the Board

The Chair of the Board shall be an independent Trustee, unless the Board determines that it is inappropriate to require the Chair to be independent. If the Board determines that it would be inappropriate to require the Chair of the Board to be independent, then the independent Trustees shall select from among their number a Trustee who will act as "Lead Trustee" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Trustee if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

Residency

A majority of the Trustees must be persons who are resident in Canada for purposes of the *Income Tax Act* (Canada) and the regulations thereunder, as replaced or amended from time to time. Trustees who propose to become non-residents of Canada shall advise the Board as soon as reasonably practicable.

5. Committees of the Board

The Board has established the Audit Committee, the Governance and Nominating Committee, the Human Resources and Compensation Committee and the Investment Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.

Committee Mandates

The Board shall approve mandates for each Board committee and shall approve mandates for each new Board committee. At least annually, each mandate shall be reviewed by the Board, which shall consider any proposed changes.

Delegation to Committees

The Board has delegated to the applicable committee those duties and responsibilities set out in each Board committee's mandate.

6. Meetings

The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair is primarily responsible for the agenda and for supervising the conduct of the meeting. Any Trustee may propose the inclusion of items on the agenda, request the presence of, or a report by any Executive, or at any Board meeting raise subjects that are not on the agenda for that meeting. Meetings of the Board shall be conducted in accordance with CAPREIT's Declaration of Trust.

Secretary and Minutes

The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.

Meetings Without Management

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent Trustees and members of management are not present.

Trustees' Responsibilities

Each Trustee is expected to attend all meetings of the Board and any committee of which he or she is a member. Trustees will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

Access to Management and Outside Advisors

The Board shall have unrestricted access to management and employees of CAPREIT. The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of CAPREIT. CAPREIT shall provide appropriate funding, as determined by the Board, for the services of these advisors.

Service on Other Boards

Trustees may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Trustees must advise the Chair in advance of accepting an invitation to serve on the board of another public company.

7. Trustee Development and Evaluation

Each new Trustee shall participate in an initial orientation program to be established by the Board and each Trustee shall participate in CAPREIT's continuing trustee development programs to be coordinated by the Governance and Nominating Committee. At least annually, the Board shall review CAPREIT's initial orientation program and continuing trustee development programs.

At least annually, the Board's performance and effectiveness as a whole, the committees of CAPREIT, and the skills, contribution and qualification of individual Trustees will be assessed by the Governance and Nominating Committee.

8. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of CAPREIT. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of CAPREIT's Declaration of Trust, it is not intended to establish any legally binding obligations.

Approved on February 22, 2024 (and reconfirmed February 13, 2025)

Appendix 2:

Summary of Unitholders' Rights Plan Agreement

The following is a summary of the principal terms of the Rights Plan. This summary is qualified in its entirety by reference to the text of the Rights Plan. For a copy of the Rights Plan, please contact CAPREIT at ir@capreit.net or (416) 861-9404.

Unless otherwise specified, all capitalized terms used in this summary and not defined herein shall have the meanings ascribed thereto in the Rights Plan, which is available on SEDAR+ under CAPREIT's profile at www.sedarplus.ca and was filed on June 1, 2022.

Term

The Rights Plan must be reconfirmed by a simple majority of votes cast by Trust Unitholders (as defined in this Circular) at every third annual meeting of Trust Unitholders of CAPREIT. The Rights Plan is therefore presented at the Meeting (as defined in this Circular) for reconfirmation and approval. If not approved, the Rights Plan will expire and cease to have effect effective June 3, 2025. If it is approved at the Meeting, the Rights Plan will require reconfirmation by CAPREIT's Trust Unitholders at the 2028 annual meeting of Trust Unitholders (or any adjournment or postponement thereof) and thereafter at such meeting to be held, *mutatis mutandis*, every three years thereafter.

Issue of Rights

One right (a "**Right**") will be issued and attached to each subsequently issued Unit and will be issued and will attach to any subsequently issued Units. The initial exercise price of each Right is: (i) until the Separation Time (as defined below), an amount equal to three times the Market Price, from time to time per Unit and (ii) from and after the Separation Time, an amount equal to three times the Market Price, as at the Separation Time, per Unit (the "**Exercise Price**"), subject to appropriate antidilution adjustments.

Rights Exercise Privilege

The Rights will separate from the Units to which they are attached and will become exercisable at the time (the "**Separation Time**") that is ten (10) trading days after the earlier of: (i) a person having acquired, or (ii) the commencement or announcement date in respect of a takeover bid to acquire, twenty percent (20%) or more of the Units of CAPREIT, other than by an acquisition pursuant to a Permitted Bid. The acquisition by a person (an "**Acquiring Person**"), including persons acting in concert, of twenty percent (20%) or more of the Units of CAPREIT, other than by way of a Permitted Bid in certain circumstances, is referred to as a "Flip-in Event". Any Rights held by an Acquiring Person on or after the earlier of the Separation Time or the first date of public announcement by CAPREIT or an Acquiring Person that an Acquiring Person has become such, will become void upon the occurrence of a Flip-in Event. The issue of the Rights is not initially dilutive. Upon a Flip-in Event occurring and the Rights separating from the attached Units, reported earnings per Unit on a fully diluted or non-diluted basis may be affected. Holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

Certificates and Transferability

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on certificates for Units and will not be transferable separately from the attached Units. From and after the Separation Time, the Rights will be evidenced by Rights certificates or, as proposed to be amended, by book-entry form registration, which will be transferable and traded separately from the Units.

Permitted Bid Requirements

The requirements of a Permitted Bid include the following:

The takeover bid must be made by way of a takeover bid circular.

The takeover bid must be made to all holders of Units, other than the bidder.

The takeover bid must contain, and the provisions for the take-up and payment for securities tendered or deposited thereunder must be subject to, an irrevocable and unqualified condition that no securities shall be taken up or paid for pursuant to the takeover bid prior to the close of business on a date which is not less than one hundred and five (105) days following the date of the takeover bid or such shorter period that a takeover bid must remain open for deposits of securities, in the applicable circumstances, pursuant to Canadian securities laws.

The takeover bid must contain irrevocable and unqualified provisions that, unless the takeover bid is withdrawn, securities may be deposited pursuant to the takeover bid at any time prior to the close of business on the date of first take-up or payment for securities and that all securities deposited pursuant to the takeover bid may be withdrawn, unless restricted by law, at any time prior to the close of business on such date.

The takeover bid must contain, and the provisions for take-up and payment for securities tendered or deposited thereunder shall be subject to, an irrevocable and unqualified condition that no securities shall be taken up or paid for pursuant to the Take-over Bid unless, at such date, more than fifty percent (50%) of the outstanding Units held by Independent Unitholders (defined below), determined as at the close of business on the date of first take-up or payment for securities under the takeover bid, have been deposited or tendered to the takeover bid and not withdrawn.

The takeover bid must contain an irrevocable and unqualified provision that in the event that more than fifty percent (50%) of the Units held by Unitholders other than the bidder, its affiliates and persons acting jointly or in concert with the bidder (the "Independent Unitholders") shall have been deposited to the takeover bid and not withdrawn as at the close of business on the date of first take-up or payment for securities under the takeover bid, the offeror will make a public announcement of that fact and the takeover bid will remain open for deposits and tenders of securities for not less than ten (10) business days from the date of such public announcement.

The Rights Plan allows a competing Permitted Bid (a "Competing Permitted Bid") to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid except that, provided it is outstanding for a minimum period of one hundred and five (105) days, (or such other minimum period of days as may be prescribed by applicable law in Ontario) it may expire on the same date as the Permitted Bid.

Waiver and Redemption

The trustees acting in good faith may, with the consent of the Unitholders (or instalment receipts related to Units, if any), prior to a Flip-in Event, waive the dilutive effects of the Rights Plan in respect of a particular Flip-in Event. At any time prior to the occurrence of a Flip-in Event, the trustees may, at their option, redeem all, but not less than all, of the outstanding Rights at a price of \$0.001 each.

Waiver of Inadvertent Flip-in Event

The trustees acting in good faith may, in respect of any Flip-in Event, waive the application of the Rights Plan to that Flip-in Event, provided that (i) the trustees have determined that the Acquiring Person became an Acquiring Person by inadvertence and without any intent or knowledge that it would become an Acquiring Person, and (ii) such Acquiring Person has reduced its beneficial ownership of Units (or instalment receipts related to Units, if any) such that at the time of waiver it is no longer an Acquiring Person.

Portfolio Managers

The provisions of the Rights Plan relating to portfolio managers are designed to prevent the occurrence of a Flip-in Event solely by virtue of the customary activities of such managers, including trust companies and other persons, where a substantial portion of the ordinary business of such person is the management of funds for unaffiliated investors, so long as any such person does not propose to make a takeover bid either alone or jointly with others.

Supplement and Amendments

CAPREIT is authorized to make amendments to the Rights Plan to correct any clerical or typographical error or, subject to certain exceptions, which are required to maintain the validity of the Rights Plan as a result of any changes in law or regulation.

General

Until a Right is exercised, the holders thereof, as such, will have no rights as a Unitholder.



CANADIAN APARTMENT
PROPERTIES • REIT

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