



**CT** REIT

**RELIABLE.**  
**DURABLE.**  
**GROWING.**

**Management Information Circular**

Annual Meeting of Unitholders  
May 8, 2018

**A message from Ken Silver  
President and Chief Executive Officer  
and David H. Laidley  
Independent Chairman of the Board**



Dear Fellow Unitholders,

We are pleased to invite you to our Annual Meeting of Unitholders to be held at 10:00 a.m. EDT on May 8, 2018, at Vantage Venues (formerly St. Andrew's Club & Conference Centre), in Toronto, Ontario.

We are also delighted to report that CT REIT enjoyed another strong year in 2017, posting growth in AFFO per unit of 6.6% year over year, an attractive agenda of investments that added approximately 1.5 million square feet of gross leasable area to our portfolio, and improved financial metrics. This strong performance gave your Board, once again, the confidence to declare CT REIT's fourth distribution increase in four years, this one by 4.0%, to \$0.72 per unit, which commenced with the distribution paid in January 2018.

CT REIT was designed to deliver attractive growth and predictable results, which have been complemented, since our Initial Public Offering in 2013, by prudent financial management. CT REIT was conceived, and has been managed, in anticipation of an environment of increasing interest rates. Our long-term leases with Canadian Tire Corporation (CTC) provide for annual rent increases, providing not only predictable organic growth in our portfolio, but a hedge against inflation. Our balance sheet, debt structure, and funding program were also designed to provide protection from rising rates. In 2017, we completed a \$150 million unsecured debt offering for a 10-year term at a record low coupon rate for that term in the public real estate sector, reflecting our financial strength in the eyes of debt investors. The weighted average term on our debt is by far the longest in our sector, providing a unique degree of insulation from rising rates.

CT REIT's success in 2017 underscores the value of our strategic relationship with CTC, our most significant tenant and majority Unitholder. The relationship with CTC provides extensive benefits to the REIT, including growth opportunities, a lean and efficient cost structure, market insight and financial strength. The headlines in 2017 were not favourable to retail, yet CTC continues to stand out as a retailer successfully navigating an evolving environment.

These changes in the environment can be a challenge but also provide opportunities, and in 2017 we completed our largest program of third-party acquisitions in our history, acquiring attractive, high-quality properties in markets across the country. The year ended with CTC committing to backfill a 625,000 square foot distribution centre in Calgary, Alberta which Sears Canada Inc. vacated, providing the culmination to a strategic and opportunistic investment CT REIT made in 2016.

In addition to the host of advantages provided by our strategic relationship with CTC, CT REIT has benefitted from the experience and wisdom of our Board and the strength of our governance structure. We are saddened to say goodbye to Brent Hollister and Stephen Wetmore who have chosen to retire from the Board, but sincerely thank them for their contribution to setting the standards for everything we do, and creating a culture which has contributed to our success. We are delighted to present Heather Briant and Greg Hicks as trustee nominees to our Board and are confident that if elected, they will continue to uphold the standards that Brent and Stephen have so effectively set.

We would also like to thank the rest of the Board and our Unitholders for their ongoing support, and the CT REIT team for their outstanding contributions. We remain confident in what lies ahead for CT REIT and look forward to celebrating our fifth anniversary in 2018.

A handwritten signature in black ink, appearing to read 'KSilver'.

**Ken Silver**  
President and  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'DHLaidley'.

**David H. Laidley, FCPA, FCA**  
Independent Chairman  
of the Board

# NOTICE OF ANNUAL MEETING OF UNITHOLDERS



**You are invited to the Annual Meeting of Unitholders of CT Real Estate Investment Trust.**

## **When**

Tuesday, May 8, 2018  
10:00 a.m. EDT

## **Where**

Vantage Venues (formerly, St. Andrew's Club & Conference Centre)  
Garden Hall  
150 King Street West, 16<sup>th</sup> floor  
Toronto, Ontario  
M5H 1J9

In this Notice, "we", "us", "our", "CT REIT", the "REIT" and the "Trust" refer to CT Real Estate Investment Trust and its subsidiaries, where applicable. "You" and "your" refer to holders of CT REIT units ("Trust Unitholders") and holders of special voting units of CT REIT ("Special Voting Unitholders", and together with Trust Unitholders, "Unitholders").

## **Business of the Annual Meeting of Unitholders**

We will address the following items at the Annual Meeting of Unitholders:

1. receiving CT REIT's Audited Consolidated Financial Statements for the year ended December 31, 2017, including the external auditor's report;
2. the election of trustees, who will serve until the next Annual Meeting of Unitholders;
3. the appointment of the external auditor, who will serve until the next Annual Meeting of Unitholders, and authorizing the trustees to set the external auditor's compensation; and
4. the transaction of such further and other business as may properly come before the Annual Meeting of Unitholders or any postponement or adjournment thereof.

## **You Have the Right to Vote**

You have the right to vote at our Annual Meeting as set out in the enclosed Management Information Circular if you are a Unitholder as of the close of business on March 20, 2018.

## **Your Vote is Important**

As a Unitholder, it is important that you read the accompanying Management Information Circular carefully.

You are entitled to vote at the Annual Meeting of Unitholders either in person or by proxy. If you are unable to attend the Annual Meeting of Unitholders in person, you are requested to vote your units using the enclosed form of proxy or voting instruction form.

Registered Unitholders should complete and sign the enclosed form of proxy and return it in the envelope provided. Proxies must be received by CT REIT's transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8<sup>th</sup> Floor, North Tower, Toronto, Ontario, Canada M5J 2Y1, by no later than 5:00 p.m. (Toronto time) on Monday, May 7, 2018.

If you are a non-registered Unitholder, you should review the voting instruction form provided by your intermediary, which sets out the procedures to be followed for voting units held through intermediaries.

By order of the Board of Trustees,

A handwritten signature in black ink, appearing to read "K. Graham".

Toronto, Ontario  
March 5, 2018

Kimberley M. Graham  
*Secretary*

## MANAGEMENT INFORMATION CIRCULAR



All information in this Management Information Circular is provided as of March 5, 2018, unless otherwise indicated.

In this Management Information Circular, “we”, “us”, “our”, “CT REIT”, the “REIT” and the “Trust” refer to CT Real Estate Investment Trust and its subsidiaries, unless the context otherwise requires. “You” and “your” refer to holders of CT REIT units (“Trust Unitholders”) and holders of special voting units of CT REIT (“Special Voting Unitholders”, and together with Trust Unitholders, “Unitholders”). “CTC” refers to Canadian Tire Corporation, Limited and all entities controlled by it (excluding the REIT and its subsidiaries), as and to the extent applicable.

**This Management Information Circular is provided in connection with our Annual Meeting of Unitholders to be held on May 8, 2018 (the “Meeting”). Your proxy is being solicited by the management of CT REIT for the items described in the notice on the previous page.** We pay for all costs associated with soliciting your proxy. We usually make our request by mail, but we may also solicit your proxy by telephone or in person.

As a Unitholder, you have the right to attend and vote at the Meeting as set out in this Management Information Circular. Please read this Management Information Circular carefully as it provides you with the information that you need to know to cast your vote. We also encourage you to read CT REIT’s Management’s Discussion and Analysis for the year ended December 31, 2017 (the “MD&A”) and Audited Consolidated Financial Statements for the year ended December 31, 2017 (the “Audited Consolidated Financial Statements”). A copy of CT REIT’s MD&A and Audited Consolidated Financial Statements will be sent to all Registered Unitholders (as defined herein), except those who requested that these materials not be sent to them, and those Beneficial Unitholders (as defined herein) who requested that these materials be sent to them. They are also available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at [www.sedar.com](http://www.sedar.com) and CT REIT’s website at [www.ctreit.com](http://www.ctreit.com).

The REIT’s Board of Trustees (the “Board” or the “Board of Trustees”) has approved the contents and the sending of this Management Information Circular.

A handwritten signature in black ink, appearing to read "K. Graham".

Kimberley M. Graham  
*Secretary*

Toronto, Ontario  
March 5, 2018

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## BUSINESS OF THE MEETING

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We will address the following four items at the Meeting.

### Receiving the Annual Audited Consolidated Financial Statements

Our Audited Consolidated Financial Statements for the year ended December 31, 2017, including the external auditor's report, have been prepared and will be sent to all Registered Unitholders (except those who requested that these materials not be sent to them) and those Beneficial Unitholders who requested that these materials be sent to them. They are also available on SEDAR at [www.sedar.com](http://www.sedar.com) and CT REIT's website at [www.ctreit.com](http://www.ctreit.com).

### Electing Trustees

The Board has determined that seven trustees will be elected at the Meeting, three of whom have been nominated by CTC. See *About the Proposed Trustees* beginning on page 8 for more information.

All of the proposed trustees are currently trustees of CT REIT and were elected as trustees at our Annual Meeting of Unitholders on May 9, 2017 except for: (i) Ms. Heather Briant, who is being proposed by the Board to replace Mr. Brent Hollister who will not be standing for re-election at the Meeting; and (ii) Mr. Greg Hicks, who is being proposed as a nominee by CTC to replace Mr. Stephen Wetmore who will not be standing for re-election at the Meeting.

The Board recommends that you vote **FOR** the election of each of the following persons who have been proposed by the Board for election as trustees:

- Heather Briant
- David Laidley
- Anna Martini
- John O'Bryan

The Board recommends that you vote **FOR** the election of each of the following persons who have been nominated by CTC and who have been proposed by the Board for election as trustees:

- Greg Hicks
- Dean McCann
- Ken Silver

### Appointing the External Auditor

If you are a Unitholder, you can vote on the appointment of the external auditor and authorizing the Board to set the external auditor's compensation.

The Board recommends that you vote **FOR** the reappointment of CT REIT's current external auditor, Deloitte LLP, Chartered Professional Accountants ("Deloitte"), as the external auditor, and authorizing the Board to set its compensation.

Deloitte has been CT REIT's external auditor since the REIT's initial public offering in 2013.

### Considering Other Business

We will consider any other business that may properly come before the Meeting. As of the date of this Management Information Circular, we are not aware of any amendments to any of the items above or of any other business to be considered at the Meeting. If there are any amendments to the items of business or any new matters, that are properly brought before the Meeting, you or your proxyholder can vote your Units (as defined below) on these items as you, he or she sees fit.

## VOTING INFORMATION

### Who Can Vote

CT REIT is authorized to issue an unlimited number of CT REIT units (the “Trust Units”) and CT REIT special voting units (the “Special Voting Units”, and together with the Trust Units and as the context requires, the “Units”).

As of March 5, 2018, there were 213,773,313 issued and outstanding Units, which are comprised of: (i) 90,680,447 issued and outstanding Trust Units, and (ii) 123,092,866 issued and outstanding Special Voting Units (which were issued in tandem with the issuance of Class B limited partnership units (the “Class B LP Units”) of CT REIT Limited Partnership (the “Partnership”) for the purpose of providing voting rights with respect to CT REIT to the holders of such securities).

Each Unit you own as of the close of business on March 20, 2018 entitles you to one vote on each of the matters to be acted upon at the Meeting, or any postponement or adjournment thereof, either in person or by proxy.

The trustees and officers of CT REIT are not aware of any person or company that beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the total outstanding Units, other than CTC which holds 85.5% of the Units on a fully-diluted basis, as listed below:

	Number of Units Beneficially Owned, Controlled or Directed	Percentage of Issued and Outstanding Units <sup>(1)</sup>
Trust Units held by CTC	59,711,094	27.9%
Special Voting Units held by CTC	123,092,866	57.6%
Total Units held by CTC	182,803,960	85.5%

**Note:**

(1) Total number of issued and outstanding Units as at March 5, 2018 was 213,773,313.

### Solicitation of Proxy and Delivery of Proxy-Related Materials

**Your proxy is being solicited by the management of CT REIT and the associated costs are being borne by CT REIT.** The solicitation is being made primarily by mail but may also be made by telephone or in person. In the case of Beneficial Unitholders, proxy-related materials will be sent by CT REIT to the intermediaries and not directly to the Beneficial Unitholders. CT REIT intends to pay for intermediaries to deliver proxy-related materials and Form 54-101F7 (request for voting instructions) to any “objecting beneficial owners”.

### How to Vote

#### Methods of Voting

The manner in which you can vote your Units depends on whether you are: (i) a registered unitholder, which is if your Units are held in your name and you have a Unit certificate (a “Registered Unitholder”); or (ii) a non-registered beneficial unitholder, which is if your Units are held in the name of an intermediary such as a bank, trust company, securities broker or other intermediary (a “Beneficial Unitholder”).

**You can vote in person or if you will not be attending the Meeting in person, you can authorize another person, called a proxyholder, to attend the meeting and vote on your behalf. See Voting by Proxy on page 6 for details.** Please read the following instructions carefully.

	Registered Unitholders	Beneficial Unitholders
<b>Delivery of Proxy Materials</b>	We have sent you a proxy form.	Your intermediary has sent you a voting instruction form.
<b>If you want to come to the Meeting and vote in person</b>	<p>Do <b>not</b> complete the proxy form or return it to us. Simply bring it with you to the Meeting.</p> <p>When you arrive at the Meeting, please register with CT REIT's transfer agent, Computershare Trust Company of Canada ("Computershare"). Your vote will be taken and counted at the Meeting.</p>	<p>A Beneficial Unitholder who receives a voting instruction form from their intermediary cannot use that voting instruction form to vote Units directly at the Meeting. To vote your Units in person at the Meeting, your intermediary must appoint you as proxyholder. In order to be appointed as proxyholder, insert your name in the space provided on the voting instruction form and follow the return instructions provided by your intermediary. Do <b>not</b> fill in the voting directions as your vote will be taken at the Meeting. The voting instruction form must be returned to your intermediary well in advance of the Meeting in order to vote the Units in person at the Meeting.</p> <p>When you arrive at the Meeting, register with Computershare. Your vote will be taken and counted at the Meeting.</p>
<b>If you do not plan to attend the Meeting</b>	<p>Complete the enclosed proxy form and return it to Computershare in the envelope provided. You can either mark your voting instructions on the proxy form or you can appoint another person to attend the Meeting and vote your Units for you. See <i>Voting by Proxy</i> on page 6.</p> <p>Alternatively, you may also vote online or by telephone by following the instructions shown on the proxy form.</p> <p>To vote Units registered in the name of a corporation or other legal entity, an authorized officer or attorney of that corporation or legal entity must sign the enclosed form of proxy. This person may have to provide proof that he or she is authorized to sign the form of proxy on behalf of the corporation or other legal entity. <b>Units registered in the name of a corporation or other legal entity cannot be voted by telephone, online or in person.</b></p>	<p>Complete the enclosed voting instruction form and return it to your intermediary. You can either mark your voting instructions on the voting instruction form and return to your intermediary or you can appoint a proxyholder to attend the Meeting and vote your Units for you. See <i>Voting by Proxy</i> on page 6.</p> <p>Alternatively, you may also vote online or by telephone by following the instructions shown on the voting instruction form.</p>

	Registered Unitholders	Beneficial Unitholders
<b>Returning the proxy/voting instruction form</b>	<p>The enclosed proxy form tells you how to submit your voting instructions.</p> <p>Computershare must receive your proxy, including any amended proxy, by no later than 5:00 p.m. EDT on Monday, May 7, 2018 (the "Proxy Deadline"), or if the Meeting is postponed or adjourned, no later than 24 hours (not including Saturdays, Sundays or statutory holidays in Ontario) before the postponed or adjourned meeting convenes.</p>	<p>Return your voting instruction form using one of the methods noted on the voting instruction form provided by your intermediary.</p> <p>Remember that your intermediary must receive your voting instructions in sufficient time to act on them, generally one business day before the Proxy Deadline.</p> <p>For your votes to count, Computershare must receive your voting instructions from your intermediary by no later than the Proxy Deadline, or if the Meeting is postponed or adjourned, no later than 24 hours (not including Saturdays, Sundays or statutory holidays in Ontario) before the postponed or adjourned meeting convenes.</p>
<b>Changing your vote or revoking your proxy</b>	<p>If you change your mind about how you voted before the Meeting and you want to revoke your proxy, you must deliver a signed written statement specifying your instructions to one of the following:</p> <ul style="list-style-type: none"> <li>the Secretary of CT REIT by the Proxy Deadline, or the business day immediately preceding any adjournment or postponement of the Meeting, at:            CT Real Estate Investment Trust            2180 Yonge Street            Toronto, Ontario M4P 2V8            Attention: Kimberley M. Graham, Secretary            Email: kimberley.graham@ctreit.com; or</li> <li>the Chairman of the Board of CT REIT on the day of the Meeting, Tuesday May 8, 2018, or, if the Meeting is adjourned, on the day the Meeting resumes.</li> </ul> <p>You can also change your voting instructions by sending amended instructions to Computershare by the Proxy Deadline, or by voting in person at the Meeting or in any other manner permitted by law.</p>	<p>If you have provided voting instructions to your intermediary and change your mind about your vote, or you decide to attend the Meeting and vote in person, contact your intermediary to find out what to do.</p> <p>If your intermediary gives you the option of using the internet to provide your voting instructions, you can also change your instructions online, as long as your intermediary receives the new instructions in enough time to act on them before the Proxy Deadline. Contact your intermediary to confirm the deadline.</p>

## Voting by Proxy

### How to Appoint a Proxyholder

Signing the enclosed form of proxy gives authority to David Laidley or, failing Mr. Laidley, Ken Silver (the "REIT proxyholders"), each of whom is a trustee of the REIT, to vote your Units at the Meeting, unless you give such authority to someone else. **You may appoint someone other than the REIT proxyholders to vote your Units** by writing the name of this person, who need not be a Unitholder, in the blank space provided on the form of proxy.

It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your Units. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of CT REIT's transfer agent, Computershare.

## How your Proxyholder will Vote

The persons named on the form of proxy must vote for or withhold from voting your Units in accordance with your directions, unless you let your proxyholder decide how to vote your Units. In the absence of such directions, proxies received by the REIT will be voted **in favour of** the election of trustees to the Board, the appointment of the external auditor and authorizing the trustees to set the external auditor's compensation.

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Annual Meeting of Unitholders of CT REIT and with respect to other matters which may properly come before the Meeting.

As of the date of this Management Information Circular, management of CT REIT knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

## Additional Voting Information

CT REIT's transfer agent, Computershare, counts and tabulates the votes. For general Unitholder enquiries, you can contact our transfer agent through the following methods:

	Contact Details
<b>By Mail:</b>	Computershare Trust Company of Canada 100 University Avenue 8th Floor, North Tower Toronto, Ontario M5J 2Y1 Canada
<b>By Telephone:</b>	Within Canada and the United States at 1-800-564-6253, and from all other countries at 514-982-7555
<b>By Fax:</b>	Within Canada and the United States at 1-866-249-7775, and from all other countries at 416-263-9524
<b>By E-mail:</b>	Computershare can be reached at <a href="mailto:service@computershare.com">service@computershare.com</a>

## ABOUT THE PROPOSED TRUSTEES

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### Composition of the Board

Seven trustees are being proposed for election to our Board.

CT REIT's Declaration of Trust requires that the REIT must have not less than seven and not more than nine trustees on the Board. The Board determines the number of trustees to be elected at any Unitholder meeting. The Declaration of Trust also states that CTC shall have the exclusive right to nominate a number of trustees as follows:

- three trustees, provided that CTC, directly or indirectly, holds greater than 20% of the Units at the time of such nominations; or
- two trustees, provided that CTC, directly or indirectly, holds greater than 10% of the Units and equal to or less than 20% of the Units at the time of such nominations; or
- one trustee, provided that CTC, directly or indirectly, holds greater than 5% of the Units and equal to or less than 10% of the Units at the time of such nominations; or
- four trustees, provided that the Board consists of nine trustees and CTC, directly or indirectly, holds greater than 50% of the Units at the time of such nominations.

Pursuant to the Declaration of Trust, CTC exercises its nomination right by submitting its proposed trustee nominees to the Governance, Compensation and Nominating Committee (the "GCN Committee"), which reviews such proposed nominations, together with the remaining proposed trustee nominations solely determined by the GCN Committee, who then recommends all trustee nominees to the Board for election by the Unitholders at the Meeting.

Each trustee holds office until the next Annual Meeting of Unitholders or until such office is earlier vacated.

We expect that all of the proposed trustees will be able to serve as a trustee. If, however, the REIT becomes aware before the Meeting that a proposed trustee is unable to serve as a trustee, the REIT proxyholders will vote to elect a substitute proposed trustee at their discretion.

### Position on Majority Voting

CT REIT has not adopted a majority voting policy with respect to the election of trustees by the Unitholders. The REIT relies on an exemption from the majority voting requirements of the Toronto Stock Exchange ("TSX"). Such exemption is available to listed issuers that are controlled by a security holder that beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 50% or more of the voting rights for the election of trustees as of the applicable record date. CTC holds an 85.5% effective interest in the REIT and as such, a majority voting policy would not have a meaningful effect on the election of CT REIT's trustees as CTC can affect the election of trustees with its votes alone. Notwithstanding the availability of the foregoing exemption, the REIT annually reviews and considers its position on adopting a majority voting policy. The current process for electing trustees complies with CT REIT's Declaration of Trust, securities laws and TSX rules.

### Independence

Four of seven (57%) of the nominated trustees are independent. Having an independent Board is one of the ways we ensure that the Board is able to operate independently of management and to make decisions in the best interests of the REIT. Mr. Silver is not independent because of his role as President and Chief Executive Officer ("CEO") of the REIT. Messrs. Hicks and McCann are not independent as they are executive officers of CTC. For more information regarding the independence of the Board, see *Independence of the Board* beginning on page 17.

### Board Tenure

The REIT values the experience and continuity provided by its trustees and has not adopted a formal policy requiring a trustee to retire after a fixed period of tenure. Although the REIT does not have a formal policy, it believes that balancing the combination of longer serving trustees who have a history and understanding of the REIT's business, including how it has developed and evolved since 2013, with newer trustees allows the Board to have the benefit of experience while also being exposed to fresh perspectives and ideas. Two of the seven proposed trustees are new members while the remaining five proposed trustees have been members of the Board since the REIT's initial public offering in 2013. For more information regarding the tenure of the members of the Board, see *Board Tenure* on page 20.

## Interlocking Trusteeships

There are no public company interlocking trusteeships among the proposed trustees. An “interlocking trusteeship” exists when two or more trustees of the Board are also fellow board members of another publicly traded company.

## Service on Additional Public Company Boards

Each proposed trustee complies with the REIT’s Overboarding Policy which provides that each professional trustee/director shall serve on no more than four public entity boards (including the Board); each trustee who is a full-time employee or partner, or holds a similar full-time position, shall serve on no more than two public entity boards (including the Board); and each trustee who is a part-time employee or partner, or holds a similar part-time position, shall serve on no more than three public entity boards (including the Board), in each case, outside of the directorship that such trustee may hold with his or her company or firm. Trustees are required to provide written notice to the Chairman of the GCN Committee before accepting a directorship/trusteeship position on a public company board. For more information regarding the REIT’s Overboarding Policy, see *Service on Additional Public Company Boards* on page 20.

## Unit Ownership Guidelines

Each proposed trustee, other than the CEO (who is subject to executive unit ownership guidelines) and the trustees who are employees or executive officers of CTC, is expected to accumulate at least three times the value of the annual trustee retainer, which currently equates to \$150,000, in Trust Units and/or deferred units (“DUs”) under the Deferred Unit Plan (the “DU Plan”) for Trustees by the fifth anniversary of such trustee’s initial appointment or election to the Board (the “Trustee Unit Ownership Guidelines”). The value of Trust Units and/or DUs required to meet the Trustee Unit Ownership Guidelines, as at the date at which they are required to be met, is calculated as the greater of: (i) the acquisition cost of the Trust Units and/or the value of the DUs at the time the DUs were credited to the trustee’s account; and (ii) the market value of such Trust Units and DUs based on the closing Trust Unit price on the TSX on the last day of the calendar quarter prior to each trustee’s guideline achievement date. For more information, see *Trustee Unit Ownership Guidelines* on page 30. For more information on the REIT’s unit ownership guidelines applicable to the CEO, see *Executive Unit Ownership Guidelines* on page 43.

## Trustee Profiles

The following trustee profiles provide a description of the trustees being proposed for election and each trustee’s ownership of Trust Units and DUs acquired under the DU Plan. The profiles show the aggregate value of all Trust Units and DUs held by each proposed trustee, the change in such value in 2017, as well as whether or not each proposed trustee has met the Trustee Unit Ownership Guidelines.

For purposes of the trustee profiles that follow, the market value of the Trust Units held for the years ended December 31, 2017 and December 31, 2016 was calculated using the closing price of the Trust Units on the TSX on December 29, 2017 (\$14.50).

## HEATHER BRIANT

Independent



**Age:** 57  
**Ontario, Canada**

**Trustee since:**  
N/A

**2017 Voting Results:**  
N/A

**Current Activities:**

Ms. Briant is Senior Vice-President, Human Resources of Cineplex Inc. ("Cineplex"). Ms. Briant is responsible for all aspects of the Human Resources function, encompassing talent selection/development and succession planning, organization effectiveness, total and executive compensation, and HR governance and reporting. Ms. Briant is also a leader in the organization's corporate strategy and transformation activities. Ms. Briant serves as a director on the Board of Freshii Inc. and is the Chair of its Compensation, Nominating and Governance Committee.

**Past Activities:**

Ms. Briant has over 30 years of prior business experience and was the Vice-President, Corporate Human Resources at CTC before joining Cineplex in 2006. Ms. Briant graduated with a MBA from the Rotman School of Management and holds the IDC.D designation from the Institute of Corporate Directors as well as the CHRE executive designation from the Human Resources Professional Association.

**Public Board Memberships During Last Five Years:**

Freshii Inc.	(2018 – Present)
HOMEQ Corporation and HomEquity Bank	(2009 – 2012)

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### NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)

As at December 31, 2017, Ms. Briant did not hold any Units.<sup>(4)</sup>

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### UNIT OWNERSHIP GUIDELINES<sup>(1)</sup>

**Date by Which Unit Ownership Guideline is to be Met:** May 8, 2023

**Have Unit Ownership Guidelines Been Met:** No

## GREG HICKS

Non-Independent



**Age:** 47  
**Ontario, Canada**

**Trustee since:**  
N/A

**2017 Voting Results:**  
N/A

**Current Activities:**

Mr. Hicks is the President of Canadian Tire Retail, an iconic retailer with a 95-year history and 500 stores across Canada.

**Past Activities:**

Until November 2017, Mr. Hicks was Group Senior Vice-President, Consumer Products & Retail Experience, CTC. Prior to joining CTC in 2013, Mr. Hicks was the Chief Operating Officer at TSC Stores where he supervised all of TSC's business operations. Mr. Hicks is a past recipient of Canada's Top 40 under 40™ Award.

**Public Board Memberships During Last Five Years:**

N/A

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### NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017):

As at December 31, 2017, Mr. Hicks did not hold any Units.<sup>(4)</sup>

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### UNIT OWNERSHIP GUIDELINES<sup>(2)</sup>

N/A



**Age: 71**  
**Quebec, Canada**

**Trustee since:**  
2013

**2017 Voting Results:**  
99.97% in favour

**Current Activities:**

Mr. Laidley is Non-Executive Chairman of the Board of CT REIT. He also serves as a director on the Boards of EMCOR Group Inc. and Input Capital Inc.

**Past Activities:**

Mr. Laidley was a partner of Deloitte from 1975 until his retirement in 2007. Mr. Laidley was elected Chairman of Deloitte in 2000 and served in that capacity until 2006. A Chartered Professional Accountant, Mr. Laidley has over 40 years of professional services experience, specializing in the areas of tax and audit. He previously was the Lead Director of the Bank of Canada and Chairman of Nautilus Indemnity Holdings Limited, and has served as a director on the Boards of Aimia Inc., Aviva Canada Inc., Biovail Corporation (now Valeant Pharmaceuticals International, Inc.) and ProSep Inc. Mr. Laidley holds a Bachelor of Commerce degree from McGill University and completed the Directors Education Program at the Institute of Corporate Directors at the University of Toronto.

**Public Board Memberships During Last Five Years:**

CT REIT	(2013 – Present)
EMCOR Group Inc.	(2008 – Present)
Input Capital Inc.	(2013 – Present)
Aimia Inc.	(2009 – 2017)
ProSep Inc.	(2008 – 2014) <sup>(3)</sup>

**NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)**

YEAR	TRUST UNITS <sup>(4)</sup>	DUs <sup>(5)</sup>	TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(6)</sup>	MARKET VALUE OF TOTAL NUMBER OF DUs <sup>(7)</sup>	MARKET VALUE OF TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(7)</sup>
2017	8,000	42,377	50,377	\$614,467	\$730,467
2016	8,000	32,996	40,996	\$478,442	\$594,442
Change in 2017	–	9,381	9,381	\$136,025	\$136,025

**UNIT OWNERSHIP GUIDELINES**

**Date by Which Unit Ownership Guideline is to be Met:** September 9, 2018 **Have Unit Ownership Guidelines Been Met:** Yes

**ANNA MARTINI**



**Age: 55**  
**Quebec, Canada**

**Trustee since:**  
2013

**2017 Voting Results:**  
99.98% in favour

**Current Activities:**

Ms. Martini is the Executive Vice-President and Chief Financial Officer of Club de Hockey Canadien Inc., Bell Centre and evenko. She is the Chair of the McGill University Health Centre Foundation and serves as a director and is a member of the Audit Committee and Human Resources and Compensation Committee at Transcontinental Inc.

**Past Activities:**

Until January 2017, Ms. Martini was President of Groupe Dynamite Inc., a specialty apparel global retailer that she joined in 2004. Ms. Martini is a Chartered Professional Accountant and worked at Deloitte from 1985 to 2004, including as a partner in audit and advisory services from 1996 until her departure. During her tenure at Deloitte, she specialized in the retail and consumer products industry sectors. Ms. Martini served as Chair of the Board of the Retail Council of Canada from 2014 to 2016 and as a board member and Treasurer from 2007 to 2014. She was also a member of the Advisory Committee to the President of Telus Quebec and served on the Board of Velan Inc. where she chaired the Audit Committee.

**Public Board Memberships During Last Five Years:**

CT REIT	(2013 – Present)
Transcontinental Inc.	(2011 – Present)
Velan Inc.	(2008 – 2013)

**NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)**

YEAR	TRUST UNITS <sup>(4)</sup>	DUs <sup>(5)</sup>	TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(6)</sup>	MARKET VALUE OF TOTAL NUMBER OF DUs <sup>(7)</sup>	MARKET VALUE OF TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(7)</sup>
2017	–	31,020	31,020	\$449,790	\$449,790
2016	–	23,857	23,857	\$345,927	\$345,927
Change in 2017	–	7,163	7,163	\$103,863	\$103,863

**UNIT OWNERSHIP GUIDELINES**

**Date by Which Unit Ownership Guideline is to be Met:** October 23, 2018 **Have Unit Ownership Guidelines Been Met:** Yes



**Age: 58**  
Ontario, Canada

**Trustee since:**  
2013

**2017 Voting Results:**  
99.99% in favour

**Current Activities:**

Mr. McCann is the Executive Vice-President and Chief Financial Officer of CTC.

**Past Activities:**

Mr. McCann previously served as President of Canadian Tire Financial Services Limited, and as Chief Executive Officer and a director of Canadian Tire Bank, both of which are majority-owned subsidiaries of CTC. During the past 20 years with CTC, Mr. McCann has held a number of progressively senior roles and led a number of impactful projects, including leading the establishment of Canadian Tire Bank, driving the success of Canadian Tire MasterCard with over five million accounts issued, and developing a shareholder value creation program. Mr. McCann is a Chartered Professional Accountant and a graduate of the Directors College, Chartered Director program at McMaster University.

**Public Board Memberships During Last Five Years:**

CT REIT (2013 – Present)

**NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)**

YEAR	TRUST UNITS <sup>(4)</sup>	DUs	TOTAL NUMBER OF TRUST UNITS	MARKET VALUE OF TOTAL NUMBER OF TRUST UNITS <sup>(7)</sup>
2017	3,630	See Note 8	3,630	\$52,635
2016	3,469		3,469	\$50,301
Change in 2017	161		161	\$2,334

**UNIT OWNERSHIP GUIDELINES**

**Date by Which Unit Ownership Guideline is to be Met:** N/A<sup>(8)</sup>

**Have Unit Ownership Guidelines Been Met:** N/A<sup>(8)</sup>

## JOHN O'BRYAN

## Independent



**Age: 67**  
Ontario, Canada

**Trustee since:**  
2013

**2017 Voting Results:**  
99.99% in favour

**Current Activities:**

Mr. O'Bryan is an Honorary Chairman of CBRE Limited. He serves as Chairman of the Board of Slate Office REIT and is also Chairman of its Investment Committee. He is also a member of the Royal Institution of Chartered Surveyors and the Governance Committee of Urban Land Institute.

**Past Activities:**

Mr. O'Bryan has over 40 years' experience in the real estate industry. He served on the Canadian Board of Directors of CBRE Limited where he was also a member of the Canadian Executive Management Committee. Prior to joining CBRE Limited in 2008, Mr. O'Bryan was a Managing Director at TD Securities from 1998 to 2008. Mr. O'Bryan previously served as a director of REALpac, President of the National Association of Industrial and Office Properties, and a member of the Appraisal Institute of Canada and holds an honours degree in Estate Management.

**Public Board Memberships During Last Five Years:**

CT REIT (2013 – Present)

Slate Office REIT (2015 – Present)

**NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)**

YEAR	TRUST UNITS <sup>(4)</sup>	DUs <sup>(5)</sup>	TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(6)</sup>	MARKET VALUE OF TOTAL NUMBER OF DUs <sup>(7)</sup>	MARKET VALUE OF TOTAL NUMBER OF TRUST UNITS AND DUs <sup>(7)</sup>
2017	24,047	22,362	46,409	\$324,249	\$672,931
2016	22,903	15,887	38,790	\$230,362	\$562,455
Change in 2017	1,144	6,475	7,619	\$93,887	\$110,476

**UNIT OWNERSHIP GUIDELINES**

**Date by Which Unit Ownership Guideline is to be Met:** September 9, 2018

**Have Unit Ownership Guidelines Been Met:** Yes



**Age:** 59  
**Ontario, Canada**

**Trustee since:**  
2013

**2017 Voting Results:**  
99.99% in favour

**Current Activities:**

Mr. Silver is President and Chief Executive Officer of CT REIT. In 2017, Mr. Silver joined the Board of Directors of REALpac.

**Past Activities:**

Mr. Silver joined CTC in 1995 and, prior to his appointment as President and Chief Executive Officer of CT REIT, was Senior Vice-President, Corporate Strategy and Real Estate of CTC and President, Canadian Tire Real Estate Limited, a wholly-owned subsidiary of CTC. Mr. Silver holds a Bachelor of Arts 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.

**Public Board Memberships During Last Five Years:**

CT REIT (2013 – Present)

**NUMBER OF UNITS AND DUs BENEFICIALLY OWNED, CONTROLLED OR DIRECTED (as at December 31, 2017)**

YEAR	TRUST UNITS <sup>(4)</sup>	DUs	TOTAL NUMBER OF TRUST UNITS	MARKET VALUE OF TOTAL NUMBER OF TRUST UNITS <sup>(7)</sup>
2017	87,240	See Note 9	87,240	\$1,264,980
2016	83,048		83,048	\$1,204,196
Change in 2017	4,192		4,192	\$60,784

**UNIT OWNERSHIP GUIDELINES**

**Date by Which Unit Ownership Guideline is to be Met:** N/A<sup>(9)</sup>

**Have Unit Ownership Guidelines Been Met:** N/A<sup>(9)</sup>

**Notes:**

- (1) Ms. Briant will be subject to the Trustee Unit Ownership Guidelines upon her election to the Board.
- (2) Mr. Hicks, as an executive officer of CTC, will not be subject to the Trustee Unit Ownership Guidelines upon his election to the Board.
- (3) See *Additional Information – Cease Trade Orders and Bankruptcies* on page 14.
- (4) As at March 5, 2018, Ms. Briant, Ms. Martini and Mr. Hicks did not hold any Trust Units; Mr. Laidley held 8,000 Trust Units, Mr. McCann held 3,660 Trust Units, Mr. O'Bryan held 24,266 Trust Units and Mr. Silver held 88,038 Trust Units.
- (5) DUs and DU related distribution equivalents vest immediately at the time of grant but are settled in Trust Units or, at the election of the participant, the cash equivalent only after termination of service from our Board. The "Change in 2017" amount reflects DUs earned in 2017 as well as monthly DU related distribution equivalents.
- (6) None of the DUs have been paid out or distributed. See *Deferred Unit Plan for Trustees* on page 29 for details about the DU Plan.
- (7) The value of the total number of Trust Units and DUs held by each trustee, as at December 31, 2017 and December 31, 2016, is calculated by reference to the closing price of the Trust Units on the TSX on December 29, 2017 (\$14.50).
- (8) Mr. McCann, as an executive officer of CTC, is not subject to the Trustee Unit Ownership Guidelines and does not participate in the DU Plan.
- (9) Mr. Silver, as CEO, is not subject to the Trustee Unit Ownership Guidelines and does not participate in the DU Plan. Mr. Silver is subject to executive unit ownership guidelines. As at December 31, 2017, Mr. Silver held 87,240 Trust Units with a market value as at December 29, 2017 of \$1,264,980 and 21,918 RUs (as defined on page 36) (rounded down to the nearest whole number) with a market value of \$317,811. For more information on the unit ownership guidelines applicable to Mr. Silver, see *Executive Unit Ownership Guidelines* on page 43 and *CEO Employment Agreement* on page 47.

## Additional Information

### Cease Trade Orders and Bankruptcies

Except as described below, no proposed trustee:

- (i) is, or within the last 10 years has served as a director or executive officer of any company that, during such service or within a year after the end of such service, 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;
- (ii) is, or within the last 10 years has served as a director, chief executive officer or chief financial officer of any company that, during such service or as a result of an event that occurred during such service, was subject to an order (including a cease trade order or similar order or an order that denied access to any exemption under securities legislation), for a period of more than 30 consecutive days; or
- (iii) within the last 10 years has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or 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 the director.

Mr. Laidley was acting as a director of 2907160 Canada Inc. (formerly ProSep Inc.) (“ProSep”) from August 2008 until January 2014. On April 12, 2013, the Autorité des marchés financiers issued a management cease trade order restricting all trading in securities of ProSep by management and insiders of ProSep due to failure to file its annual disclosure documents within the prescribed time period. The management cease trade order was revoked on June 17, 2013. On October 28, 2013, ProSep filed for and obtained creditor protection under the *Companies’ Creditors Arrangement Act* (Canada). At the same time, the Superior Court of Quebec (Commercial Division) approved the sale of substantially all of ProSep’s assets to a third party. The distribution of ProSep’s liquidation proceeds was completed and ProSep was dissolved on January 15, 2014.

## Meeting Attendance

The table below lists the number of meetings held by the Board and its committees (each a “Committee” and, collectively, the “Committees”) in fiscal 2017 and the attendance by the trustees. A number of the trustees regularly attend Committee meetings, by invitation of the respective Committee Chairman, as noted in the attendance below.

Trustee	Board <sup>(1)</sup>	Audit Committee	Governance, Compensation and Nominating Committee	Investment Committee	Total <sup>(2)</sup>
Brent Hollister <sup>(3)</sup>	6 of 6	4 of 4 (Invitee)	4 of 4 (Chairman)	4 of 4	14 of 14
David Laidley	6 of 6 (Chairman)	4 of 4	4 of 4	3 of 4 (Invitee)	14 of 14
Anna Martini	6 of 6	4 of 4 (Chairman)	4 of 4	4 of 4 (Invitee)	14 of 14
Dean McCann	6 of 6	3 of 4 (Invitee)	–	–	6 of 6
John O’Bryan	6 of 6	4 of 4	4 of 4 (Invitee)	4 of 4 (Chairman)	14 of 14
Ken Silver	6 of 6	4 of 4 (Invitee)	4 of 4 (Invitee)	4 of 4	10 of 10
Stephen Wetmore <sup>(4)</sup>	6 of 6	–	4 of 4	–	10 of 10

### Notes

- (1) The Board held five regular and one special meeting in 2017.
- (2) Meetings attended by a trustee as an invitee are not included in the total meetings attended by the trustee.
- (3) Mr. Hollister will not be standing for re-election at the upcoming Meeting.
- (4) Mr. Wetmore will not be standing for re-election at the upcoming Meeting.

## OUR APPROACH TO CORPORATE GOVERNANCE

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### The Role of the Board

The Declaration of Trust provides that, subject to certain conditions, the trustees shall have full, absolute and exclusive power, control and authority over the trust property and over the REIT's affairs to the same extent as if the trustees were the sole and absolute legal and beneficial owners of the REIT's assets. In fulfilling their role, the trustees are to act honestly and in good faith with a view to the best interests of the REIT and its Unitholders and, in connection therewith, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board of Trustees is responsible for the REIT's stewardship and governance. That role consists primarily of the duty to manage or supervise the management of the business and affairs of the REIT and includes both decision-making and oversight functions.

Our Board's decision-making function involves the formulation, in conjunction with management, of strategic objectives and fundamental policies for the REIT. The oversight function includes ensuring compliance with the Declaration of Trust, including the investment guidelines and operating policies, the adequacy of systems and controls, the implementation of policies and the supervision of management's decisions. In addition, our Board oversees significant REIT actions and makes decisions relating to, among other things, strategic planning, strategic objectives, planning for growth, both organic and by acquisition, funding strategy, succession planning, distributions, financial reporting, the development of fundamental policies and systems, the control environment and the management of enterprise risk and corporate communication.

The Board fulfills its duties directly and through its Committees. It delegates its duty to manage the business and affairs of the REIT to management, which the Board oversees and holds accountable.

Our Board constructively challenges management with a view to achieving the best possible decision-making, and engages in meaningful discussion with management to ensure that major issues affecting the REIT are given the appropriate consideration. It is informed of the REIT's activities on an ongoing basis through Board and Committee meetings, reports from and discussion with management and executive briefings to further educate the trustees on specific topics.

A significant focus for our Board is the REIT's strategy. Throughout the year it is actively involved in developing, approving and overseeing the implementation of the REIT's strategic plan. The Board discusses the REIT's strategy, refinements thereto and monitors the progress of implementation thereof at regularly scheduled Board meeting.

To allow the Board to focus on business and strategic issues and improve efficiency in decision-making, it has delegated certain of its responsibilities to its Committees as more fully discussed on page 17.

The full text of the Board of Trustees' formal mandate is attached to this Management Information Circular as Appendix A.

### The Board in 2017

The Board believes in a long-term outlook and is committed to the development of a strategy to support long-term growth and solid financial performance. During 2017, in conjunction with overseeing the implementation of the REIT's strategic plan and the continued evaluation of the REIT's 2017 business and funding plan (the "Plan") against the REIT's financial aspirations, key risks and opportunities, the Board devoted a significant portion of its time to the REIT's strategy and objectives. As a part of this focus, the Board considered various opportunities and risks relative to the REIT's long-term strategy, including its growth opportunities and the implications on its financial metrics and aspirations, capital allocation and governance framework.

The Board reviewed and approved the REIT's 2017 Plan for acquisitions, intensifications and developments. During 2017, the Board approved a number of investments including, among other acquisitions, the acquisition of two property portfolios from third parties, intensifications and developments, and received regular reports with respect to the REIT's ongoing development projects.

The Board also continued its work in overseeing the REIT's Enterprise Risk Management ("ERM") Program, policy development, capital market activity, distributions, compensation program and disclosure obligations. Specifically, the Board conducted a review of the REIT's principal risks and risk-related reporting, and approved the REIT's debt

offerings, amendments to the REIT's existing bank credit facility, entering into a bridge loan facility with CTC, distributions, including an increase in distributions, the adoption of an employee savings plan for employees of the REIT, as well as amendments to the executive compensation plans and program.

In 2017, in part in response to the results of the assessment of the Board's performance in 2016 (see *Board Assessments* on page 21), the Board placed a stronger emphasis on trustee education and held in-depth information sessions at the Board's meetings on topics specific to the REIT. The information sessions are more fully described under *Trustee Orientation and Continuing Education* on page 20.

The Board held five regular meetings and one special meeting in 2017. A portion of every meeting was devoted to *in camera* sessions during which the Board met without management present and then with neither management nor the non-independent trustees present.

The performance of the Chairman of the Board and each of the trustees (including in their capacity as Committee members) was reviewed by the Board in 2017. See *Board Assessments* on page 21.

## Corporate Governance Policies and Practices

We are committed to strong corporate governance policies and practices. We continue to focus on the development and implementation of policies and processes, as appropriate, to support the REIT's overall governance. In developing such policies, practices and processes, we consider the development of the REIT's business, the external environment and externally cited best practices to ensure that our governance practices are comprehensive, relevant, effective and transparent. Highlights of our corporate governance policies and practices include:

- 4 out of 7 nominated trustees are independent;
- we have an independent Chairman of the Board;
- *in camera* sessions are held at every Committee and Board meeting;
- our independent trustees meet *in camera* at every Board meeting;
- we have individual (not slate) voting for trustees;
- we do not have a staggered Board – all of our trustees are elected annually;
- we disclose trustee's equity holdings;
- we have trustee unit ownership guidelines;
- our trustees are not overboarded;
- we have no public company interlocking trusteeships;
- we have a formal trustee orientation process and provide ongoing trustee education, including regular educational sessions, during Committee and/or Board meetings;
- we have a Code of Business Conduct;
- the Board mandate and Committee charters are regularly reviewed to ensure that they remain current and appropriate;
- the written position descriptions of the Board and Committee Chairmen are regularly reviewed to ensure they continue to reflect the expectations and responsibilities of their roles; and
- the performance of the Board, Committees and individual trustees are regularly assessed pursuant to a formal assessment process that promotes open and constructive criticism.

## Chairman of the Board

The primary focus of the independent, non-executive Chairman is to facilitate the effective performance of the Board in fulfilling the broad range of its responsibilities, including oversight of the business, strategic planning and succession planning. His goal is to create and maintain an effective and productive Board at all times and in all situations. The Chairman is also instrumental on matters of governance and maintaining ethical standards.

The Chairman is responsible for establishing a strong relationship with the CEO so that they develop a shared context, agree on fundamental values and ethical standards, understand the accountabilities and boundaries of their respective roles, and engage in productive discussions on issues.

In addition, the Chairman is responsible for strengthening and managing relationships among his colleagues on the Board, between the Chairman and his colleagues, between management and the Board, between the CEO and the Board and with the controlling Unitholder, with the expectation that strong relationships, coupled with knowledge of the issues, can lead to better decision-making. The Chairman facilitates collaborative and constructive relationships between the Board and management creating a cooperative atmosphere where Board members are encouraged to openly discuss, debate and question matters presented to the Board.

The Chairman works closely with the Chairman of the GCN Committee on Board renewal, matters related to Board and Committee composition and the effective discharge of the Committees' charters. He is involved in the consideration of the REIT's strategies, risks, priorities and succession planning for Board positions, as well as the recruitment of new trustees, the assessment of current trustees, and in determining which skill sets are required on the Board at any given time. The Chairman also encourages and provides opportunities to the trustees to become more knowledgeable about the business of the REIT and issues it may face.

The Chairman's specific duties include setting the agenda for Board meetings, in consultation with Committee Chairmen and the CEO, reviewing briefing materials in advance of them being sent to Board and Committees, working to ensure trustees are being provided with timely and relevant information required to make informed decisions and to permit the Committees and the Board to discharge its duties and responsibilities, fostering ethical and responsible decision making by the Board, the Committees and individual Board members, and ensuring independent trustees meet in a separate *in camera* session at each Board meeting.

Additional information about the duties of the Chairman of the Board is available on CT REIT's website at [www.ctreit.com](http://www.ctreit.com). Select *Corporate Governance* under the *Investors* tab.

## Board Committees

The Board has established three standing Committees:

- Audit Committee;
- Governance Compensation and Nominating Committee; and
- Investment Committee.

The Board has delegated a number of its approval responsibilities to its Committees, as permitted by the Declaration of Trust, in order to enable the Board to operate more efficiently and permit it to spend more time on strategic issues. The Board has approved a written charter for each Committee which reflects this delegation of authority. Each Committee reviews its charter and work plan on a regular basis to ensure that it has fulfilled all of its responsibilities under its charter. Any proposed amendments to Committee charters are reviewed by the GCN Committee and recommended to the Board for approval. All matters approved by the Committees are reported to the Board and it is always within the prerogative of the Board to approve, veto, amend or change any approval made by a Committee.

The Chairman of the Board is a member of the GCN Committee (the majority of its members being comprised of representatives from each of the other Committees) and the Audit Committee and attends all meetings of the Investment Committee by standing invitation. Every trustee may attend the meetings of a Committee either by invitation or at the discretion of the Chairman of such Committee. The CEO serves on the Investment Committee and regularly attends and participates at the other Committee meetings.

The Committee charters are available on CT REIT's website at [www.ctreit.com](http://www.ctreit.com). Select *Corporate Governance* under the *Investors* tab.

Each Committee has provided a report highlighting its duties, under its charter, and its achievements during 2017. See pages 24 to 28.

## Position Descriptions

The Board has approved written position descriptions for the Chairman of the Board and the Chairman of each Committee. These position descriptions are available on the REIT's website at [www.ctreit.com](http://www.ctreit.com). Select *Corporate Governance* under the *Investors* tab. In addition, a written position description is in place for the CEO, whose objectives are approved annually by the Board of Trustees and form part of his mandate on a year-to-year basis.

## Independence of the Board

The Board of Trustees is comprised of a majority of trustees who are independent within the meaning of applicable Canadian securities laws. The Board is led by an independent, non-executive Chairman. Each Committee is chaired by an independent Chairman.

## Criteria for Assessing Independence

Our assessment of whether a trustee is independent begins with the identification of any relationships that could, in the view of the Board, reasonably be expected to interfere with the exercise of the trustee's independent judgment. That analysis is augmented, where required, to ensure compliance with certain presumptive standards under applicable Canadian securities laws, including eligibility for service on the Audit Committee under National Instrument 52-110 – *Audit Committees* ("NI 52-110").

By way of example, any trustee who is a member of management or who is an executive officer of CTC is not considered to be independent. Furthermore, the existence of any commercial, charitable, industrial, banking, consulting, legal, accounting or other business relationship that may exist between the REIT and any trustee, including an entity on which such trustee serves as a trustee/director, executive officer, partner or managing director, or occupies a similar position, is generally considered to be one that could reasonably be expected to interfere with the exercise of the trustee's independent judgment if the aggregate annual sales or billings from the entity to the REIT, or from the REIT to the entity, in the most recently completed financial year, exceeds a percentage of that entity's consolidated gross revenues, as determined by the Board. While this percentage is generally between one and two percent, the applicable threshold to be used in each case is a matter of judgment and other relevant factors may be taken into consideration in determining whether the relationship is one that could reasonably be expected to interfere with the exercise of the trustee's independent judgment.

## Determinations of Independence

When assessed against the above criteria, the GCN Committee determined that all of the proposed trustees are independent, within the meaning of applicable Canadian securities laws, except for Messrs. Hicks, McCann and Silver:

- Mr. Hicks is the President of Canadian Tire Retail and as such is not an independent trustee.
- Mr. McCann is the Executive Vice-President and Chief Financial Officer of CTC and as such is not an independent trustee.
- Mr. Silver is the President and Chief Executive Officer of the REIT and as such is not an independent trustee.

## Independent Chairman of the Board

Mr. Laidley is non-executive Chairman of the Board of Trustees and is an independent trustee. He is responsible for providing the necessary leadership to enable the effective performance of the Board.

## Independence of Committees

Applicable Canadian securities law requires the Board to have an Audit Committee comprised of trustees, each of whom must be independent (as determined under NI 52-110) and financially literate. The Board has determined that each of the members of the Audit Committee is independent and financially literate within the meaning of NI 52-110. The Chairman and a majority of the members of each of the GCN Committee and the Investment Committee are independent. All members of each Committee are residents of Canada.

None of the current members of any of the Committees, except for Messrs. Silver and Wetmore, is a current or former employee of CTC. Prior to becoming President and Chief Executive Officer of the REIT, Mr. Silver was a senior vice-president of CTC. Mr. Wetmore is President and Chief Executive Officer of CTC.

## Trustee Meetings without Management/Non-Independent Trustees

The Board enhances independence by conducting *in camera* sessions without management present. These sessions take place at each regularly scheduled Board and Committee meeting and are conducted by the Chairman of the Board and the Chairmen of the Committees, respectively. On occasion, special purpose Board and Committee meetings are convened at which sessions without management present are held as appropriate.

In addition, the independent trustees meet without the non-independent trustees at each regularly scheduled Board meeting. On occasion, special purpose Board meetings are convened at which sessions without management and without non-independent trustees present are held as appropriate.

## Board Renewal

The Declaration of Trust provides that the Board shall consist of a minimum of seven and a maximum of nine trustees, a majority of whom (including the Chairman) are independent under Canadian securities laws and a majority of whom are Canadian residents.

The Declaration of Trust grants CTC certain nomination rights in respect of nominating trustees for election to the Board which are more fully described under *About the Proposed Trustees* beginning on page 8. At present, CTC has the right to nominate three trustees for election to the Board. CTC exercises its nomination rights by submitting its nominees to the GCN Committee which reviews such proposed nominations, together with the remaining trustee nominations recommended by the GCN Committee to the Board as further described below. Messrs. Hicks, McCann and Silver are CTC's three nominees for the Meeting.

The GCN Committee has the mandate to recommend to the Board qualified individuals as nominees for election as trustees to the Board at a meeting of Unitholders and for appointment by the Board to fill any vacancies on the Board if a trustee elected by the Unitholders ceases to be a trustee.

In guiding its Board renewal process, the GCN Committee is engaged in an ongoing evaluation of the changing skills and experience that the REIT requires. It considers changes to the REIT's strategies, risks, current and anticipated priorities, succession planning for key Board positions and the composition of the Board. In light of any changing needs of the REIT, the GCN Committee periodically reviews the composition and existing strengths of the Board in relation to its assessment of the competencies and skills considered necessary for the Board, as a whole, to possess when determining the competencies, skills, and personal qualities it should seek in new Board members. The GCN Committee and the Chairman of the Board consult with their fellow trustees and with their extensive networks to identify appropriate potential candidates for the Board.

The GCN Committee, led by the Chairman of the Board and Chairman of the GCN Committee, reviews prospective nominees' qualifications under the Declaration of Trust, applicable laws, regulations and rules. Nominees are selected on a merit basis and for qualities such as integrity and ethics, business judgment, independence, business or professional expertise and experience, knowledge and appreciation of public issues, board experience, specific skills and expertise or experience that would complement those already represented on the Board. The GCN Committee maintains a list of potential nominees for all trustees except the trustees nominated by CTC.

The GCN Committee reviews each candidate's biographical information and relevant prior achievements, assesses each candidate's suitability and sufficiency of time to devote to the Board, and considers the results of due diligence reviews. This selection process allows the Board to gain reasonable assurance that the requisite breadth of relevant experience is represented on the Board. As part of the selection process, the CEO is kept informed about potential candidates and, as appropriate, arrangements are made to have potential Board candidates meet with any of the following: the CEO, the Chairman of the Board, members of the GCN Committee and other members of the Board or management.

The GCN Committee follows the same process for evaluating all potential candidates. On this basis, the GCN Committee makes recommendations to the Board regarding potential trustee candidates and maintains a list of qualified candidates for Board membership.

## Diversity

The REIT is committed to having a diverse, talented and dedicated Board with trustees that have complementary skills, expertise and experience. When assessing potential candidates, the Board seeks to maintain this wide range of skills, expertise and experience amongst its trustees.

The REIT has not adopted a formal written policy relating to the identification and nomination of female trustees or a target regarding the representation of women on its Board because it believes that a less formulaic approach to board composition, together with a rigorous search for qualified candidates, has and will continue to best serve the REIT. Although the Board is conscious of diversity on its Board, including gender diversity, this factor alone is not determinative of the Board's selection process. There is currently one woman on the Board, representing approximately 14% of the trustees on the Board. If the proposed trustees are elected at the Meeting, there will be two women on the Board, representing approximately 29% of the trustees on the Board.

The REIT has a unique organization structure which includes the provision of certain management services by employees of CTC pursuant to the services agreement among the REIT, the Partnership and CTC dated October 23, 2013 (the "Services Agreement") and the property management agreement among the Partnership, CTC and a

subsidiary of CTC dated October 23, 2013 (the “Property Management Agreement”). The REIT has three executive officers who are directly employed by the REIT, none of whom are women. The REIT has not adopted a written policy relating to the level of representation of women in executive officer positions. As new members are added to the executive team, the REIT will continue to follow a balanced approach in identifying the factors to be considered when determining the make-up of its executive team. These factors include experience, leadership capabilities, innovative thinking, strategic agility and gender diversity. As the REIT grows (it currently has 11 employees), it will continue to review and consider its approach to diversity in executive officer positions.

## **Board Tenure**

The REIT does not have a mandatory age for retirement of trustees or a policy that would require a trustee to retire after a fixed period of tenure. Since the REIT’s inception in 2013, the trustees have worked together to navigate the complex and critical issues that can face a growing entity and have guided management’s steering of the REIT’s business, operations and strategy. In this context, the experience of longer serving trustees can be valuable to Unitholders. Moreover, the REIT believes that the ongoing evaluation of the changing skills and experience that are required of the Board, together with the Board’s performance assessment process, facilitates appropriate Board renewal. The REIT is of the view that a more fluid, needs focused and less formulaic approach to Board renewal is far more effective than the application of rigid and prescribed rules relating to tenure limits.

## **Service on Additional Public Company Boards**

The REIT recognizes that the Board can benefit when a trustee also serves on the board of another company. However, as trustees are expected to devote sufficient time and energy necessary to fulfill their duties as a member of the Board, a trustee’s acceptance of additional positions as a corporate trustee/director of other public entity boards is subject to the Board and GCN Committee’s review. In 2016, the Board approved the REIT’s Overboarding Policy which provides that each professional trustee/director shall serve on no more than four public entity boards (including the Board); each trustee who is a full-time employee or partner, or holds a similar full-time position, shall serve on no more than two public entity boards (including the Board); and each trustee who is a part-time employee or partner, or holds a similar part-time position, shall serve on no more than three public entity boards (including the Board), in each case, outside of the directorship that such trustee may hold with his or her company or firm. Trustees are required to provide written notice to the Chairman of the GCN Committee before accepting a directorship/trusteeship position on a public company board.

## **Trustee Orientation and Continuing Education**

To maintain reasonable assurance that any new trustee will engage in a comprehensive orientation process and that all trustees are provided with continuing education opportunities, the GCN Committee will ensure that each new trustee has an orientation session and is provided with a comprehensive manual containing information on the REIT’s organization and the Board and such other written materials about the REIT as he or she may request.

The GCN Committee makes available to every trustee the opportunity, at the expense of the REIT:

- to meet with REIT executives and CTC management who provide services to the REIT under the Services Agreement and/or the Property Management Agreement for the purpose of discussing the nature and operation of the REIT’s business and the services provided to support such business; and
- to attend any conference, seminar, course or other educational experience, which is intended to expand the trustees’ knowledge, skills and abilities as trustees and ensure their knowledge and understanding of the real estate investment trust industry remains current and which is approved by the Chairman of the Board.

With respect to trustees’ education generally, the Chairman of the Board both initiates educational opportunities and responds to requests for Board education from the Board members on an ongoing basis. He arranges for the provision of educational presentations and materials, in response to those requests. In addition, trustees receive a substantial amount of background information in the context of Board and Committee meetings that not only assists them in discussing the issues to be addressed and decisions to be made at such meetings, but also educates them on matters relevant to the REIT and its business. The Board also receives periodic updates as to significant economic, legal and capital market developments that may impact the REIT.

In 2017, in part in response to the results of the assessment of the Board’s performance in 2016, the Board placed a stronger emphasis on continuing trustee education and held in-depth information sessions as part of the Board’s

regular meetings on various topics including, the REIT's strategic plan, the risks and opportunities relative to such plan, developments in taxation, leading practices and updates in corporate governance, taxable income and non-GAAP measures. In addition, the Board brought in an external advisor to conduct a presentation on current developments and trends in the Canadian real estate industry and capital markets.

## Board Assessments

The performance and effectiveness of the Board and its Committees, the Chairman of the Board and individual trustees (including in their capacity as Committee members) are regularly assessed with oversight by the GCN Committee. The assessments are conducted using an online assessment tool which provides the respondent the opportunity to assess the Board, a Committee, the Chairman of the Board or an individual trustee (including in their capacity as a Committee member), as the case may be, on a numeric rating scale as well as provide written commentary to encourage more candid and constructive feedback.

### Assessment of the Board and Board Committees

Assessments of the Board's performance and the performance of its' Committees are conducted concurrently every two years, alternating from the year in which the individual trustees' assessments (including in their capacity as Committee members) are held.

The performance assessments of the Board and its Committees are comprised of the following:

- *Online Survey:* Trustees are asked to complete an online survey and rate the Board's performance based on criteria which addresses, among other things, the Board's composition and practices, relationship with management and oversight of the REIT's strategy, financial reporting and internal controls, CEO succession and performance. Trustees are also asked to evaluate the performance and effectiveness of the Committees on which they serve based on criteria which addresses, among other things, Committee composition, practices, relationship with the Board and management, and performance and fulfilment of such Committee's responsibilities under its mandate.
- *Reports:* A composite report of the results of the Board assessments is reviewed by the Chairman of the GCN Committee who then reports to the GCN Committee and the Board on the results of the assessment of the Board. Each Committee Chairman also receives a composite report of the results of their respective Committee assessment who then reports to their respective Committee as well as to the GCN Committee on the results of the assessment of their respective Committees. The Chairman of the GCN Committee reports to the Board on the results of all Committee assessments.
- *Outcome:* The results of the Board and Committee assessments are used to identify and remediate any aspects of the Board's and/or Committee's performance that do not meet the Board's standards.

In 2016, Board and Committee performance assessments were conducted using the online survey. The GCN Committee and the Board reviewed the results and implemented any changes they deemed necessary in response to such results, including providing more opportunities for trustee education. See *Trustee Orientation and Continuing Education* on page 20. The next Board and Committee performance assessments are scheduled for 2018.

### Assessment of Trustees

Assessments of the performance of individual trustees (including in their capacity as Committee members) are conducted every two years, alternating from the year in which the Board and Committee assessments are held.

The performance of the individual trustees (including in their capacity as Committee members) is comprised of the following:

- *Online Survey:* Trustees are asked to complete an online survey and rate the performance of their fellow Board members (including in their capacity as Committee members) based on criteria expected of an effective trustee and Committee member. The CEO and the Chairman of the Board are not evaluated as part of this assessment as they are evaluated annually under separate processes.
- *Reports:* A composite report of the results of the individual trustee performance assessment is reviewed by the Chairman of the GCN Committee who then reports to the GCN Committee and the Board on the results of the assessment.
- *Outcome:* The results of the individual trustee performance assessments are one of the factors taken into account by the GCN Committee and the Board when considering trustee candidates to be proposed for election to the Board (including sitting trustees' candidacy for proposal for re-election to the Board), and in determining the membership of Committees.

In 2017, performance assessments of the individual trustees (including in their capacity as Committee members) were conducted. The assessment findings were considered by the Chairman of the GCN Committee and the Chairman of the Board in their assessment of the composition of the Board and the strengths of the existing trustees as a part of their process in determining the competencies, skills, and personal qualities the Board should seek in the proposed trustee nominees. The next individual performance assessments are scheduled for 2019.

### **Assessment of the Chairman of the Board**

The performance of the Chairman of the Board is assessed annually and comprised of the following:

- *Online Survey:* Trustees are asked to complete an online survey and rate the performance of the Chairman of the Board based on criteria which address, among other things, how well the Chairman has led the Board in fulfilling its mandate, has promoted, supported and encouraged the Board's standards and fulfilled his duties as set out in the Chairman's position description.
- *Reports:* A composite report of the results of the Chairman of the Board assessment is reviewed by the Chairman of the GCN Committee who then reports to the GCN Committee and the Board.
- *Outcome:* The results of the assessment of the Chairman of the Board evaluation are discussed at meetings of the GCN Committee and the Board.

### **Our Approach to Unitholder Engagement**

Communication and interaction between the Board and management and investors is important to CT REIT as we believe that a transparent process for considering Unitholder inquiries should foster a trusted relationship with the investment community. All Unitholder inquiries and proposals should be directed to the Senior Vice-President, Investor Relations, CTC, and Unitholder inquiries and proposals will be addressed by management in accordance with the REIT's disclosure policy. Our practices ensure that the all Unitholder concerns are considered and responded to in a disciplined manner that is consistent with the REIT's governance practices and Unit ownership structure. The Board monitors the REIT's Unitholder engagement activities on a regular basis and supports effective and clear communication.

### **2017 Unitholder Initiatives**

In 2017, our Unitholder outreach initiatives included:

- holding quarterly conference calls to review quarterly results, which are open to everyone and offer callers the opportunity to ask questions directly to management;
- meetings by the Chairman of the Board with our significant Unitholder to address governance matters;
- institutional investor and Unitholder engagement through roadshows with management;
- in-person meetings with institutional investors and Unitholders to address priority topics; and
- holding regular investor meetings, presentations at investor conferences and issuing comprehensive disclosure documents which, together, allows us to effectively communicate the state of our business and manage stakeholder communications.

Over the next year, management expects to continue to actively engage with Unitholders on the business of the REIT with a view of obtaining and responding to any feedback that investors may have.

### **Enterprise Risk Management**

The Board of Trustees oversees the development and implementation of the REIT's ERM program. The Board has identified eight principal risks. The REIT defines a principal risk as one that alone, or in combination with other interrelated risks, could have a significant adverse impact on the REIT's financial position and/or ability to achieve its strategic objectives. The Board reviews reports from management on the principal risks associated with the REIT's business and operations, approves policies that govern the REIT's principal risks and reviews management's implementation of systems to mitigate and manage these risks and any material deficiencies in the operation of these systems. The Audit Committee is responsible for reporting to the Board on the effectiveness of the REIT's ERM program and receives, on a periodic basis, a report from management that considers the risk exposure associated with each of the principal risks.

In 2017, the REIT's ERM Program activities included a review of the eight principal risks and enhanced reporting on emerging risks.

More information on the REIT's ERM program is included in the MD&A and the Annual Information Form for the year ended December 31, 2017 (the "2017 AIF"), which are available on the REIT's website at [www.ctreit.com](http://www.ctreit.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

## Code of Business Conduct

The Code of Business Conduct formally addresses the ethical business standards and expectations of the REIT's trustees, officers and all employees in relation to compliance with laws and commitment to integrity, honesty and respect when dealing with each other, business partners and communities.

The Board has approved the REIT's Code of Business Conduct (the "Code"), a copy of which may be obtained, without charge, by contacting Kimberley M. Graham, VP, General Counsel and Secretary at CT Real Estate Investment Trust, 2180 Yonge Street, Toronto, Ontario M4P 2V8. The Code is also available on the REIT's website at [www.ctreit.com](http://www.ctreit.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). The Code contains an explanation of how the REIT monitors compliance with the Code.

Each trustee, officer and employee must acknowledge that they have read, understood and will commit to abide by the standards and expectations set out in the REIT's Code.

Each of the REIT's officers is accountable for ensuring that the Code is implemented and that all violations are reported in a manner consistent with the requirements of the Code. A business conduct compliance program has been established, which provides a compliance mechanism for the Code including:

- the receipt, retention and handling of complaints and concerns received by the REIT regarding accounting, internal accounting controls or auditing matters; and
- the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

With the approval of the Board, management has established a Business Conduct Compliance Office which is responsible for managing the business conduct compliance program, including:

- overseeing the receipt, retention, investigation and resolution of complaints and concerns related to breaches of the Code;
- managing a business conduct hotline and web reporting service that is operated by a third party service provider; and
- reporting to the Audit Committee on all reported violations of the REIT's Code of Business Conduct and their disposition, on a quarterly basis.

## Conflicts of Interest

If a trustee or an officer is a party to a material transaction or agreement or a proposed material transaction or agreement with the REIT, or if the trustee or officer is a director/trustee or an officer of, or has a material interest in, any person who is a party to a material transaction or agreement or a proposed material transaction or agreement with the REIT, he or she is required to comply with the conflict of interest provisions of the Declaration of Trust, which require written disclosure to the REIT by the trustee or officer, or a request by the trustee or officer to have entered in the minutes of meetings of trustees the nature and extent of his or her interest. In addition, the Board is given an opportunity to discuss such agreements or transactions in the absence of the interested trustee. A trustee who has declared a conflict of interest cannot vote on the matter in which he or she has an interest.

## COMMITTEE REPORTS

Each of our Committees has prepared a report that includes an overview of the work that such Committee does each year and provides highlights of their work in 2017. The responsibilities of our Committees are also set out in their charters which are available on CT REIT's website at [www.ctreit.com](http://www.ctreit.com). Select *Corporate Governance* under the *Investors* tab.

Additional information about our Audit Committee, as required by NI 52-110, is contained in the REIT's 2017 AIF, which is available on our website at [www.ctreit.com](http://www.ctreit.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

### Audit Committee Report

The Declaration of Trust provides that the Audit Committee shall consist of at least three trustees, all of whom are to be independent and unaffiliated with CTC and financially literate within the meaning of NI 52-110. The Audit Committee consists of three trustees, all of whom are persons determined by the REIT to be both independent trustees and unaffiliated with CTC, and to be financially literate within the meaning of NI 52-110. All of the members are residents of Canada.

The following report has been approved by the members of the Audit Committee: Anna Martini (*Chairman*), David Laidley and John O'Bryan.



**Anna Martini**  
Chairman



**David Laidley**



**John O'Bryan**

### Responsibilities

The Audit Committee oversees the REIT's quarterly and annual financial statements and other financial reporting obligations as required by applicable laws and regulations. As part of this process, the Committee reviews the appropriateness of the REIT's accounting policies and principles, reviews the external auditor's service plan and their performance, monitors the auditor's independence, approves non-audit services, where appropriate, and reviews the results of the external audit, including any internal control issues identified during the course of the audit. It also reviews the internal auditor's annual audit plan and the reports issued by the internal auditor during the year, as well as the adequacy and appropriateness of management's actions in response to such reports. The Audit Committee also recommends to the Board the REIT's principal risks and reviews and reports to the Board on the development and implementation by management of the ERM policy and ERM program that are designed to appropriately identify, assess, monitor, manage and report on the REIT's risks.

### 2017 Highlights

Highlights of work that the Audit Committee did during 2017, in addition to its statutory and regulatory responsibilities for financial reporting and disclosures, its monitoring of the external and internal auditors and its governance of the REIT's risk management, included:

- reviewing and recommending to the Board for approval the REIT's 2017 funding plan, including the redemption of Series 10-15 Class C limited partnership units ("Class C LP Units), the issuance of Class B LP Units and the issuance of public debentures and the related prospectus supplements;
- reviewing and recommending to the Board for approval the REIT's renewal of its base shelf prospectus;
- reviewing amendments to the REIT's bank credit facility;
- overseeing and participating in an annual review of the external auditor's performance;

- reviewing the fair market value framework for identification of material changes to the fair value of investment and development properties;
- reviewing and recommending to the Board amendments to, and the consolidation of, the REIT's Leverage and Liquidity Risk Management Policy and the Securities and Counterparty Risk Management Policy, into one omnibus policy – the Financial Risk Management Board Policy;
- reviewing and recommending the REIT's principal risks for approval by the Board;
- reviewing key matters relating to amendments to accounting standards impacting the REIT's financial statements;
- reviewing reports on the CEO-CFO certification process to ensure it is kept current and operating effectively;
- reviewing reports on the REIT's compliance with its financial covenants and financial risk management policies;
- reviewing and recommending to the Board for approval the REIT's distributions and increase in distributions;
- reviewing reports on tax compliance matters; and
- receiving and discussing updates on tax legislation developments.

### Auditor's Fees

The table below shows the fees that Deloitte received for services for the years ended December 31, 2016 and December 31, 2017, respectively.

Auditor's Fees	2016 (year ended December 31, 2016)	2017 (year ended December 31, 2017)
Audit fees <sup>(1)</sup>	\$406,600	\$417,300
Audit-related fees <sup>(2)</sup>	\$150,990	\$172,390
Tax fees	\$ 0	\$ 0
All other fees	\$ 0	\$ 0
<b>Total</b>	<b>\$557,590</b>	<b>\$589,690</b>

**Notes:**

(1) These fees related to annual audit and interim review services provided to the REIT.

(2) These fees related primarily to translation services and audit-related services provided in connection with the issuance of Series E Debentures of the REIT.

## Governance, Compensation and Nominating Committee Report

The Declaration of Trust provides that the GCN Committee shall consist of at least three trustees, a majority of whom are to be independent trustees and unaffiliated with CTC. The GCN Committee is comprised of four trustees, a majority of whom are persons determined by the REIT to be independent trustees and unaffiliated with CTC. All of the members are residents of Canada.

The following report has been approved by the members of the GCN Committee: Brent Hollister (*Chairman*), David Laidley, Anna Martini and Stephen Wetmore.



**Brent Hollister**  
Chairman



**David Laidley**



**Anna Martini**



**Stephen Wetmore**

### Responsibilities

The GCN Committee oversees the REIT's executive compensation programs, including compensation design, plans, policies, procedures and practices. The GCN Committee recommends to the Board, the REIT's executive compensation philosophy, reviews the adequacy and competitiveness of the design of the REIT's executive compensation plans, recommends the performance objectives of, and the form and amount of compensation for, the CEO, Senior Vice-President and Chief Financial Officer ("CFO") and Senior Vice-President, Real Estate ("SVP") to the Board for approval. The GCN Committee also oversees grants and payouts under the REIT's incentive plans as well as the adjudication of matters impacting the payouts under those plans.

The GCN Committee also oversees the REIT's approach to corporate governance in order to assist the Board in discharging its duties in an effective manner. The GCN Committee reviews criteria for selecting new trustees, reviews the competencies and skills required in trustees and in the Board as a whole, maintains an evergreen list of prospective trustee nominees, recommends proposed trustees to the Board for approval as nominees, and recommends to the Board the appointment of the Chairman of the Board and the Chairman and members of each of the Committees. The GCN Committee recommends the criteria for evaluating the independence of trustees and assesses their independence against those criteria, recommends the process for assessing the performance of the Board, Committees, individual trustees (including in their capacity as Committee members) and the Chairman of the Board. The GCN Committee also reviews and recommends for approval by the Board the form and amount of the compensation for trustees and the Chairman of the Board. It evaluates the adequacy of the Board charter and Committee mandates, reviews and evaluates processes for trustees' orientation and education activities, and reviews the ongoing relationship between the Board and management. The GCN Committee monitors developments and best practices with a view to continually improving the Board's corporate governance.

### 2017 Highlights

Highlights of work that the GCN Committee did during 2017, in addition to its continuous review and assessment of the REIT's executive compensation programs and corporate governance policies and practices, included:

- evaluating the changing skills and experience required by the REIT to guide its Board renewal process, considering the REIT's strategies, risks, current and anticipated priorities, succession planning for key Board positions and the composition of the Board, and considering potential candidates for election or appointment as trustees in that context;
- as part of the Board's renewal process, reviewing and recommending to the Board, the trustee nominees for election at the Meeting;
- reviewing and recommending to the Board the short-term incentive plan adjudication matters;
- reviewing and recommending to the Board amendments to the executive compensation plans and programs including the compensation philosophy and peer group;

- reviewing and recommending to the Board amendments to the Performance Unit Plan (“PU Plan”) and Restricted Unit Plan (“RU Plan”);
- reviewing and recommending to the Board the performance objectives for the CEO, CFO and SVP;
- reviewing the CEO, CFO and SVP’s assessments against their respective performance objectives;
- reviewing and recommending to the Board the short-term incentive compensation payments and long-term incentive plan grants;
- reviewing and approving the process used by the REIT to review related party transactions;
- reviewing and recommending to the Board the REIT’s Management Information Circular;
- reviewing and recommending to the Board the appointment of the Chairman of the Board;
- reviewing and recommending to the Board the appointment of the Chairmen and members of all Committees;
- evaluating the findings of a market review of the REIT’s remuneration of trustees and considering the adequacy of the Trustee Unit Ownership Guidelines;
- reviewing the trustee succession plan;
- approving the process for evaluating and assessing the performance of the Chairman of the Board and the individual trustees (including in their capacity as Committee members);
- overseeing the performance assessment of the Chairman of the Board and the individual trustees (including in their capacity as Committee members);
- evaluating the findings of a market review of the REIT’s remuneration of its executives and recommending an increase in the SVP’s base salary;
- reviewing and recommending to the Board the adoption of CT Savings Plan, an employees’ savings plan, operated by CTC;
- reviewing governance matters addressed in the Declaration of Trust; and
- reviewing the Board-management relationship.

## Investment Committee Report

The Declaration of Trust provides that the Investment Committee shall consist of at least three trustees, a majority of whom are to be independent trustees and unaffiliated with CTC. The Investment Committee is comprised of three trustees, a majority of whom are persons the REIT has determined to be independent trustees and unaffiliated with CTC. All of the members are residents of Canada.

The following report has been approved by the members of the Investment Committee: John O'Bryan (*Chairman*), Brent Hollister and Ken Silver.



**John O'Bryan**  
Chairman



**Brent Hollister**



**Ken Silver**

### Responsibilities

The Investment Committee is charged with reviewing and recommending to the Board for approval investment policies, and monitoring the application of and compliance with such policies. The Investment Committee is also responsible for monitoring the performance of the REIT's portfolio based on benchmarks that it adopts from time to time. It reviews proposed investments on behalf of the REIT and, if appropriate, recommends such investments to the Board for approval.

### 2017 Highlights

Highlights of work that the Investment Committee completed during 2017, in addition to reviewing and recommending to the Board a number of investments, including acquisitions, intensifications and developments and receiving regular reports with respect to the REIT's development projects, included:

- reviewing the progress of the Investment Plan;
- reviewing the REIT's approach to property management;
- reviewing the Environmental Compliance Board Policy;
- overseeing the REIT's compliance with the Environmental Management Program and remediation activity;
- reviewing, overseeing the application of, and the REIT's compliance with, the REIT's investment guidelines and operating policies under the Declaration of Trust; and
- receiving reports on the performance of the REIT's portfolio.

## TRUSTEE COMPENSATION

CT REIT's trustee compensation program is designed to attract and retain qualified and committed trustees, appropriately reward them for their time commitment and contributions and align their interests with the interests of the Unitholders and with the REIT's objectives.

The GCN Committee is responsible for monitoring, reviewing at least every two years, and recommending to the Board of Trustees for approval, the form and amount of trustees' remuneration to ensure that it is commensurate with the responsibilities and risks assumed by trustees, reflects the time commitment required to serve on the Board, and is competitive with other real estate investment trusts which are comparable, in terms of the REIT's size and complexity. The GCN Committee conducted a market review of trustee compensation in 2017, the results of which indicated that the REIT's trustee compensation was aligned to the market and the Trustee Unit Ownership Guidelines remain consistent with market practice. As such, the GCN Committee determined that no changes to trustee remuneration or to the Trustee Unit Ownership Guidelines were warranted.

### Trustee Fees

A trustee, who is not an employee or officer of CT REIT or CTC, is compensated for his or her services through a combination of retainers and attendance fees. Trustee compensation is paid in cash or may be received in DUs, at the option of each trustee. Trustees are also reimbursed for travel and other expenses they incur to attend Unitholder meetings or Board and Committee meetings.

The tables below list the fees our trustees (including the Chairman of the Board) were entitled to receive during 2017. The CEO and those trustees who are employees of CTC did not receive any of these fees.

Annual Retainer	Amount	Meeting Fees <sup>(1)(2)</sup>	Amount
Chairman of the Board	\$90,000	Board Meeting	\$1,500
Trustees	\$50,000	Audit Committee	\$1,750
Audit Committee Chairman	\$15,000	Investment Committee and GCN Committee	\$1,500
GCN Committee Chairman	\$10,000	Travel Fee <sup>(3)</sup>	\$1,500
Investment Committee Chairman	\$10,000		

#### Notes:

- (1) Meeting fees are not payable to trustees who attend meetings of Committees of which they are not members.
- (2) Trustees who participate in telephone meetings of less than 60 minutes will receive the following fees: Board meeting (\$750), Audit Committee meeting (\$875), GCN Committee meeting (\$750) and Investment Committee meeting (\$750).
- (3) Only applicable when travel time for a round-trip to attend a meeting is more than four hours.

### Deferred Unit Plan for Trustees

Each trustee, who is not an employee or executive officer of the REIT or CTC, is eligible to participate in the DU Plan, pursuant to which a trustee may elect to receive all or part of his or her annual retainer, meeting fees and additional compensation (including travel fees, if applicable), which are paid quarterly, in DUs. The DU Plan allows trustees to participate in the long-term success of the REIT and promotes greater alignment of interests between trustees and Unitholders.

Under the DU Plan, DUs are credited quarterly to each participating trustee's account. The number of DUs is calculated by dividing the cash amount the trustee elects to receive in DUs by the volume weighted average trading price ("VWAP") of a Trust Unit on the TSX for the five trading days immediately preceding the date on which the DUs are credited. Additional DUs are automatically credited to a participating trustee's account when the REIT pays a distribution to Trust Unitholders, which is calculated by multiplying the number of DUs in the trustee's account on the record date for the payment of such distribution by the amount of the distribution paid per Trust Unit, and dividing that amount by the VWAP of a Trust Unit on the TSX for the five trading days immediately preceding the distribution payment date for such distribution.

All DUs and related DU distribution equivalents are vested at the time of the grant but are settled in Trust Units or, at the election of the participant, the cash equivalent, only after termination of service with the REIT.

A trustee who has elected to participate in the DU plan may change or revoke his or her election for such fiscal year (and subsequent fiscal years) by providing written notice to the Trust.

The Board may suspend, terminate or, subject to receipt of any requisite regulatory approval, make certain amendments to the DU Plan without Unitholder approval. Such amendments may include amendments of a housekeeping nature, the addition of or a change to the vesting provisions of a DU or the DU Plan, a change to the termination provisions of a DU or the DU Plan, amendments to reflect changes to applicable securities laws, and amendments to ensure that the DUs granted under the DU Plan will comply with any provisions respecting income tax and other applicable laws.

Unitholder approval is required for the following amendments to the DU Plan, amendments to the expansion of the categories of persons eligible to participate in the DU Plan, amendments to the definition of Market Price under the DU Plan, which is used to, among other things, calculate the number of DUs issuable to, and distributions in respect of DUs payable to, a participant in the DU Plan, amendments which may permit DUs to be transferable or assignable other than for normal estate settlement purposes, amendments to increase the aggregate number of Trust Units reserved for issuance under the DU Plan or the RU Plan for Executives, amendments to the amendment provision, and any amendment required to be approved by the Unitholders under applicable law (including the rules of the TSX).

In the event of a change of control of the REIT, the Board may make such provision for the protection of the rights of participants in the DU Plan as the Board in its discretion considers appropriate in the circumstances, including, without limitation, accelerating or conditionally accelerating the date on which a DU is exchanged for a Trust Unit, or providing or conditionally providing for substitute rights in the continuing entity.

The DU Plan also contains customary provisions in respect of adjustments to or reorganization of the capital structure of CT REIT. The DUs are not transferrable or assignable by a trustee other than by testamentary disposition or the laws of descent and distribution.

For more information on the maximum number of Trust Units issuable pursuant to the DU Plan and participation limits applicable to insiders of CT REIT, please see *Restricted Unit Plan for Executives* on page 41.

## **Trustees Unit Ownership Guidelines**

The REIT's Trustee Unit Ownership Guidelines are designed to: ensure that trustees' interests are aligned with those of the Unitholders, demonstrate that trustees are financially committed to the REIT through personal Trust Unit ownership, and promote our commitment to sound corporate governance. Under the guidelines, each trustee (other than the CEO who is subject to the REIT's executive unit ownership guidelines set out on page 43 and trustees who are employees or executive officers of CTC) is required to accumulate at least three times the value of the annual trustee retainer, which currently equates to \$150,000, in Trust Units or DUs, or a combination thereof, by the fifth anniversary of becoming a trustee. See *About the Proposed Trustees* beginning on page 8 for information regarding the number of Trust Units and DUs held by each of the proposed trustees and the market value thereof. If the annual trustee retainer is increased, trustees who met the guideline on the fifth anniversary of becoming a trustee but would not meet the guideline on the effective date of the increase in the retainer are required to increase their investment. The amount of the required increase in investment is the difference between three times the new annual trustee retainer and the value of the trustee's holdings as at the fifth anniversary of becoming a trustee, which amount must be invested by the date that is two years after the effective date of the increase.

A trustee who does not meet the required investment under the Trustee Unit Ownership Guidelines upon his or her election or appointment to the Board is required to receive at least 50% of the annual trustee retainer in DUs or, at the trustee's discretion, to purchase Trust Units equal in value to at least 50% of the annual trustee retainer. If a trustee has accumulated the required investment amount under the Trustee Unit Ownership Guidelines, he or she will receive the entire annual trustee retainer in cash or DUs, or any combination thereof, as specified by the trustee.

## **Trustees' Hedging Policy**

Under the Trustee Unit Ownership Guidelines, trustees are prohibited from purchasing financial instruments, including 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 as compensation or held, directly or indirectly, by trustees.

## 2017 Trustee Compensation Table and Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the compensation that CT REIT paid to trustees (other than trustees who are REIT or CTC employees) during the year ended December 31, 2017 under the compensation arrangements described above. The table also shows a breakdown of the 2017 “Fees Earned” as between amounts paid in cash and/or DUs. Messrs. McCann, Silver and Wetmore did not receive any compensation for serving as REIT trustees. Mr. Silver’s compensation for serving as CEO is included in the *Summary Compensation Table* on page 45. There are no other option-based awards or other non-equity incentive plan compensation paid to trustees.

The table also provides information regarding the DU grants that were earned by each trustee and vested during the year ended December 31, 2017. DU grants are awarded at the end of each fiscal quarter and vest immediately. See *Deferred Unit Plan for Trustees* on page 29 for details of the DU Plan, including information related to distributions on DUs.

Name <sup>(1)</sup>	Fees Earned <sup>(2)</sup> (\$)	All Other Compensation (\$) <sup>(3)</sup>	Total (\$)	Allocation of Fees Earned		Unit-based awards (DUs) – Value vested during the year <sup>(5)</sup> (\$)
				Amount of Fees paid in Cash (\$)	Amount of Fees received in DUs <sup>(4)</sup> (\$)	
Brent Hollister <sup>(6)</sup>	\$ 78,750	–	\$ 78,750	\$53,750	\$ 25,000	\$ 30,303
David Laidley	\$109,750	–	\$109,750	–	\$109,750	\$135,234
Anna Martini	\$ 84,750	–	\$ 84,750	–	\$ 84,750	\$103,268
John O'Bryan	\$ 80,500	–	\$ 80,500	–	\$ 80,500	\$ 93,242
		<b>Total</b>	<b>\$353,750</b>			–

### Notes:

- (1) Mr. Silver did not receive compensation for serving as a trustee. Mr Silver’s compensation for serving as CEO is included in the *Summary Compensation Table* on page 45. Messrs. McCann and Wetmore, as executive officers of CTC, did not receive any compensation for serving as trustees.
- (2) Fees earned include the aggregate annual retainer and meeting fees.
- (3) No travel fees were paid to trustees in 2017.
- (4) Some trustees elected to receive all or a portion of their cash compensation in DUs.
- (5) Under the DU Plan for trustees, all DUs vest immediately at the time of grant but are settled in Trust Units or, at the option of the participant, the cash equivalent, only after termination of service with the REIT. The value of DUs that vested in 2017 was determined by multiplying the number of DUs issued to each trustee in the year by the five-day VWAP of Trust Units on the TSX prior to and including the last business day before the applicable date of issuance. All amounts include DUs awarded for monthly distribution equivalents based on the total number of DUs held by a trustee on the applicable record date. For more information, see *Deferred Unit Plan for Trustees* on page 29.
- (6) Mr. Hollister will not be standing for re-election at the upcoming Meeting.

# EXECUTIVE COMPENSATION

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## Compensation Discussion and Analysis

The GCN Committee and the Board are committed to ensuring that our compensation philosophy, plans and programs are appropriate, support the REIT's ability to achieve its strategic objectives and are effective in attracting, retaining and motivating a skilled team of executives to maximize Unitholder value. The REIT is committed to ensuring that its approach to compensation is explained fully and clearly. The Executive Compensation section in this Management Information Circular provides details of the REIT's compensation plans and the processes and decisions that underlie them.

### Introduction

The following Compensation Discussion and Analysis ("CD&A") is intended to provide Unitholders with a description of the processes and decisions involved in the design, oversight and payout of the REIT's compensation programs for the Named Executive Officers (the "NEOs") for the 2017 year. In this CD&A, NEOs are also referred to as "Executives".

The NEOs during fiscal 2017 were as follows:

- Ken Silver, President and Chief Executive Officer
- Louis Forbes, Senior Vice-President and Chief Financial Officer
- Kevin Salsberg, Senior Vice-President, Real Estate

Messrs. Silver, Forbes and Salsberg are presently the only Executives of the REIT.

### Governance, Compensation and Nominating Committee Composition and Mandate

The GCN Committee, together with the Board, reviews the design and payout of the REIT's executive compensation programs on an annual basis. As part of this review, the GCN Committee evaluates individual executive compensation, including annual base salary, short and long-term incentive plan designs and payouts for our Executives. The GCN Committee believes that this review process allows for a thorough assessment of the executive compensation programs' alignment with its objectives and market practices. In addition, the GCN Committee is responsible for the oversight of Executive succession planning.

The current members of the GCN Committee are set out below together with a description of the experience of each member that is relevant to the performance of his or her responsibilities on the GCN Committee. The Board believes that the GCN Committee collectively has the knowledge, experience and background required to fulfill its mandate.

#### ***Brent Hollister***

Mr. Hollister's experience that is relevant to his responsibilities in compensation matters includes his former role as President and Chief Executive Officer for Sears Canada Inc., during which he oversaw the design and implementation of total compensation and benefit programs for the multi-channel retailer. Mr. Hollister also served on the Board of Trustees of Primaris Retail REIT from 2009 to 2013 and was a member of its Compensation Committee.

#### ***David Laidley***

Mr. Laidley's experience that is relevant to his responsibilities in compensation matters includes his role as Chairman of Deloitte from 2000 to 2006. In addition, he previously served on the Governance Committee of Aimia Inc. and the Compensation Committee of EMCOR Group Inc.

#### ***Anna Martini***

Ms. Martini's experience that is relevant to her responsibilities in compensation matters includes her role as Chief Financial Officer of Club de Hockey, Canadien Inc., Bell Centre and evenko, and her role on the board of Transcontinental Inc. where she is a member of the Human Resources and Compensation Committee. Ms. Martini was also President of Group Dynamite Inc. from 2004 to 2017 and served as a member of the Human Resources and Compensation Committee of Velan Inc. from 2008 to 2013.

#### ***Stephen Wetmore***

Mr. Wetmore's experience that is relevant to his responsibilities in compensation matters includes his role as President and Chief Executive Officer of CTC. Mr. Wetmore previously served as President and Chief Executive Officer of Bell Alliant Regional Communications Income Fund, now Bell Alliant, a subsidiary of BCE Inc. As an experienced executive, Mr. Wetmore has successfully led a number of public companies and has extensive experience in corporate governance.

## Role of Management in Compensation Decisions

Pursuant to the Services Agreement, CTC's Senior Vice-President, Talent assists the CEO in developing and presenting to the GCN Committee recommendations and supporting material and analysis pertaining to the compensation of the Executives. In addition, she works with the Chairman of the GCN Committee to plan the GCN Committee meeting agendas and prepare presentations for meetings of the GCN Committee. From time to time, management may retain external consultants to provide advice on executive compensation.

The CEO is invited to attend all regular meetings of the GCN Committee and consults on compensation recommendations except as such recommendations relate specifically to his own compensation.

An *in camera* session, during which management is not in attendance, is held during each regular GCN Committee meeting.

## Independent Compensation Advisors

The GCN Committee has authority to engage an independent compensation consultant to provide independent advice, compensation analysis and other information to support the GCN Committee. To date, the GCN Committee has not retained an independent consultant or advisor to assist them in determining compensation for any of the Executives.

## Executive Compensation Philosophy

The objective of the REIT's executive compensation program is to attract, motivate and retain an outstanding leadership team and to align rewards with business results and individual performance. The REIT's approach is to encourage management to make decisions and take actions that will create long-term sustainable growth resulting in long-term unitholder value.

The executive compensation philosophy is based on the following three overarching principles:

- compensation programs are designed to be aligned with CT REIT's strategy and to reward strategic and operating performance;
- compensation programs are designed to assist in attracting and retaining the leadership required to drive exceptional performance; and
- compensation programs are designed to foster long-term value creation.

## Competitive Benchmarking

In order to attract and retain the leadership talent required to achieve its goals, the REIT needs to ensure that its executive compensation programs are competitive. Market practices help to define the total compensation mix, as well as the range of pay opportunity for the REIT's Executives, which are based on peer group information used in benchmarking the REIT's compensation plans and programs, and with whom the REIT would compete for talent.

The group of real estate investment trusts against which the REIT benchmarked executive compensation in 2017 is listed in the table below. The list includes Canadian real estate investment trusts that are comparable in terms of size and complexity. The real estate investment trusts within the REIT's peer group includes 13 of the 16 real estate investment trusts within the TSX Capped REIT Index and other real estate investment trusts that are similar in terms of structure and complexity, and with assets generally between one-third to three times those of CT REIT.

By ensuring comparable executive compensation plans and programs and compensation levels to those real estate investment trusts within this peer group, the REIT is well positioned to attract and retain the leadership talent required to achieve its objectives.

### Benchmarking Peer Group<sup>(1)</sup>

Allied Properties REIT	Dream Office REIT
Artis REIT	First Capital Realty Inc.
Boardwalk REIT	Granite REIT
Canadian Apartment Properties REIT	Killam Apartment REIT
Canadian Real Estate Investment Trust	Morguard REIT
Chartwell Retirement Residences REIT	Northview Apartment REIT
Choice Properties REIT	Pure Industrial Real Estate Trust
Cominar REIT	SmartREIT
Crombie REIT	

**Note:**

(1) Milestone Apartments REIT has been removed from the Benchmarking Peer Group as it is no longer publicly listed.

CT REIT considers median compensation levels of base salary, short-term incentive, long-term incentive and total remuneration when assessing the compensation levels for Executives in comparable roles in the peer group. Level of responsibility, experience, expertise, performance, potential and achievement of business objectives are also considered in determining individual compensation decisions for the REIT's Executives.

### **Relationship of Executive Compensation to Risk**

The REIT has designed its executive compensation programs to provide an appropriate balance of risk and reward in relation to its overall business strategy. The REIT also has in place several policies and practices applicable to its Executives, which are designed to mitigate risk. These policies and practices include incentive plans which have been designed to focus on the long-term, an incentive clawback policy related to the REIT's short-term and long-term compensation programs (for more information see *Short-Term Incentive Plan* beginning on page 37 and *Long-Term Incentive Plan* beginning on page 40), guidelines for Executives that require a minimum level of Trust Unit ownership, and a prohibition against the hedging of changes in the value of the REIT's securities (for more information see *Executive Unit Ownership Guidelines* on page 43).

In addition, the REIT's executive compensation plans and programs incorporate safeguards that are intended to mitigate risk. These risk mitigation practices include, but are not limited to, the following:

- ensuring compensation plans, programs and policies for Executives are aligned to the achievement of the REIT's strategic objectives;
- ensuring both short-term and long-term incentive plans incorporate capped or maximum payout levels;
- ensuring that the short-term incentive plan is linked to the REIT's profitability, including a threshold level of financial performance that must be achieved before any awards are paid out;
- conducting regular market compensation reviews to ensure the compensation plans continue to be competitive and appropriate; and
- requiring the review and approval by the GCN Committee of all short-term incentive plan adjudication items.

The GCN Committee reviews each incentive compensation plan and has the discretion to recommend to the Board adjustments to individual incentive awards, as appropriate.

## CT REIT's Executive Compensation Programs

### Components of CT REIT's 2017 Executive Compensation Program

The components of executive compensation are comprised principally of base salary, short-term incentives and long-term incentives, as further described in the table below. Benefits and perquisites comprise a relatively small part of an Executive's total annual compensation.

Compensation Component	Objective	Form
<b>Base Salary</b>	Provide fixed compensation that reflects the skills and experience of the Executive and that is relative to the market value of the role.	Cash
<b>Short-Term Incentive Plan ("STIP")</b>	Reward Executives for their contribution to the achievement of annual objectives and financial performance in furtherance of the REIT's strategy.  The REIT has a RU Plan pursuant to which Executives may elect to receive all or part of their STIP awards in Restricted Units (the "RU Plan for Executives").	Cash  Restricted Units ("RUs")
<b>Long-Term Incentive Plan ("LTIP")</b>	Align the interests of Executives with the achievement of the REIT's long-term business objectives as well as with the interests of Unitholders.  Reward Executives for achieving financial targets and increasing Unitholder value over a three-year period.	Performance Units ("PUs")
<b>Benefits</b>	Promote general wellness and preventative care.	<ul style="list-style-type: none"> <li>• Health and dental insurance</li> <li>• Group life and accidental death and dismemberment insurance</li> <li>• Short-term disability insurance</li> <li>• Employee-paid long-term disability insurance</li> </ul>
<b>Perquisites</b>	Provide market competitive perquisites to Executives.	<ul style="list-style-type: none"> <li>• Annual car allowance</li> <li>• Paid parking</li> <li>• Annual medical assessment</li> <li>• Annual financial planning allowance</li> <li>• CTC employee store discount</li> </ul>

In 2017, the GCN Committee recommended for approval to the Board of Trustees the inclusion of the CT Savings Plan, operated by CTC, as part of the compensation program for Executives and other employees of the REIT commencing in 2018. The Board of Trustees approved the inclusion of the CT Savings Plan as part of the compensation program. The CT Savings Plan allows for long-term retirement savings in the absence of a pension plan by matching employee contributions, to a maximum of 5% of the eligible earnings of each participating employee. The funds are invested in various investment vehicles, including equity, bond and money market funds and guaranteed investment certificates, selected by employees.

## Fixed versus Variable Compensation

Total compensation is comprised of both fixed and variable elements. The fixed elements include base salary, benefits and perquisites. There is no pension plan for Executives.

The variable elements of total compensation consist of STIP, which may be comprised of cash and/or RUs, and LTIP, comprised entirely of PUs. A significant portion (i.e. between 51% and 63%) of the total compensation paid to NEOs, at target, is contingent upon financial and Trust Unit price performance.

The compensation mix varies by level to reflect both market practice and the impact of executive roles on the REIT's overall performance. The base salary portion of executive compensation is fixed, while the short-term and long-term incentive portions are performance-based. CT REIT sets its compensation mix to generally reflect that of its peer group.

The target pay mix of the primary compensation components for the NEOs is shown in the following table:

NEO	Percentage of Target Total Direct Compensation			Percentage of Pay at Risk
	Base Salary	Short-term Incentive	Long-term Incentive	
	<i>Fixed</i>	<i>Variable</i>		
Ken Silver	37%	26%	37%	63%
Louis Forbes	44%	27%	29%	56%
Kevin Salsberg	49%	24%	27%	51%

The following sections provide an overview of the executive compensation programs listed on page 36 as well as the individual compensation decisions for the 2017 year.

### Base Salary

The overall objective of base salaries paid to the REIT's Executives is to provide fixed compensation that reflects the skills and experience that each Executive must possess to make meaningful contributions.

Base salaries are reviewed on an annual basis by the GCN Committee to ensure salaries are appropriate and take the following into consideration:

- the Executive's level of responsibility;
- the Executive's experience, expertise, performance and potential; and
- total compensation for each Executive.

As appropriate, the GCN Committee also considers the REIT's risk profile, such as the volatility of the industry sector, diversity of Unitholder ownership, or other such factors, in determining the overall salary positioning.

The GCN Committee then considers the Executive's salary positioning relative to the market value for the role, in conjunction with the Executive's level of experience and performance, to determine whether to recommend a salary increase to the Board.

In 2017, the GCN Committee conducted a market review of base salaries and, consistent with the approach for assessing salary increases outlined above, recommended a base salary increase for the SVP of 6.7% to \$320,000. This recommendation was approved by the Board, and became effective as of October 1, 2017.

### Short-Term Incentive Plan

The objective of the STIP is to motivate and reward Executives to achieve the REIT's annual business objectives. Each year the GCN Committee reviews and recommends to the Board the REIT's STIP design for Executives, any related performance measures, weightings, targets and individual performance goals.

STIP targets are expressed as a percentage of base salary and are determined for each Executive based on competitive market practice for comparable roles. The STIP target is the award that is earned for achieving target levels of both individual and REIT performance. The STIP targets for Executives are 70% of base salary for the CEO, 60% for the CFO and 50% for the SVP.

The STIP design incorporates an assessment of both individual and REIT performance metrics in determining the final STIP award. Individual performance is assessed through the achievement of annual objectives. REIT performance is based on the achievement of Adjusted Funds From Operations per Unit (a non-GAAP measure, on a diluted basis) (“AFFOPU”) compared to the Plan. By embedding the achievement of planned AFFOPU in the STIP design, the REIT aligns the interest of Executives with Unitholders’ interest in sustainable long-term growth of the Trust Unit price. At the end of the fiscal year, management reviews the REIT’s financial results and presents all matters that may require interpretation or adjudication to the GCN Committee for review and determination of the appropriate treatment of those matters.

The actual payout percentage for the REIT’s performance component of the STIP design (“REIT Component Payout Percentage”) is based on the degree of achievement of AFFOPU versus the Plan, as follows:

- The target is set at 100% of planned AFFOPU. If the target is achieved the REIT Component Payout Percentage would be 100%.
- The lower shoulder is the minimum level of AFFOPU at which a threshold REIT Component Payout Percentage is determined. The lower shoulder is 95% of target. If this lower shoulder is achieved the REIT Component Payout Percentage would be 35%. No STIP award is payable to any Executive if AFFOPU is below this lower shoulder.
- The upper shoulder is the level of AFFOPU at which a maximum REIT Component Payout Percentage is determined. The upper shoulder is 105% of target. If this upper shoulder is achieved the REIT Component Payout Percentage would be 175%. Results of AFFOPU above 105% will be capped at the maximum REIT Component Payout Percentage of 175%.

For AFFOPU results that fall between minimum and target, or between target and maximum, a linear calculation is used to determine the actual REIT Component Payout Percentage.

The following table summarizes the calculation of the REIT Component Payout Percentage for the 2017 STIP:

2017 Plan: AFFOPU			Actual AFFOPU <sup>(1)</sup>	Actual AFFOPU as a % of Target	2017 REIT Component Payout Percentage <sup>(2)</sup>
Threshold (95% of Target) <small>(equates to a 35% multiplier)</small>	Target <small>(equates to a 100% multiplier)</small>	Maximum (105% of Target) <small>(equates to a 175% multiplier)</small>			
\$0.85781	\$0.90296	\$0.94811	\$0.90634	100.37%	105.62%

Notes:

(1) For STIP purposes only, “Actual AFFOPU” means AFFOPU as reviewed and adjudicated by the GCN Committee.

(2) The REIT Component Payout Percentage of 105.62% is established using a linear algebraic formula based on Actual AFFOPU as a percentage of target (100.37%) and the payout shouldered of 35% and 175%.

In addition to the above, Executives are required to have an objective related to AFFOPU in their annual individual objectives against which individual performance will be assessed.

The table below provides details on each NEO's individual objectives and actual performance.

NEO	Individual Objectives	Individual Multiplier
<b>Ken Silver</b> CEO	<ul style="list-style-type: none"> <li>• Drive financial performance in line with annual business plan, including the achievement of AFFOPU</li> <li>• Execute 2017 REIT investment growth plan</li> <li>• Execute 2017 planned capital market activity</li> <li>• Advance and execute the REIT's development program</li> <li>• Update REIT longer term growth strategy</li> <li>• Grow credibility and awareness of CT REIT with key stakeholders</li> </ul>	120%
<b>Louis Forbes</b> CFO	<ul style="list-style-type: none"> <li>• Drive financial performance in line with annual business plan, including the achievement of AFFOPU</li> <li>• Execute 2017 REIT investment growth plan</li> <li>• Execute 2017 planned capital market activity</li> <li>• Advance and execute the REIT's development program</li> <li>• Update REIT longer term growth strategy</li> <li>• Grow credibility and awareness of CT REIT with key stakeholders</li> </ul>	120%
<b>Kevin Salsberg</b> SVP	<ul style="list-style-type: none"> <li>• Drive financial performance in line with annual business plan, including the achievement of AFFOPU</li> <li>• Execute 2017 REIT investment growth plan</li> <li>• Deliver planned property management and leasing objectives</li> <li>• Advance and execute the REIT's development program</li> <li>• Update REIT longer term growth strategy</li> <li>• Develop supporting capabilities</li> </ul>	140%

The table below provides details on each NEO's actual STIP award and the STIP award as a percentage of eligible earnings and as a percentage of target.

NEO	Target Award (%)	REIT Component Payout Percentage	Individual Multiplier (%)	Actual STIP Award (\$)	STIP Award (% of eligible earnings)	STIP Award (% of target)
Ken Silver	70%	105.62%	120%	\$532,325	88.7%	126.7%
Louis Forbes	60%	105.62%	120%	\$319,395	76.0%	126.7%
Kevin Salsberg	50%	105.62%	140%	\$224,930	73.9%	147.9%

The REIT has established the RU Plan for Executives pursuant to which Executives may elect to receive all or part of their annual STIP awards in RUs in order to allow them to participate in the long-term success of the REIT and to promote a greater alignment of interests between Executives and Unitholders. For more information see *Restricted Unit Plan for Executives* and *Executive Unit Ownership Guidelines* on pages 41 and 43, respectively.

#### Clawback

The REIT has a clawback policy applicable to all Executives which provides that in the event of a restatement of the REIT's financial statements for any reason the Board may, in its discretion, adjust or require repayment under the STIP using the restated financial statements. This policy is applicable to any STIP award impacted by the restatement in circumstances where the payment has not yet been made or where the restatement occurs within three years of the payment.

## Non-GAAP Measures

In this section, there are references to AFFO per unit or “AFFOPU” which is a diluted, non-GAAP financial measure and is not defined under International Financial Reporting Standards (“IFRS”). AFFOPU is a supplemental measure of recurring economic earnings used in the real estate industry to assess an entity’s distribution capacity. AFFOPU should not be considered as an alternative to net income or cash flows provided by operating activities determined in accordance with IFRS. CT REIT calculates its AFFO in accordance with the Real Property Association of Canada’s White Paper on Funds From Operations & Adjusted Funds From Operations for IFRS issued in February 2017. Further information on AFFO per unit and other non-GAAP measures used by CT REIT’s management and for reconciliations to the nearest GAAP measures are provided in CT REIT’s MD&A, which is available on our website at [www.ctreit.com](http://www.ctreit.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

## Long-Term Incentive Plan

The primary objective of CT REIT’s LTIP is to align the interests of Executives with the achievement of the REIT’s long-term business objectives and with the interests of Unitholders.

The GCN Committee annually reviews and recommends to the Board the target LTIP award for each Executive and any associated performance conditions (for example, performance levels that must be achieved in order for the award to result in a payment).

The target LTIP award for each Executive is generally expressed as a percentage of base salary and is determined for each Executive based on competitive market practice for comparable roles. In 2017, the LTIP targets for Executives were as follows: 100% of base salary for the CEO, 65% for the CFO and 55% for the SVP. LTIP awards are comprised entirely of PUs which are governed by the terms of the PU Plan described below.

Executives received LTIP grants in 2017 which consisted of 39,848 PUs for Mr. Silver, 18,131 PUs for Mr. Forbes and 10,958 PUs for Mr. Salsberg.

## Performance Unit Plan

PUs are awarded to Executives by the Board upon the recommendation of the GCN Committee. Provided performance conditions are met, each PU awarded entitles the Executive to a cash payment equal to the VWAP of a Trust Unit during the 10 calendar day period that commences on the first business day following the end of the performance period. The performance period of each PU award is approximately three years from the date of issuance, subject to certain terms and conditions on the termination of an Executive (if applicable). PU awards are generally paid to Executives no later than 90 days after the end of the performance period.

The 2017 PUs are subject to a multiplier, applied at the end of the three-year performance period, based on the three-year average REIT Component Payout Percentage. The multiplier is calculated on a linear basis as follows:

	<b>Below Threshold</b>	<b>Threshold</b>	<b>Target</b>	<b>Maximum</b>
Three-year average REIT Component Payout Percentage (2017-2019)	<50%	50%	100%	>=150%
Performance Multiplier	0%	35%	100%	175%

PU grants are subject to a clawback provision pursuant to the PU Plan which provides that in the event of a restatement of the REIT’s financial statements for any reason the Board may, in its discretion, adjust the payments under the PU Plan using the restated financial statements. This provision applies to any PU payment impacted by a restatement in circumstances where the payment has not yet been made or where the restatement occurs within three years of the payment.

Executives are credited additional PUs upon payment of a distribution to Unitholders. The number of PUs which will be credited to the Executive will be determined by multiplying the number of PUs in the Executive’s account on the record date for the payment of such distribution by the amount of the distribution paid per Unit and dividing that amount by the VWAP of a Trust Unit during the 10 calendar day period that commences on the first business day following the day the distribution is paid. Additional PUs awarded for distribution equivalents will vest on the same terms as the PUs to which they relate.

The Board may terminate or amend the PU Plan without the consent of the participant so long as such termination or amendment(s) does not adversely affect such participant's rights with respect to PUs previously awarded under the PU Plan, unless such termination of or amendment(s) to the PU Plan are required by law.

The PU Plan also contains customary provisions in respect of adjustments to or reorganization of the capital structure of CT REIT. The PUs are not transferrable or assignable by an Executive other than by testamentary disposition or the laws of descent and distribution.

### **2014 PU Payout (vested in 2017)**

The PU awards that were granted to NEOs in 2014 vested and were paid out in 2017 at 223% of the grant date value due to the significant increase in the Trust Unit price between 2014 and 2017 and the overall performance multiplier of 1.45 applied to these awards. For more information regarding the 2014 PU Plan design see pages 49 to 50 of the REIT's Management Information Circular dated March 13, 2014 which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The 2014 PU payouts, including as a percentage of their grant value, are shown in the table below.

NEO	2014 PU Payout					
	Number of PUs Granted in 2014	Performance Multiplier	Weighted Average Unit Price (\$) <sup>(1)</sup>	2014 Payout (\$) <sup>(2)</sup>	2014 Grant Value (\$)	2014 Payout as Percentage of Grant Value (%)
Ken Silver	42,500	1.45	\$15.388	\$948,286	\$425,000	223%
Louis Forbes	20,625	1.45	\$15.388	\$460,197	\$206,250	223%
Kevin Salsberg <sup>(3)</sup>	–	–	–	–	–	–

#### **Notes**

- (1) This column reflects the VWAP of a Trust Unit during the 10-calendar day period commencing on the first business day following the release of the 2016 financial results.
- (2) This column reflects the value of the 2014 PUs at the time of payout in 2017, based on the number of PUs granted multiplied by (i) the VWAP of a Trust Unit, and (ii) the performance multiplier of 1.45.
- (3) Mr. Salsberg did not hold 2014 PUs at the time of payout.

### **Restricted Unit Plan for Executives**

CT REIT offers the RU Plan for Executives pursuant to which an Executive may elect to receive all or a portion of their annual STIP award for any fiscal year in the form of RUs in order to allow them to participate in the long-term success of the REIT and to promote a greater alignment of interests between Executives and Unitholders. RUs may also be granted in order to attract or retain talented individuals in executive positions or to provide additional rewards to Executives for services performed.

RUs represent a right to receive the value of the RUs in Trust Units, or at the election of the Executive, an equivalent amount of cash following the end of the applicable vesting period which is up to five years in length. The number of RUs granted to an Executive is calculated by dividing, in the case of a STIP award, the amount of the STIP award the Executive has elected to receive in RUs by the VWAP of a Trust Unit on the TSX for the five trading days immediately prior to the tenth business day following the release of CT REIT's financial statements for the year in respect of which the STIP award is earned and, in the case of a grant of RUs, the cash value of the RU award by the VWAP of Trust Units on the TSX for the five trading days prior to the grant date. Additional RUs are credited to an Executive's RU account when the REIT pays a distribution to Unitholders, the number of which is determined by multiplying the number of RUs in the Executive's account on the record date for the payment of such distribution by the amount of the distribution paid per Unit and dividing that amount by the VWAP of the Trust Unit on the TSX for the five trading days prior to the day the distribution is paid.

An Executive who has elected to receive all or a portion of his or her STIP award in RUs may change or revoke his or her election, provided that such change or revocation will be effective with respect to STIP awards for fiscal years commencing after the change or revocation is filed with the Trust.

Following the end of the applicable vesting period, or the earlier of the Executive's resignation or termination of employment without cause, the Executive receives Trust Units issued by, or at his or her option, an equivalent amount of cash from, CT REIT for the number of RUs credited to his or her account, including any distributions paid by the REIT that have accrued in the form of RUs.

Where an Executive has settled RUs in accordance with the terms of the RU Plan (whether such settlement was in the form of Trust Units and/or cash) and has resigned or terminated his or her employment with the REIT without cause, and where, within three years following the Executive's termination date, the Board becomes or is made aware of any circumstance that would have entitled the REIT to have terminated the Executive's employment for cause, resulting in the expiry of any vested or unvested RUs, the Board may require the participant to pay an amount equal to: (i) the VWAP of a Trust Unit on the TSX for the five trading days immediately prior to the participant's termination date multiplied by the number of Trust Units issued to the participant in settlement of such vested and unvested RUs, plus (ii) any amount paid to the participant in cash in settlement of such vested and unvested RUs.

The Board may suspend, terminate or, subject to receipt of requisite regulatory approval, make certain amendments to the RU Plan for Executives without Unitholder approval. Such amendments may include amendments of a housekeeping nature, the addition of or a change to the vesting provisions of a RU or the RU Plan for Executives, a change to the termination provisions of a RU or the RU Plan for Executives, amendments to reflect changes to applicable securities laws, and amendments to ensure that the RUs granted under the RU Plan for Executives will comply with any provisions respecting income tax and other applicable laws.

Unitholder approval is required for the following amendments to the RU Plan for Executives, amendments to the expansion of the categories of persons eligible to participate in the RU Plan for Executives, amendments to the definition of Market Price under the RU Plan for Executives, which is used to, among other things, calculate the number of RUs credited to, and distributions in respect of RUs payable to, a participant in the RU Plan for Executives, amendments which may permit RUs to be transferable or assignable other than for normal estate settlement purposes, amendments to increase the aggregate number of Trust Units reserved for issuance under the RU Plan for Executives or the DU Plan, amendments to the amendment provision, and any amendment required to be approved by the Unitholders under applicable law (including the rules of the TSX).

The RU Plan for Executives also contains customary provisions in respect of adjustments to or reorganization of the capital structure of CT REIT. The RUs are not transferrable or assignable by an Executive other than by testamentary disposition or the laws of descent and distribution.

The maximum number of Trust Units issuable pursuant to the DU Plan (described under *Deferred Unit Plan for Trustees* on page 29) and the RU Plan for Executives will, in the aggregate, not exceed 8,781,048 or approximately 4.1% of the issued and outstanding Units (on a fully-diluted basis). Each of the DU Plan and the RU Plan for Executives contain participation limits for insiders of CT REIT which generally limits the aggregate maximum number of Trust Units: (i) issued to insiders of the REIT within any one-year period; and (ii) issuable to insiders of the REIT at any time pursuant to the DU Plan together with the RU Plan for Executives, to 10% of the number of issued and outstanding Units (on a fully-diluted basis). As at December 31, 2017, less than 0.08% of RUs and DUs have been issued to insiders of CT REIT (on a fully-diluted basis).

### **Other Benefits**

The REIT provides Executives with health benefits which are designed to promote general wellness and preventative care. These benefits include medical and dental insurance, group life and accidental death and dismemberment insurance, short-term disability insurance and employee-paid long-term disability insurance.

### **Perquisites**

The REIT takes a conservative approach to perquisites and determines such programs by reviewing competitive market practices. Executives are provided with the following perquisites: annual car allowance, paid parking, annual medical assessment, and annual financial planning allowance, intended to reinforce individual accountability for personal financial planning, as CT REIT has not offered retirement and pension plans. Participation in CTC's employee store discount program is also provided.

## Executive Unit Ownership Guidelines

CT REIT has Unit ownership guidelines for Executives (the “UOGs”) that set out minimum levels of investment in the REIT. The UOGs are designed to align the interests of Executives with the interests of Unitholders, to demonstrate that Executives are financially committed to the REIT through personal Trust Unit ownership and to promote CT REIT’s commitment to sound corporate governance.

Each Executive is expected to accumulate, at minimum, an amount that is equal to a multiple of his or her annual base salary as set out below in Units and/or RUs, within five years of appointment:

<b>NEO</b>	<b>Multiple of Annual Salary</b>
Ken Silver	2x
Louis Forbes	1x
Kevin Salsberg	1x

Achievement of the UOGs is calculated using the greater of book value or market value, where market value is calculated based on the closing Trust Unit price as reported on the TSX on the last business day of the calendar quarter prior to the fifth anniversary of the NEO’s appointment as an Executive.

If an Executive is promoted to an executive level with a higher multiple, the Executive is required to accumulate the new UOG requirement within five years from the effective date of the promotion. Notwithstanding the Executive’s promotion, the Executive would continue to accumulate his or her UOG requirement that was in effect immediately prior to the effective date of the promotion by his or her original UOG achievement date.

The UOG policy provides that in circumstances where an Executive has not achieved their UOG investment by the required date, the GCN Committee may recommend remedial action, including converting the after-tax value of the Executive’s future STIP awards into RUs or withholding future LTIP awards, until such time as the Executive has achieved his or her UOG requirement.

Executives are prohibited from purchasing financial instruments, including 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 as compensation or held, directly or indirectly, by Executives.

Annually, management reviews each Executive’s investment in the REIT under the UOG and reports to the GCN Committee every two years with respect to same. As of the date hereof, all NEOs have either met their required investment under the UOGs or have time remaining to do so.

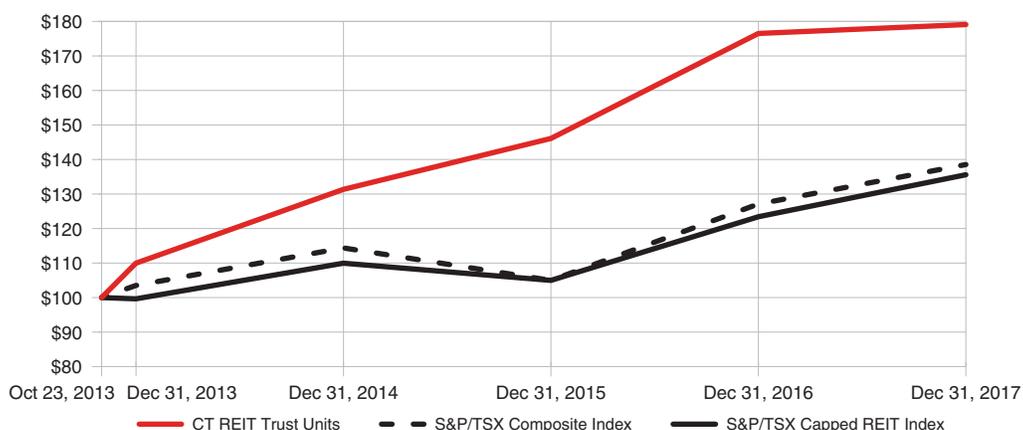
As at December 31, 2017, all Trustees and executive officers of the REIT as a group beneficially owned, directly or indirectly, or exercised control or direction over 330,130 Trust Units (representing approximately 0.36% of the issued and outstanding Trust Units on a non-diluted basis).

## CT REIT Performance Graph

The chart below compares the cumulative Unitholder return on Trust Units to the S&P TSX Composite Index and the S&P TSX Capped REIT Index assuming \$100 was invested on the first day of the REIT's operations, October 23, 2013, and distributions were reinvested.

Over this period, CT REIT's cumulative total Unitholder return was 79% while total return for the S&P TSX Composite Index was 38% and the S&P TSX Capped REIT Index was 35%.

Total compensation for NEOs increased by 6% from 2014 to 2015 (the first two full years of operations) and the total Unitholder return in 2015 was 11%. Total compensation for NEOs increased by 17% from 2015 to 2016 as a result of a third NEO in 2016 compared to two in 2015 and the total Unitholder return in 2016 was 21%. Total compensation for NEOs increased by 7% from 2016 to 2017 and the total Unitholder return in 2017 was 1%.



### Total Unitholder Return on \$100 investment:

Date	CT REIT Trust Units	S&P/TSX Composite Index	S&P/TSX Capped REIT Index
October 23, 2013	\$100.00	\$100.00	\$100.00
December 31, 2013	\$109.92	\$103.44	\$99.61
December 31, 2014	\$131.23	\$114.35	\$109.93
December 31, 2015	\$146.02	\$104.84	\$104.82
December 31, 2016	\$176.46	\$126.94	\$123.30
December 31, 2017	\$178.95	\$138.49	\$135.45

## 2017 Compensation Tables

### Summary Compensation Table

The table below shows the compensation paid to the NEOs in respect of the REIT's three most recently completed fiscal years ended December 31, 2017, 2016 and 2015.

Name and Principal Position (a)	Year (b)	Salary (\$) (c)	Unit-based awards <sup>(1)</sup> (\$) (d)	Option-based awards <sup>(2)</sup> (\$) (e)	Non-equity – annual incentive plans <sup>(3)</sup> (\$) (f)	All other compensation <sup>(4)</sup> (\$) (g)	Total compensation (\$) (h)
Ken Silver CEO	2017	600,000	599,991	–	532,325	–	1,732,316
	2016	602,308	509,990	–	649,051	–	1,761,349
	2015	583,558	659,803	–	515,856	–	1,759,217
Louis Forbes CFO	2017	420,000	272,998	–	319,395	–	1,012,393
	2016	414,077	225,500	–	382,120	–	1,021,697
	2015	404,077	296,993	–	305,989	–	1,007,059
Kevin Salsberg SVP	2017	305,000	164,995	–	224,930	–	694,925
	2016	171,923	99,993	–	123,926	50,000	445,842
	2015	–	–	–	–	–	–

#### Notes:

- (1) The value in this column (d) in 2017 for Messrs. Silver, Forbes and Salsberg reflects PUs based on the VWAP of a Trust Unit during the 10 calendar day period immediately preceding the date on which the grants were approved.
- (2) The REIT does not have any option-based plans.
- (3) This column (f) discloses the amount earned under the STIP in the applicable year. For the 2017 year, Mr. Silver elected to receive 25% of his STIP awards in RUs and in 2016 and 2015, he elected to receive 50% of his STIP awards in RUs.
- (4) This column (g) includes the value of a cash bonus provided to Mr. Salsberg in relation to his employment in 2016. The value of perquisites for the NEOs did not exceed \$50,000 in aggregate, or 10% or more of the NEO's salary, and is therefore not included in this column.

CT REIT does not have any long-term non-equity incentive plans or a pension plan.

### Outstanding Unit-Based Awards and Option-Based Awards

The table below shows the total vested and unvested outstanding long-term incentive awards for each NEO as at December 31, 2017.

Name (a)	Option-based awards <sup>(1)</sup>				Unit-based awards		
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) (e)	Number of Units that have not vested <sup>(2)</sup> (#) (f)	Market or payout value of unit-based awards that have not vested <sup>(3)</sup> (\$) (g)	Market or payout value of vested unit-based awards not paid out or distributed (\$) (h)
Ken Silver	–	–	–	–	169,140	\$2,452,530	–
Louis Forbes	–	–	–	–	71,557	\$1,037,571	–
Kevin Salsberg	–	–	–	–	18,365	\$266,297	–

#### Notes:

- (1) CT REIT does not have any option-based plans.
- (2) This column contains the number of unvested PUs and RUs, including RUs that NEOs elected to receive as part of their STIP awards, held by the NEOs on December 31, 2017, including distribution equivalents received on RUs.
- (3) This column contains the value of unvested PUs and RUs, including RUs that NEOs elected to receive as part of their STIP awards, held by the NEOs as at December 31, 2017, as shown in column (f), using the closing price of the Trust Units on the TSX on December 29, 2017 (\$14.50), assuming a performance multiplier equal to 1.0 for PUs. Upon vesting, the multiplier for PUs may range from 0 to 1.75.

## Incentive Plan Awards

The table below shows the incentive awards that vested or were earned by each NEO during the fiscal year ended December 31, 2017.

<b>Name (a)</b>	<b>Option-based awards – Value vested during the year (\$) (b)</b>	<b>Unit-based awards – Value vested during the year<sup>(1)</sup> (\$) (c)</b>	<b>Non-equity incentive plan compensation – Value earned during the year<sup>(2)</sup> (\$) (d)</b>
Ken Silver	–	\$948,286	\$532,325
Louis Forbes	–	\$460,197	\$319,395
Kevin Salsberg	–	–	\$224,930

**Notes:**

- (1) This column includes the value of the 2014 PU Plan payout upon vesting, which is described in the *2014 PU Payout (vested in 2017)* section on page 41.
- (2) This column includes the amount of the 2017 STIP award, which is also included in the *Summary Compensation Table* on page 45.

## Employment Agreements and Post-Employment Benefits

Each of the NEOs is a party to an agreement with the REIT governing the terms of their employment. The terms of certain additional entitlements of the CEO and the other NEOs under various post-employment scenarios, pursuant to their respective employment agreements and the REIT's plans and policies, are described below. Unless otherwise indicated, payments of awards and other entitlements under the REIT's STIP, RU Plan for Executives and PU Plan are governed in accordance with the terms of such plans and the REIT's policies.

The following summary is qualified in its entirety by reference to the underlying terms and conditions of each NEO's agreement and the terms and conditions of the STIP and applicable RU Plan for Executives and PU Plans and CT REIT policies.

### Employment Agreements

#### CEO Employment Agreement

An employment agreement was established with Mr. Silver in connection with his appointment as President and CEO effective October 23, 2013.

The key terms of the agreement (other than with respect to post-employment benefits) are as follows and reflect the STIP and LTIP design in effect as at the year ended December 31, 2017:

<b>STIP</b>	Mr. Silver's annual STIP target award is 70% of his base salary if target levels of individual and REIT performance established by the Board for the CEO are met, and up to 200% of the target award if such target levels are exceeded by established amounts, subject to the terms of the STIP.
<b>RU Plan for Executives</b>	Mr. Silver may elect annually to defer all or a portion of his STIP award and direct that it be credited in RUs governed by the RU Plan for Executives.
<b>LTIP</b>	Mr. Silver is eligible to receive PUs under the LTIP based on salary, individual capabilities and potential. Mr. Silver's LTIP target is 100% of his base salary.
<b>Perquisites</b>	Mr. Silver is entitled to perquisites, including annual car allowance, paid parking, annual medical assessment and annual financial planning allowance.
<b>Other Benefits</b>	Mr. Silver is entitled to benefits that are generally provided to the REIT's Executives.
<b>Equity Ownership</b>	Mr. Silver is required to achieve the REIT's UOGs as they may be amended from time to time. Currently, these guidelines require ownership in the REIT with a value equal to two times Mr. Silver's base salary to be achieved within five years of Mr. Silver's appointment as CEO. Mr. Silver is given full credit for any Trust Units or RUs that he owns in connection with such required investment.

#### CFO Employment Agreement

An employment agreement was established with Mr. Forbes in connection with his appointment as Senior Vice-President and CFO effective October 23, 2013.

The key terms of the agreement (other than with respect to post-employment benefits) are as follows and reflect the STIP and LTIP design in effect as at the year ended December 31, 2017:

<b>STIP</b>	Mr. Forbes' annual STIP target award is 60% of his base salary if target levels of individual and REIT performance established by the Board for the CFO are met, and up to 200% of the target award if such target levels are exceeded by established amounts, subject to the terms of the STIP.
<b>RU Plan for Executives</b>	Mr. Forbes may elect annually to defer all or a portion of his STIP award and direct that it be credited in RUs governed by the RU Plan for Executives.
<b>LTIP</b>	Mr. Forbes is eligible to receive PUs under the LTIP based on salary, individual capabilities and potential. Mr. Forbes' LTIP target is 65% of his base salary.
<b>Perquisites</b>	Mr. Forbes is entitled to perquisites including annual car allowance, paid parking, annual medical assessment and annual financial planning allowance.
<b>Other Benefits</b>	Mr. Forbes is entitled to benefits that are generally provided to the REIT's Executives.
<b>Equity Ownership</b>	Mr. Forbes is required to achieve the REIT's UOGs as they may be amended from time to time. Currently, these guidelines require ownership in the REIT with a value equal to one times Mr. Forbes' base salary to be achieved within five years of Mr. Forbes' appointment as CFO. Mr. Forbes is given full credit for any Trust Units and RUs that he owns in connection with such required investment.

## SVP Employment Agreement

An employment agreement was established with Mr. Salsberg in connection with his appointment as Senior Vice-President, Real Estate effective June 7, 2016.

The key terms of the agreement (other than with respect to post-employment benefits) are as follows and reflect the STIP and LTIP design in effect as at the year ended December 31, 2017:

<b>STIP</b>	Mr. Salsberg's annual STIP target award is 50% of his base salary if target levels of individual and REIT performance established by the Board for the SVP are met, and up to 200% of the target award if such target levels are exceeded by established amounts, subject to the terms of the STIP.
<b>RU Plan for Executives</b>	Mr. Salsberg may elect annually to defer all or a portion of his STIP award and direct that it be credited in RUs governed by the RU Plan for Executives.
<b>LTIP</b>	Mr. Salsberg is eligible to receive PUs under the LTIP based on salary, individual capabilities and potential. Mr. Salsberg's LTIP target is 55% of his base salary.
<b>Perquisites</b>	Mr. Salsberg is entitled to perquisites including annual car allowance, paid parking, annual medical assessment and annual financial planning allowance.
<b>Other Benefits</b>	Mr. Salsberg is entitled to benefits that are generally provided to the REIT's Executives.
<b>Equity Ownership</b>	Mr. Salsberg is required to achieve the REIT's UOGs as they may be amended from time to time. Currently, these guidelines require ownership in the REIT with a value equal to one times Mr. Salsberg's base salary to be achieved within five years of Mr. Salsberg's appointment as SVP. Mr. Salsberg is given full credit for any Trust Units and RUs that he owns in connection with such required investment.

## Post-Employment Benefits

### CEO

Pursuant to the terms of his employment agreement, Mr. Silver is entitled to receive the following payments and benefits detailed below, in addition to his base salary, benefits and expenses otherwise due and owing to the date of his departure.

In the event of termination without cause, conditional upon delivery of a full and final release and indemnity, Mr. Silver is entitled to the following payments and benefits:

- continuation of his base salary and car allowance payments for a period of 104 weeks following termination (the "CEO Salary Continuance Period");
- pro-rated payment of a STIP award for the year in which the last day of active employment occurs;
- subject to certain conditions, payment of notional awards under CT REIT's STIP during the CEO Salary Continuance Period, payment in lieu of awards under CT REIT's STIP then in existence, calculated based on Mr. Silver's STIP target percentage and his base salary earnings during the CEO Salary Continuance Period;
- payment of his outstanding PU awards as if Mr. Silver had continued to be employed by the REIT during the entire performance period provided for under the applicable PU plans;
- subject to clawback in the event of a restatement of the REIT's financial statements, the vesting of any outstanding STIP RUs on the termination date and full settlement thereof in accordance with the RU Plan for Executives; and
- continued participation in the REIT's employee health and other group insurance benefit plans and entitlement to the annual executive medical assessment and financial planning benefit during the CEO Salary Continuance Period, to the extent permitted by the terms of those plans.

In certain circumstances, some of the foregoing payments may be subject to clawback in the event Mr. Silver obtains alternative employment.

In the event of resignation after the age of 60 and at least 10 years of service with the REIT, conditional upon the provision of two weeks' written notice to the REIT, Mr. Silver is entitled to continued vesting and payment of his outstanding PU awards as if he had continued to be employed by the REIT during the performance period provided for under the applicable PU plans and the vesting of any outstanding STIP RUs and full settlement thereof in accordance with the RU Plan for Executives (subject to any clawback).

In the event that Mr. Silver's employment ceases with the REIT by reason of death or disability, Mr. Silver or his estate, as applicable, will be entitled to:

- payment of his outstanding PU awards as if Mr. Silver had continued to be employed by the REIT during the entire performance period provided for under the applicable PU Plan; and
- immediate vesting of STIP RU grants and full settlement thereof in accordance with the RU Plan for Executives.

#### **CFO**

Pursuant to the terms of his employment agreement, Mr. Forbes is entitled to receive the following payments and benefits detailed below, in addition to his base salary, benefits and expenses otherwise due and owing to the date of his departure.

In the event of termination without cause, conditional upon delivery of a full and final release and indemnity, Mr. Forbes is entitled to the following payments and benefits:

- continuation of his base salary and car allowance for a period which is the greater of (i) the period between the end of his active employment and August 1, 2018, and (ii) the minimum statutory notice period then required pursuant to *Employment Standards Act, 2000* (the "CFO Salary Continuance Period");
- pro-rated payment of a STIP award for the year in which the last day of active employment occurs;
- subject to certain conditions, payment of notional awards under CT REIT's STIP during the CFO Salary Continuance Period, payment in lieu of awards under CT REIT's STIP then in existence, calculated based on Mr. Forbes' STIP target percentage and his base salary earnings during the CFO Salary Continuance Period;
- payment of his outstanding PU awards as if Mr. Forbes had continued to be employed by the REIT during the entire performance period provided for under the applicable PU plans;
- subject to clawback in the event of a restatement of the REIT's financial statements, the vesting of any outstanding STIP RUs on the termination date and full settlement thereof in accordance with the RU Plan for Executives; and
- continued participation in the REIT's employee health and other group insurance benefit plans and entitlement to the annual executive medical assessment and financial planning benefit during CFO Salary Continuance Period, to the extent permitted by the terms of those plans.

In certain circumstances, some of the foregoing payments may be subject to clawback in the event Mr. Forbes obtains alternative employment.

In the event of resignation after the age of 60 and on or after August 1, 2018, conditional upon the provision of two weeks' written notice to the REIT, Mr. Forbes is entitled to continued vesting and payment of his outstanding PU awards as if he had continued to be employed by the REIT during the performance period provided for under the applicable PU plans and the vesting of any outstanding STIP RUs and full settlement thereof in accordance with the RU Plan for Executives (subject to clawback).

In the event that Mr. Forbes' employment ceases with the REIT by reason of death or disability, Mr. Forbes or his estate, as applicable, will be entitled to:

- payment of his outstanding PU awards as if Mr. Forbes had continued to be employed by the REIT during the entire performance period provided for under the applicable PU Plan; and
- immediate vesting of STIP RU grants and full settlement thereof in accordance with the RU Plan for Executives.

#### **SVP**

Pursuant to the terms of his employment agreement, Mr. Salsberg is entitled to receive the following payments and benefits detailed below, in addition to his base salary, benefits and expenses otherwise due and owing to the date of his departure.

In the event of a termination of his employment without cause, conditional upon delivery of a full and final release and indemnity, Mr. Salsberg is entitled to the following payments and benefits:

- continuation of base salary and car allowance payments for a period equal to six weeks for each completed year of service with a minimum of 52 weeks and a maximum of 104 weeks (the "SVP Salary Continuance Period");
- pro-rated payment of a STIP award for the year in which the last day of active employment occurs;
- subject to certain conditions, payment of notional awards under CT REIT's STIP during the SVP Salary Continuance Period, payment in lieu of awards under CT REIT's STIP then in existence, calculated based on Mr. Salsberg's STIP target percentage and his base salary earnings during the SVP Salary Continuance Period;

- pro-rated payment of his outstanding PU awards for the period of Mr. Salsberg's active employment during the performance period provided for under the applicable PU plans;
- subject to clawback in the event of a restatement of the REIT's financial statements, the pro-rated vesting of outstanding discretionary RUs, based on the completed months of Mr. Salsberg's active employment between the grant date and the vesting date in accordance with the RU Plan for Executives;
- continued participation in the REIT's employee health and other group insurance benefit plans and entitlement to the annual executive medical assessment and financial planning benefit during the SVP Salary Continuance Period, to the extent permitted by the terms of those plans.

In certain circumstances, some of the foregoing payments may be subject to clawback in the event Mr. Salsberg obtains alternative employment.

In the event of resignation after the age of 60 and at least 10 years of service with the REIT, conditional upon the provision of two weeks' written notice to the REIT, Mr. Salsberg is entitled to continued vesting and payment of his outstanding PU awards as if he had continued to be employed by the REIT during the performance period provided for under the applicable PU plans and the vesting of any outstanding STIP RUs and full settlement thereof in accordance with the RU Plan for Executives (subject to any clawback).

In the event that Mr. Salsberg's employment ceases with the REIT by reason of death or disability, Mr. Salsberg or his estate, as applicable, will be entitled to:

- payment of his outstanding PU awards as if Mr. Salsberg had continued to be employed by the REIT during the entire performance period provided for under the applicable PU Plan;
- immediate vesting of STIP RU grants and full settlement thereof in accordance with the RU Plan for Executives; and
- the continued vesting of any outstanding discretionary RUs granted to Mr. Salsberg in accordance with his RU grant agreement and the full settlement thereof as per the terms of the RU Plan for Executives.

Messrs. Forbes, Silver and Salsberg have agreed to mitigation, non-compete and non-solicitation provisions in exchange for the termination payments and benefits referred to above.

### Change of Control Provisions

The terms of the REIT's PU Plan and RU Plan for Executives stipulate that certain awards may be accelerated in the event of a "Change of Control", which is defined in each plan, but generally means the acquisition of more than 50% of the voting rights attached to Units (a "Change of Control"). The REIT's PU Plan is subject to a "double trigger" which means that any NEO's outstanding PUs are paid out on a *pro rata* basis only if he or she is terminated without cause or resigns within 24 months of the Change of Control.

Unless otherwise indicated in an NEO's employment agreement, awards are accelerated as follows:

Compensation Element	Effect of Change of Control
Performance Units	PUs are paid out on a <i>pro rata</i> basis, based on the period of active employment with the REIT during the applicable performance period, subject to a multiplier, as set out in the NEO's applicable PU Plan.
Restricted Units	The Board, in its discretion, may make such provision for the protection of participants including changing, or conditionally changing, the vesting date of the RU or the date on which the RU expires, or providing or conditionally providing for substitute rights in the continuing entity.

## Estimated Incremental Payments

The following table presents the estimated potential incremental payments to each of Messrs. Silver, Forbes and Salsberg as if their employment had been terminated without cause (including in the event of a Change of Control), in each case assuming employment was terminated or ceased on December 31, 2017.

The amount that a NEO may receive upon termination of employment can only be determined at the time that he or she leaves the REIT. There are many factors that affect the nature and the amount of any benefits provided and, as a result, actual amounts may be higher or lower than what is reported below. Factors that may affect the reported amounts include the timing of termination of employment during the year of departure, the Trust Unit price at the time of departure, and the NEO's age and years of service with the REIT and/or CTC.

The estimated amounts listed below are in addition to any other benefits and payments (including upon the vesting of units under the REIT's plans).

NEO	Compensation Component	Estimated Incremental Payments as at December 31, 2017 — Termination Without Cause (\$)	
		Without a Change of Control	With a Change of Control
Ken Silver	Base Salary	\$1,200,000	\$1,200,000
	Payment in lieu of STIP <sup>(1)</sup>	\$ 840,000	\$ 840,000
	Performance Units <sup>(2)</sup>	–	\$ 471,582
	Restricted Units <sup>(3)</sup>	\$ 612,271	–
	Perquisites	\$ 56,515	\$ 56,515
	Total	\$2,708,786	\$2,568,097
Louis Forbes <sup>(5)</sup>	Base Salary	\$ 245,096	\$ 245,096
	Payment in lieu of STIP <sup>(1)</sup>	\$ 147,058	\$ 147,058
	Performance Units <sup>(2)</sup>	–	\$ 210,076
	Restricted Units <sup>(3)</sup>	\$ 210,409	–
	Perquisites <sup>(4)</sup>	–	–
	Total	\$ 602,562	\$ 602,230
Kevin Salsberg <sup>(6)</sup>	Base Salary	\$ 320,000	\$ 320,000
	Payment in lieu of STIP <sup>(1)</sup>	\$ 160,000	\$ 160,000
	Performance Units <sup>(2) (7)</sup>	–	–
	Restricted Units <sup>(3)</sup>	–	–
	Perquisites <sup>(4)</sup>	–	–
	Total	\$ 480,000	\$ 480,000

### Notes:

- (1) Assumes payout at target.
- (2) The incremental payments reflect the incremental value of any PUs pro-rated and payable to the date of termination less the value of any forfeited PUs, unless otherwise noted in the NEOs PU Plan or employment agreement. PUs were valued assuming a performance multiplier of 1.0 and based on the closing price of the Trust Units on the TSX on December 29, 2017 (\$14.50).
- (3) RUs are granted either by reason of a STIP deferral or on a discretionary basis. On a termination without cause and absent a Change of Control, RUs granted because of a STIP deferral immediately vest and such RU payments reflect the market value of all unvested RUs as at December 31, 2017. On a termination without cause and absent a Change of Control, incremental payments for discretionary RUs reflect the incremental value of any RUs pro-rated and payable to the date of termination less the value of any forfeited RUs. RUs were calculated based on the closing price of the Trust Units on the TSX on December 29, 2017 (\$14.50). The value of RUs upon a Change of Control and discretionary RUs on retirement have not been included in this table as the Board has discretion to determine how RUs should be treated upon these events.
- (4) Messrs. Forbes and Salsberg are entitled to the continuation of perquisites and other benefits during their notice period. However, as the value of such perquisites and other benefits would not exceed \$50,000 in aggregate, they are not included in this table.
- (5) Assumes CFO Salary Continuance Period up to August 1, 2018.
- (6) Assumes SVP Salary Continuance Period of 12 months.
- (7) Mr. Salsberg's forfeited PUs is greater than the incremental value of any PUs pro-rated.

## OTHER COMPENSATION INFORMATION

### Securities Authorized for Issuance

The table below sets out information regarding the Trust Units authorized for issuance under the REIT's DU Plan for trustees and RU Plan for Executives (collectively, the "Equity Compensation Plans") as at December 31, 2017. Other than the Equity Compensation Plans, the REIT does not have any compensation plans under which its equity securities are authorized for issuance. For more information on the DU Plan, see *Deferred Unit Plan for Trustees* on page 29. For more information on the RU Plan for Executives, see *Restricted Unit Plan for Executives* beginning on page 41.

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)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
<b>Equity Compensation Plans Approved by Securityholders</b>			
DU Plan and RU Plan	168,418 <sup>(1)</sup>	–	8,612,630

**Note:**

(1) The 168,418 RUs and DUs represent less than 0.08% of issued and outstanding Units, on a fully-diluted basis, and less than 0.2% on a non-diluted basis.

The following table sets out the burn rate of the awards granted under the Equity Compensation Plans for the years ended December 31, 2017, 2016 and 2015. The burn rate is calculated by dividing the number of DUs or RUs, as the case may be, granted under either the DU Plan or RU Plan, as applicable, during the relevant fiscal year by the weighted average number of Units, on a diluted basis, outstanding for such fiscal year.

	Number of DUs granted under the DU Plan	Number of RUs granted under the RU Plan	Total number of DUs and RUs granted	Weighted average number of Units outstanding for that fiscal year <sup>(1)</sup>	Annual burn rate <sup>(2)</sup>
<b>January 1 – December 31, 2015</b>	20,067	14,643	<b>34,710</b>	187,511,930	<b>0.02%</b>
<b>January 1 – December 31, 2016</b>	23,687	27,775	<b>51,462</b>	200,439,916	<b>0.03%</b>
<b>January 1 – December 31, 2017</b>	25,124	23,873	<b>48,998</b>	211,310,245	<b>0.02%</b>

**Notes:**

(1) Calculated on a fully-diluted basis and in accordance with the CPA Canada Handbook.

(2) On a non-diluted basis, the burn rate for each of the fiscal years ended December 31, 2015, 2016 and 2017 is 0.04%, 0.06% and 0.05%, respectively.

## OTHER INFORMATION

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### Interest of Informed Persons in Material Transactions

CTC holds an 85.5% effective interest in the REIT on a fully-diluted basis through ownership of 59,711,094 Trust Units and all of the issued and outstanding Class B LP Units. Each Class B LP Unit is exchangeable at the option of the holder for one Trust Unit (subject to certain anti-dilution adjustments), is accompanied by one Special Voting Unit (which provides for the same voting rights in the REIT as a Trust Unit) and receives distributions of cash from the Partnership equal to the distributions made by the REIT on a Trust Unit. In addition, CTC holds all of the outstanding Class C LP Units of the Partnership.

### Management Contracts

CT REIT and CTC are parties to a number of commercial agreements which govern the relationship between them. In addition to the Services Agreement and the Property Management Agreement, such agreements include a right of first offer agreement, development agreement and non-competition and non-solicitation agreement. For a discussion of such commercial agreements, transactions and other arrangements and certain fees paid between CT REIT and CTC in connection therewith, please refer to the 2017 AIF, MD&A and Audited Consolidated Financial Statements for the year ended December 31, 2017, all of which are available on the REIT's website at [www.ctreit.com](http://www.ctreit.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). The referenced commercial agreements are material contracts for the REIT and any disclosure in this Management Information Circular, the 2017 AIF or elsewhere is qualified in its entirety by reference to the terms of such agreements which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

The REIT employs an experienced internal senior executive team which is supported by CTC pursuant to the Services Agreement and the Property Management Agreement. Pursuant to the Services Agreement, CTC provides the REIT with certain administrative, financial, information technology, human resources and ancillary services (the "Services"). CTC is responsible for performing the Services primarily through its management team and employees. In carrying out the Services, CTC is subject to the REIT's oversight. Certain property management services are also provided by CTC pursuant to the Property Management Agreement.

### Indebtedness of Trustees, Officers and Employees

As at March 5, 2018, none of the REIT's trustees, executive officers, employees or former trustees, executive officers or employees were indebted to the REIT or any of its subsidiaries.

### Liability Insurance for Trustees and Officers

During the year ended December 31, 2017, CT REIT purchased Trustees' and Officers' ("T&O") liability insurance coverage in the amount of \$40 million. This insurance is designed to protect the trustees and officers of the REIT against liabilities they may face in their capacity as trustees or officers of the REIT.

No deductible is applied to any loss for which the REIT does not indemnify an individual trustee or officer. Any loss for which the REIT grants indemnification to a trustee or officer is subject to a deductible of \$50,000 which it will pay. Loss resulting from a securities claim, brought against the REIT for an alleged securities law violation, is subject to a deductible of \$75,000. The T&O liability insurance does not cover losses arising from any deliberately dishonest, fraudulent or criminal act or omission.

The REIT paid \$71,200 (not including taxes) in policy premiums for the period from October 23, 2017 to October 23, 2018, none of which was paid by individual trustees and officers. The insurance policy does not differentiate between coverage for trustees and coverage for officers, and the REIT cannot estimate the amount of the premium that relates to the group of trustees or the group of officers.

### Documents You Can Request

You can ask us for a copy of the following documents at no charge:

- MD&A and Audited Consolidated Financial Statements for the year ended December 31, 2017. These documents contain the REIT's financial information.
- The 2017 AIF and the documents incorporated by reference therein.

To request any of these documents, please write to Kimberley M. Graham, VP, General Counsel & Secretary, CT Real Estate Investment Trust, 2180 Yonge Street, Toronto, Ontario M4P 2V8.

The MD&A, Audited Consolidated Financial Statements, 2017 AIF and other information about CT REIT are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

You can also visit our website at [www.ctreit.com](http://www.ctreit.com). Select the *Investors* tab for the REIT's annual report for the year ended December 31, 2017, the 2017 AIF, financial news releases, Trust Unit price information, distribution payment history, as well as investor presentations and webcasts.

Information contained in or otherwise accessible through the websites referenced in this Management Information Circular does not form part of this Management Information Circular and is not incorporated by reference into this Management Information Circular. All references to such websites are inactive textual references and are for information only.

The contents and the sending of this Management Information Circular have been approved by the Board of Trustees of CT Real Estate Investment Trust.

## APPENDIX A

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### BOARD OF TRUSTEES' MANDATE

#### 1. Introduction

The Board of Trustees (the “**Board**”) of CT Real Estate Investment Trust (the “**REIT**”) is elected by the unitholders of the REIT, in accordance with the Declaration of Trust dated October 22, 2013 as amended from time to time (“**Declaration of Trust**”), and is responsible for providing governance and stewardship to the REIT. The purpose of this Mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

#### 2. Chairman of the Board

The chairman of the Board (the “**Chairman**”) will be appointed by the Board after considering the recommendation of the Governance, Compensation and Nominating (“**GCN**”) Committee for such term as the Board may determine and shall initially be independent.

#### 3. Independence

The Board will be comprised of a majority of independent trustees established by applicable laws and the rules of any stock exchanges upon which the REIT's units are listed, including section 1.4 of National Instrument 52-110 – Audit Committees, as the same may be amended from time to time.

Where the Chairman is not independent, the independent trustees will select one of the independent trustees to be appointed lead trustee of the Board for such term as the independent trustees may determine. If the REIT has a non-executive Chairman who is independent, then the role of the lead trustee will be filled by the non-executive Chairman. The lead trustee or nonexecutive Chairman will chair regular meetings of the independent trustees and assume other responsibilities that the independent trustees as a whole have designated.

#### 4. Role and Responsibilities of the Board

The responsibilities of the Board include:

- (a) obtaining reasonable assurance of compliance with the Declaration of Trust;
- (b) monitoring performance of the REIT;
- (c) adopting a strategic planning process and approving strategic goals, performance objectives and operational policies;
- (d) obtaining reasonable assurances that processes are in place for identifying and managing the principal risks inherent in the REIT's business and operations;
- (e) monitoring financial disclosure;
- (f) reviewing and approving the REIT's distribution policy and approve the timing and payment of distributions;
- (g) reviewing and approving annual operating plans and budgets;
- (h) succession planning, including the appointment, training and supervision of management;
- (i) monitoring financial reporting and management;
- (j) monitoring internal control, enterprise risk management and management information systems;
- (k) overseeing corporate disclosure and communications;
- (l) adopting measures for receiving feedback from stakeholders on material issues; and
- (m) monitoring the REIT's governance, including adopting key corporate policies designed to obtain reasonable assurance that the REIT, its trustees, officers and employees comply with all applicable laws, rules and regulations, and conduct their business ethically and with honesty and integrity.

The Board shall meet at least four times annually and as many additional times as required to carry out its duties effectively. After each meeting of the Board, the independent trustees may meet without the non-independent trustees. In addition, separate, regularly scheduled meetings of the independent trustees of the Board may be held, at which members of management are not present.

The Board will delegate responsibility for the day-to-day management of the REIT's business and affairs to the REIT's senior officers, and will supervise such senior officers appropriately.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee, the GCN Committee, and the Investment Committee. The Board will, however, retain its oversight function and ultimate accountability for these matters and all delegated responsibilities.

#### **5. Strategic Planning Process and Risk Management**

The Board will adopt a strategic planning process to establish objectives and goals for the REIT's business, and will review, approve and modify, as appropriate, the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the REIT's business and affairs.

The Board, in conjunction with management, will identify the principal risks of the REIT's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

#### **6. Corporate Social Responsibility, Ethics and Integrity**

The Board will provide leadership to the REIT in support of its commitment to corporate social responsibility, set the ethical tone for the REIT and its management, and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the President and CEO and management, as well as satisfy itself that the President and CEO and management create a culture of integrity throughout the organization.

#### **7. Succession Planning, Appointment and Supervision of Management**

The Board will approve the succession plan for the REIT, including the selection, appointment, supervision and evaluation of the President and CEO and the other senior officers of the REIT, and will also approve the compensation of the President and CEO and the other senior officers of the REIT.

#### **8. Delegations and Approval Authorities**

The Board will delegate to the President and CEO and senior management authority over the day-to-day management of the business and affairs of the REIT. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.

#### **9. Monitoring of Financial Reporting and Management**

The Board will approve all regulatory filings, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments, equity financings, borrowings and all annual operating plans and budgets.

The Board will adopt procedures that seek to: oversee the integrity of internal controls and management information systems; obtaining reasonable assurances of compliance with all applicable laws, rules and regulations; and prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violation of the REIT's code of business conduct and ethics and fraud against unitholders.

#### **10. Corporate Disclosure and Communications**

The Board will seek to obtain reasonable assurances that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which the REIT's securities are listed as well as the disclosure policy of the REIT. In addition, the Board will adopt procedures that seek to ensure the Board receives feedback from security holders on material issues.

#### **11. Orientation and Continuing Education**

With the assistance of the GCN Committee, the Board shall ensure that all trustees receive a comprehensive orientation program and continuing education in connection with their role, responsibilities, the business of the REIT, and the skills they must use in their roles as trustees.

#### **12. Equity Ownership by Trustees**

The Board shall oversee the trustees' compliance with the REIT's equity ownership guidelines.

### 13. Corporate Policies

The Board will adopt policies and procedures designed to provide reasonable assurance that the REIT, its trustees, officers and employees comply with all applicable laws, rules and regulations and conduct the REIT's business ethically and with honesty and integrity. The following policies have been approved:

- Disclosure Board Policy
- Enterprise Risk Management Board Policy
- Environmental Policy
- Ethical Conduct Policy
- Leverage and Liquidity Risk Management Board Policy
- Securities and Counterparty Board Policy
- Securities Trading and Reporting Board Policy.

The Board will review such policies annually or in accordance with the review schedule set out in the policies, if applicable, and, where appropriate, approve changes thereto.

### 14. Governance

The Board will develop, approve and monitor the REIT's approach to corporate governance, including:

- (a) filling vacancies on the Board, the Audit Committee, the Investment Committee, the GCN Committee, including appointing or filling vacancies in the chairmanships thereof, after considering the recommendation of the GCN Committee;
- (b) identifying the appropriate criteria for selecting new trustees and the competencies and skills that the Board considers necessary for the Board, as a whole, and individual trustees to possess after considering the recommendation of the GCN Committee;
- (c) assessing the adequacy of this Mandate and committee charters, at least every three years, or more frequently if necessary, or at the request of the secretary of the REIT, as a result of legislative, industry or regulatory changes and, if appropriate, approve changes thereto, after considering the recommendation of the GCN Committee.

Dated: August 2, 2016  
Approved by: Board of Trustees

# HOW TO CONTACT US

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## HOME OFFICE

### CT REAL ESTATE INVESTMENT TRUST

2180 Yonge Street  
Toronto, Ontario M4P 2V8  
Canada  
Telephone: 416-480-2029  
Fax: 416-480-3216  
Website: <https://www.ctreit.com>

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## REGISTRAR AND TRANSFER AGENT

### COMPUTERSHARE TRUST COMPANY OF CANADA

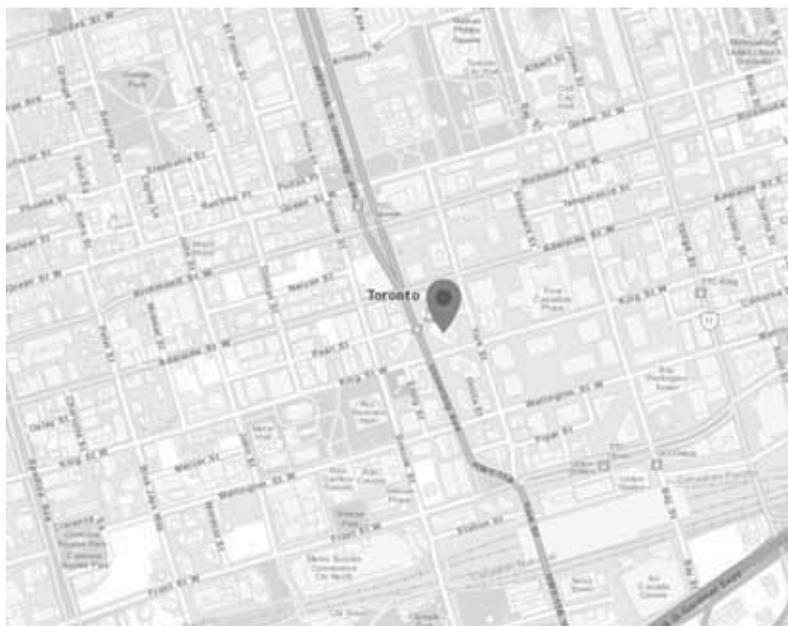
100 University Avenue, 8th floor  
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Toll-free (Canada and U.S.):  
1-877-982-8768  
Telephone (Global): 514-982-7122  
Fax (Canada and U.S.): 1-866-249-7775  
Fax (Global): 416-263-9524  
Email: [service@computershare.com](mailto:service@computershare.com)

To change your address, eliminate multiple mailings, transfer Units of the REIT, inquire about our Distribution Reinvestment Plan or for other Unitholder account inquiries, please contact the principal offices of Computershare Trust Company of Canada in Halifax, Montreal, Toronto, Calgary or Vancouver.

## ANNUAL MEETING OF UNITHOLDERS

Vantage Venues (formerly, St. Andrew's Club and Conference Centre)  
Garden Hall  
150 King Street West, 16<sup>th</sup> floor  
Toronto, Ontario M5H 1J9  
Tuesday, May 8, 2018  
10:00 a.m. (Toronto time)



### Parking:

There is no public parking under 150 King Street West, however there are a number of "Green P" carparks nearby. Please refer to the Vantage Venues website at [www.vantagevenues.com/directions-parking](http://www.vantagevenues.com/directions-parking) for more information.



CT Real Estate Investment Trust  
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Visit our website at  
**[www.ctreit.com](http://www.ctreit.com)**