



GOVERNANCE GUIDELINES

Section 1 Introduction

- (1) The board of trustees (the “**Board**” and each member, a “**Trustee**”) of Canadian Apartment Properties Real Estate Investment Trust (“**CAPREIT**”) is committed to adhering to good governance practices.
- (2) The Board has approved the following governance guidelines (the “**Governance Guidelines**”) which, together with the mandate of the Board (the “**Board Mandate**”), the charters for the committees of the Board, the position description for the Board chair (the “**Chair**”) and Board committee chairs and CAPREIT’s policies provide the general framework for the governance of CAPREIT. The Board intends that these guidelines will continue to evolve to address all applicable regulatory and stock exchange requirements relating to governance and will be modified and updated as circumstances warrant.

Section 2 Board and Committees

- (1) **The Board.** The Board is responsible for the stewardship of CAPREIT and has adopted the Board Mandate setting out the Board’s responsibilities with respect to the oversight of CAPREIT.
- (2) **Board Committees.** Pursuant to CAPREIT’s amended and restated declaration of trust dated June 1, 2022 (as may be amended from time to time, the “**Declaration of Trust**”), there shall be four standing committees of the Board: (i) the Audit Committee; (ii) the Governance and Nominating Committee; (iii) the Investment Committee; and (iv) the Human Resources and Compensation Committee. The Board may amend the Board committee structure and authorize and appoint other committees as it considers appropriate and in accordance with the Declaration of Trust.
- (3) **Committee Charters and Responsibilities.** The Board shall approve a written charter for each standing committee of the Board, which written charter shall set forth the purpose, authority, duties and responsibilities of each committee. At least annually, each committee charter shall be reviewed by the Board, which shall consider any proposed changes.
- (4) **Membership of Committees**
 - (a) The Board has determined that:
 - (i) the Governance and Nominating Committee shall be composed of a minimum of 3 (three) Trustees, all of whom shall be Independent Trustees¹;
 - (ii) the Audit Committee shall be composed of a minimum of 3 (three) Trustees, all of whom shall be Independent Trustees, subject to any applicable exceptions in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). In addition, all members of the Audit Committee must (except to the extent permitted by NI 52-110) be financially literate and at least one member of the Audit Committee shall be designated as the “audit committee financial expert” and shall have “accounting

¹ In all instances, references to “Independent Trustees” in these Governance Guidelines means as determined in accordance with the Declaration of Trust.

or related financial management expertise”, in each case, as such qualification is interpreted by the Board in its business judgment;

- (iii) the Investment Committee shall be composed of a minimum of 3 (three) Trustees, a majority of whom shall be Independent Trustees and shall have had at least five years of substantial experience in the real estate industry; and
 - (iv) the Human Resources and Compensation Committee shall be composed of a minimum of 3 (three) Trustees, all of whom shall be Independent Trustees.
 - (b) The Board shall appoint the members of the committees from time to time and as necessary to fill vacancies, and, subject to limited circumstances where the members of a committee may designate a chair by majority vote of the full committee membership, shall appoint the chair of each committee. Members of the committees will hold office at the pleasure of the Board.
- (5) **Oversight of Committee Functions.** The committees shall assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for all matters assigned to a Board committee. Except as may be explicitly provided in the Declaration of Trust, the charter of a Board committee or a resolution of the Board, the role of a Board committee is to review and make recommendations to the Board for the Board's approval of matters considered by the committee. Each Trustee will have access to minutes of committee meetings, regardless of whether the Trustee is a member of such committee.
- (6) **Governance.** The Board has delegated responsibility to the Governance and Nominating Committee for developing CAPREIT's approach to governance for the Board's approval, including recommending modifications to these Governance Guidelines for consideration by the Board.

Section 3 Board Organization and Membership

- (1) **Board Size.** The Board has the ability to increase or decrease its size within the limits set out in the Declaration of Trust. The Board will determine its size with regard to the best interests of CAPREIT. The Board believes that the size of the Board should be sufficient to provide a diversity of expertise and opinions and to allow effective committee organization, yet small enough to enable efficient meetings and decision-making and maximize full Board attendance.
- (2) **Independence.** The Board shall review and make a determination on the independence of each member of the Board as required under applicable securities laws and rules of any stock exchange upon which the securities of CAPREIT are listed, including NI 52-110 and National Instrument 58-101 - *Disclosure of Corporate Governance Practices*. Pursuant to the Declaration of Trust, a majority the Trustees must be independent. CAPREIT will publicly disclose the determination of independence of the Trustees in accordance with applicable securities laws.

Section 4 Board Composition, Diversity and Refreshment

- (1) **Election by Unitholders.** The Trustees shall be elected each year by the unitholders of CAPREIT at the annual general meeting of unitholders. Following a recommendation by the Governance and Nominating Committee, the Board will propose individual nominees to the unitholders for election to the Board at each such meeting. Between annual meetings of unitholders, the Board may appoint Trustees to serve until the next such meeting subject to the limitations set forth in the Declaration of Trust.

(2) **Trustee Selection Criteria and Diversity.**

- (a) The Governance and Nominating Committee is required under its charter to review and establish qualifications for Trustees, and procedures for identifying possible nominees who meet these criteria. The objective of this review will be to maintain the composition of the Board in a way that provides, in the judgment of the Board, the best mix of skills and experience to provide for the overall stewardship of CAPREIT. All Trustees are required to possess fundamental qualities of intelligence, honesty, integrity, ethical behavior, fairness and responsibility and be committed to representing the long-term interests of the unitholders. They must also have a genuine interest in CAPREIT and be able to devote sufficient time to discharge their duties and responsibilities effectively.
- (b) In furtherance of CAPREIT's commitment to diversity, the Governance and Nominating Committee will balance these objectives with the need to identify and promote individuals who are reflective of diversity for nomination for election to the Board, in accordance with CAPREIT's Diversity, Refreshment and Renewal Policy.

- (3) **Term Limits for Trustees.** As set out in CAPREIT's Diversity, Refreshment and Renewal Policy, 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.

Section 5 Selection of Chair of the Board and Lead Trustee

- (1) **Chair of the Board.** The Chair will be appointed in accordance with the Board Mandate. The Board has adopted and will periodically review the position description for the Chair.
- (2) **Lead Trustee.** The Chair 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.

Section 6 Trustee Orientation and Continuing Education

- (1) **Orientation.** Upon election to the Board, all new Trustees shall participate in a comprehensive orientation program aimed at familiarizing them with CAPREIT's industry, strategic plans, significant risk management issues, key policies and practices, principal officers and management structure, and financial standing.
- (2) **Continuing Education.** The Board believes that ongoing education is important for maintaining a current and effective Board. Accordingly, Trustees shall participate in CAPREIT's continuing trustee development programs to be coordinated by the Governance and Nominating Committee.

Section 7 Board Meetings and Materials

- (1) **Meeting Agendas.** 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 member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.
- (2) **Meeting Materials.** Board and committee meeting materials will be provided to Trustees, to the extent possible, before each Board or committee meeting in sufficient time to ensure adequate opportunity exists for review.
- (3) **Meetings of Independent Trustees.** 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.

Section 8 Trustee Responsibilities and Performance

- (1) **Trustee Responsibilities.** Trustees are expected to use their skill and experience to provide oversight over the business and affairs of CAPREIT. In accordance with the Declaration of Trust, Trustees shall exercise their powers and carry out their functions honestly, in good faith and in the best interests of CAPREIT and CAPREIT unitholders and, in connection therewith, exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (2) **Attendance at Meetings.** Trustees are expected to attend all Board and committee meetings either in person or by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear and speak to each other. A Trustee shall notify the Chair or the chair of a committee or committee secretary if the Trustee will not be able to attend or participate in a meeting. CAPREIT is required to publicly disclose the Trustees' attendance record on an annual basis.
- (3) **Board and Committee Meeting Materials.** 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.
- (4) **Trustee Access to Management.** The Trustees shall have unrestricted access to the management and employees of CAPREIT. Any meetings or contacts that a Trustee wishes to initiate should normally be arranged through the Chief Executive Officer or the Chief Financial Officer. The Trustees should use their judgment to ensure that any such contact is not disruptive to the business operations of CAPREIT and are expected to inform the Chief Executive Officer or Chief Financial Officer of any communication between a Trustee and an officer or employee of CAPREIT. Individual Trustees are also encouraged to make themselves available for consultations with management outside Board meetings in order to provide specific advice and counsel on subjects where such trustees have special skills, knowledge and experience.
- (5) **Access to Outside Advisors.** 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. CAPREIT shall provide reasonable funding, as determined by the Board, for the services of these advisors.
- (6) **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 or 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.

- (7) **Interlocking Directorship.** The Board is conscious of governance principles and best practices relating to interlocking directorships. 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.
- (8) **Unit Ownership Guidelines.** CAPREIT encourages Trustees and executive officers of CAPREIT 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 the long-term growth and success of CAPREIT. Accordingly, Trustees and CAPREIT's executive officers 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) all Trustees (other than the President and Chief Executive Officer of CAPREIT) to 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 his or her annual retainer (including cash and equity);
 - (b) the President and Chief Executive Officer of CAPREIT to own or acquire, over a maximum period of five years from the date of his or her appointment, such number of units (which may include restricted unit rights) having a value equal to five times his or her annual base salary;
 - (c) the President and Chief Executive Officer of CAPREIT to hold such number of units having a value equal to five times his or her annual base salary for a period of one year following his or her departure from CAPREIT; and
 - (d) 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 restricted unit rights) having a value equal to (i) in the case of named executive officers (other than the President and Chief Executive Officer of CAPREIT), three times his or her annual base salary and (ii) in the case of other officers (vice presidents and above), two times his or her annual base salary.

In the event that the Trustees' 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 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, the Chief Executive Officer's or any other senior management's unit ownership falls below the minimum guidelines due to a decline in the unit price of CAPREIT's 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 deferred units or restricted unit rights, as applicable) 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.

- (9) **Majority Voting Policy.** The Board believes that each of its members should carry the confidence and support of CAPREIT's unitholders. To this end, the Board has adopted a Majority Voting Policy, whereby in an uncontested election of Trustees, each Trustee should be elected by the vote of a majority of the units or special voting units represented in person or by proxy at the unitholders meeting convened for such election. Accordingly, if any nominee for Trustee receives a greater number of votes "withheld" from his or her election than votes "for" such election, that Trustee shall promptly tender his or her resignation to the Chair following the meeting. The Governance and Nominating Committee shall consider any such offer of resignation and recommend to the Board whether or not to accept it. The Board shall act on the Governance and Nominating Committee's recommendation within 90 days following the applicable unitholders meeting and must accept the resignation except in situations where exceptional circumstances would warrant the Trustee continuing to serve on the Board. Subject to any restrictions or requirements in the Declaration of Trust or applicable law, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general meeting. Alternatively, the Board may fill the vacancy in accordance with the Declaration of Trust.
- (10) **Trustee Resignations, Retirements and Elections Not to Stand for Re-Election.** A Trustee who intends to resign or retire, or elects not to stand for re-election to the Board must submit written notice to the Chair of the Board, the chair of the Governance and Nominating Committee, the CEO and the corporate secretary. For resignations and retirements, the Trustee must state the effective date of the resignation or retirement. The preceding notice requirements shall not apply to Trustees tendering resignations where he or she no longer meets the requisite criteria for Board membership under applicable laws, pursuant to CAPREIT's Declaration of Trust or upon a significant job change.

Section 9 Conflicts of Interest, Changes in Professional Responsibilities and Related Party Transactions

- (1) Trustees shall disclose conflicts of interest to the Board and shall generally abstain from voting on matters in which the Trustee has a conflict of interest in accordance with the Declaration of Trust. A Trustee is generally considered to have a "conflict of interest" in any situation in which a Trustee is party to, or is a trustee/director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with CAPREIT. A Trustee will recuse themselves from any discussion or decision on any matter in which the Trustee is precluded from voting as a result of a conflict of interest, in accordance with the Declaration of Trust.

- (2) In circumstances where a Trustee has a significant, ongoing conflict, and where such personal or outside interest, relationship or responsibility may significantly impede the Trustee's ability to carry out his or her fiduciary responsibility to CAPREIT, the Trustee shall be required to offer a letter of resignation to the Board. The Board will, in consultation with the Governance and Nominating Committee, determine whether or not to accept such letter of resignation, based on the circumstances of the conflict.
- (3) The Audit Committee shall be responsible for reviewing material related party transactions against applicable legal and regulatory requirements, discussing with management the business rationale for the transactions, reviewing applicable disclosures and reporting to the Board on all such transactions, if any.

Section 10 Trustee, Committee and Board Assessments

- (1) The Governance and Nominating Committee shall be responsible for coordinating the annual assessment of the overall performance and effectiveness of the Board as a whole and each committee of the Board, and the skills, contribution and qualification of individual Trustees. The Governance and Nominating Committee may retain an external consultant to assist in conducting this assessment.
- (2) Trustee assessments cover a range of dimensions such as board skills, board strategy, board integrity, board structure and board committees. The assessment process culminates in a report by the chair of the Governance and Nominating Committee to the Board which highlights improvement opportunities in order to facilitate the greater functioning of the Board and its committees. To the extent any feedback is received in relation to individual Trustees, the Chair of the Board will discuss this feedback with the relevant Trustee.

Section 11 Loans to Trustees

It is the policy of CAPREIT not to make any loans to any of its Trustees.

Section 12 Indemnification

The Trustees are entitled to CAPREIT provided indemnification through indemnity agreements and, when available, directors' and officers' liability insurance.

Section 13 Environmental, Social and Governance Oversight

- (1) 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. The Board shall periodically review CAPREIT's ESG reporting and verify compliance with any applicable legal and regulatory requirements related to ESG disclosure.
- (2) ESG oversight is also integrated into the functions of each of CAPREIT's committees as follows:
 - (a) 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 the metrics, key performance indicators and other quantitative data included in CAPREIT's public disclosure relating to environmental, social and governance reporting;
 - (b) Pursuant to the charter of the Human Resources and Compensation Committee, the Human Resources and Compensation Committee is responsible to periodically review

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, ensure 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 culture;

- (c) Pursuant to the charter of the Governance and Nominating Committee, the Governance and Nominating Committee shall review, on a periodic basis, CAPREIT's governance practices in relation to its ESG program, 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 policies and practices; and
- (d) 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.

Section 14 Executive Leadership

- (1) **Duties and Responsibilities of the Chief Executive Officer.** The Board has adopted a position description for the Chief Executive Officer of CAPREIT, which sets out the duties and responsibilities of the Chief Executive Officer.
- (2) **Management Succession Planning.** The Human Resources and Compensation Committee annually reviews CAPREIT's succession plan. As well, annually the Board receives a formal presentation of the succession plan. The Human Resources and Compensation Committee is also responsible for ensuring that processes are in place for the development of leaders at CAPREIT for management succession. As part of the Board Mandate, at least annually, the Board shall review the succession plans of CAPREIT for the Chair, Chief Executive Officer and other executive officers, including the appointment, training and monitoring of such persons.
- (3) **Management Evaluation and Compensation.**
 - (a) All compensation policies and programs for CAPREIT executive officers are reviewed by the Human Resources and Compensation Committee and recommended to the Board for approval. The compensation policies and programs link executive compensation to CAPREIT performance and the creation of sustained unitholder value.
 - (b) The Human Resources and Compensation Committee reviews the annual performance of the Chief Executive Officer in light of CAPREIT's performance and the creation of sustained unitholder value, then recommends compensation awards for the Chief Executive Officer to the Board for approval. The Human Resources and Compensation Committee also recommends to the Board for approval the annual goals and objectives which become the Chief Executive Officer's specific annual goals and objectives. In conducting management evaluation and determining management compensation, the Human Resources and Compensation Committee will retain outside advisors independent of management, as necessary.
- (4) **Say on Pay.**
 - (a) The Board believes it is important for unitholders to have a timely and effective way to provide input on CAPREIT's approach to executive compensation. CAPREIT conducts an annual nonbinding advisory (say on pay) vote to gather feedback on executive compensation as a strategy, how performance is assessed, make compensation decisions and manage compensation risk.

- (b) The say on pay vote is intended to assist the Board with aligning CAPREIT's approach to executive compensation with the best interests of CAPREIT. The advisory vote results are not binding on the Board, but the Board will take the vote results into account, as appropriate, when considering future compensation policies, programs and decisions and in determining whether there is a need to have more engagement with unitholders on compensation and related matters.

- (5) **Recovery Policy.** The Board is responsible for CAPREIT's executive clawback policy.

Section 15 Auditor Term Policy

- (1) The Audit Committee is directly responsible for recommending the appointment of the external auditor and for the compensation and oversight of the external auditor.
- (2) As part of this function, the Audit Committee is responsible for evaluating and monitoring the external auditors' 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.

Section 16 Code of Business Ethics and Conduct

- (1) CAPREIT's policy is that all its activities be conducted with honesty and integrity and in compliance with all legal and regulatory requirements. CAPREIT's Code of Business Ethics and Conduct (the "**Code**") sets out the guidelines and principles for ethical conduct.
- (2) The Board shall periodically review the Code to consider whether to approve changes in CAPREIT's standards and practices. Compliance with the Code is monitored by the Board, which receives reports on any material non-compliance issues. The Code is posted on CAPREIT's website at <https://ir.capreit.ca> and is filed on SEDAR+ at <http://www.sedarplus.ca/>.

Section 17 Unitholder Engagement and Communications with the Board

- (1) As set out in CAPREIT's Unitholder Engagement Policy, which is available on CAPREIT's website at <https://ir.capreit.ca>, the Board communicates with CAPREIT's unitholders annually through the management information circular sent in connection with the annual unitholders' meeting, on various matters including the composition of the Board, CAPREIT's governance practices and the pay for performance structure of the executive compensation program, and through the information available on CAPREIT's website at <https://ir.capreit.ca>.
- (2) In some cases, unitholders will want to communicate comments and suggestions directly to the Board. The Board will engage with unitholders through meetings with institutional investors, groups of retail investors, unitholder organizations and governance advocacy groups. Unitholders may contact the Board directly, through the Chair, by writing or sending an email to the address below. The Chair together with the Corporate Secretary of CAPREIT, will consider each unitholder request and determine how best to proceed, including whether to request further information.

Chair of the Board of Trustees of CAPREIT
11 Church Street, Suite 401
Toronto, Ontario M5E 1W1
Email: gcody@crbod.net

- (3) Requests for meetings with the Board should (i) indicate whether the person making the request is a unitholder of CAPREIT and the number of units held, (ii) identify the individual(s) who wish to attend the meeting, (iii) describe the topics to be discussed and (iv) describe any intention for communicating the nature or results of the meeting to other persons. The Board has the right to decline requests for such meetings for any reason it deems appropriate and to limit the number of such meeting requests to a reasonable level and prioritize acceptances based on the interests of all unitholders.

The Board will endeavor to respond to all appropriate correspondence in a timely manner. Appropriate topics for engagement with the Board include board oversight of strategy, risk, CAPREIT's mission and goals and executive compensation, and communications relating to topics that are unrelated to the duties and responsibilities of the Board shall be excluded. The Board or committee chair may decline any request for a meeting for any reason they deem appropriate, particularly having regard to concerns or limitations imposed by applicable laws, including privacy and securities laws.

Whether with the Board or management, unitholder engagement is intended to be an interchange of views about matters that are within the public domain and will not include a discussion of undisclosed material information relating to CAPREIT. All unitholder engagement is subject to CAPREIT's Disclosure Policy which may be found in the Investor Relations section of CAPREIT's website.

The Board recognizes that unitholder engagement is an evolving practice in Canada and globally. This Policy will be reviewed annually by the Governance and Nominating Committee of the Board who will review this policy in order that it continue to be appropriate and recommend any changes to the Board for approval.

Section 18 Disclosure

- (1) Certain documents and information referred to in these Governance Guidelines may be accessed through CAPREIT's website at <https://ir.capreit.ca>. As required by applicable law, certain information is included in CAPREIT's annual information form and management proxy circular and posted on SEDAR+ at <http://www.sedarplus.ca/>.
- (2) The Board intends that these guidelines serve as a flexible general framework to supplement CAPREIT's Declaration of Trust, and applicable laws, rules and regulations binding upon CAPREIT, and not as a set of binding legal obligations. These Governance Guidelines are not intended to give rise to civil liability on the part of CAPREIT or its Trustees or officers to unitholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.
- (3) The Governance and Nominating Committee shall periodically review these Governance Guidelines and their application and recommend any changes to the Board for consideration. The Board may modify or make exceptions to the guidelines from time to time in its discretion either prospectively or retrospectively.

Dated: March 12, 2024

Approved by: Board of Trustees of CAPREIT