FIRST CAPITAL REALTY INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 4, 2019

This Management Information Circular requires your immediate attention. If you are in doubt as to how to deal with this document, the documents referred to herein or the matters to which they refer, please consult your professional advisors.

April 25, 2019

FIRST CAPITAL REALTY INC.
85 Hanna Avenue, Suite 400, Toronto, Ontario M6K 3S3
T 416.504.4114 F 416.941.1655 TF 1.877.504.4114
www.fcr.ca

April 25, 2019

Dear Fellow Shareholder:

We are pleased to invite you to attend the 2019 Annual Meeting of Shareholders of First Capital Realty Inc. (the "Company") on Tuesday, June 4, 2019 at 10:00 a.m. (Toronto time), at Yorkville Village, The Oval, Concourse Level, 136 Yorkville Avenue, Toronto, Ontario M5R 1C2.

The purpose of the meeting will be to conduct our regular annual meeting business and other business as described in the Notice of 2019 Annual Meeting of Shareholders.

Attending the meeting gives you an opportunity to vote your shares in person, hear first-hand about our business, and meet in person with members of the Board of Directors and our Executive Leadership Team.

Your vote is important. The management information circular in respect of the meeting contains important information about voting, the nominated directors, our governance practices and how we compensate our directors and executives. Voting by proxy (or voting instruction form, as applicable) is the easiest way to vote – just follow the instructions for submitting your proxy by mail, internet or telephone.

On behalf of the Board of Directors and the Executive Leadership Team of the Company, we look forward to welcoming you on June 4th.

Yours truly,

FIRST CAPITAL REALTY INC.

Adam E. Paul
President and Chief Executive Officer

FIRST CAPITAL™

NOTICE OF 2019 ANNUAL MEETING OF SHAREHOLDERS

You are invited to the 2019 Annual Meeting of Shareholders (the "Meeting") of First Capital Realty Inc. (the "Company" or "FCR"):

When	**Where**
Tuesday, June 4, 2019 10:00 a.m. (Toronto Time)	Yorkville Village The Oval, Concourse Level 136 Yorkville Avenue, Toronto, Ontario M5R 1C2

Business of the Meeting

1. To receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2018, together with the report of the auditors thereon (see *Business of the Meeting – Receiving the Financial Statements* in the management information circular (the "Circular"));
2. To elect the Board of Directors for the ensuing year (see *Business of the Meeting – Election of Directors* in the Circular);
3. To appoint auditors for the ensuing year and to authorize the Board of Directors to fix the remuneration paid to the auditors (see *Business of the Meeting – Appointment of Auditor* in the Circular);
4. To consider, in an advisory, non-binding capacity, the approach to executive compensation disclosed in the Circular (see *Business of the Meeting – Say-on-Pay Non-Binding Advisory Vote* in the Circular); and
5. To consider other business that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Record Date

You have the right to vote if you held common shares of FCR ("Common Shares") as at the close of business on April 24, 2019.

Your vote is important. You can vote by proxy (or voting instruction form, as applicable) if you are unable to attend the Meeting and vote in person. The Circular explains the voting process and discusses the items of business in more detail and is considered part of this notice.

Notice-and-Access

The Company is using the "notice-and-access" system adopted by the Canadian Securities Administrators for the delivery of the Circular and 2018 annual report, which includes the Company's management's discussion and analysis and annual audited consolidated financial statements for the fiscal year ended

December 31, 2018 (collectively, the "Meeting Materials"). Under notice-and-access, you will receive a proxy or voting instruction form enabling you to vote at the Meeting. However, instead of a paper copy of the Circular, you receive this notice which contains information about how to access the Meeting Materials electronically. The principal benefit of the notice-and-access system is that it reduces the environmental impact of producing and distributing paper copies of documents in large quantities.

The Circular and form of proxy (or voting instruction form, as applicable) provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Circular before voting.**

Shareholders with questions about notice-and-access can call 1-866-964-0492.

Websites Where Meeting Materials are Posted

Our Meeting Materials can be viewed online on our website at https://fcr.ca/ir/shareholder-meeting, or under our SEDAR profile at www.sedar.com.

Beneficial and Registered Shareholders

If you would like paper copies of the Meeting Materials, you should first determine whether you are (i) a beneficial holder of the Common Shares, as are most of our shareholders, or (ii) a registered shareholder.

- You are a beneficial shareholder (also known as a non-registered shareholder) if you beneficially own Common Shares that are held in the name of an intermediary such as a bank, trust company, securities broker, trustee, depository, clearing agency (such as CDS Clearing and Depository Services Inc. or "CDS") or other intermediary. For example, you are a non-registered shareholder if your Common Shares are held in a brokerage account of any type.
- You are a registered shareholder if you hold a paper share certificate and your name appears directly on your share certificate.

How to Obtain Paper Copies of the Meeting Materials

Beneficial shareholders may request that paper copies of the Meeting Materials be mailed to them at no cost. Requests may be made up to one year from the date that the Circular was filed on SEDAR by going to www.proxyvote.com and entering the 16-digit control number located on your voting instruction form and following the instructions provided. Alternatively, you may submit a request by calling 1-877-907-7643. Requests should be received by May 22, 2019 (i.e., at least seven business days in advance of the date and time set out in your voting instruction form as a voting deadline) if you would like to receive the Meeting Materials in advance of the voting deadline and Meeting date.

If you hold a paper share certificate and your name appears directly on your share certificate, you are a registered shareholder and you may request that paper copies of the Meeting Materials be mailed to you at no cost. Requests by registered shareholders may be made up to one year from the date that the Circular was filed on SEDAR by calling 1-866-404-4114. Requests should be received by May 22, 2019 (i.e., at least seven business days in advance of the date and time set out in your proxy form as a voting deadline) if you would like to receive the Meeting Materials in advance of the voting deadline and Meeting date.

Voting

Beneficial shareholders should complete and submit the voting instruction form in accordance with the directions on the form. Voting instruction forms can be completed and submitted using the following options:

INTERNET: www.proxyvote.com
TELEPHONE: 1-800-474-7493 (English) or 1-800-474-7501 (French)
MAIL: Data Processing Centre, P.O. Box 3700, STN Industrial Park, Markham, ON L3R 9Z9

Voting instructions must be received at least one business day in advance of the proxy deposit date noted on your voting instruction form. If a beneficial shareholder wishes to vote at the Meeting in person (or have another person attend and vote on such shareholder's behalf), he or she must complete the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend at the Meeting in person and vote will be forwarded to such beneficial shareholder.

Registered shareholders who are unable to be present at the Meeting should exercise their right to vote by completing and submitting the form of proxy in accordance with the directions on the form. Forms of proxy may also be completed and submitted by telephone or through the internet at www.investorvote.com. Computershare Trust Company of Canada, our transfer agent and registrar, must receive completed proxies not later than 10:00 a.m. (Toronto time) on May 31, 2019 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjourned or postponed meeting.

By Order of the Board of Directors,

Adam E. Paul
President and Chief Executive Officer

April 25, 2019
Toronto, Ontario

TABLE OF CONTENTS

MANAGEMENT INFORMATION CIRCULAR

We are sending you this management information circular ("Circular") because you owned FCR common shares ("Common Shares") as at the close of business on April 24, 2019 (the "Record Date"). As a shareholder of record, you are entitled to receive notice of our 2019 annual meeting of shareholders to be held on June 4, 2019 (the "Meeting"), attend the Meeting and vote your Common Shares.

Management is soliciting your proxy for the Meeting, and any adjournment or postponement thereof, for the purposes set out in the Notice of Meeting (the "Notice"). This Circular includes important information about the items of business we will be covering at the Meeting. It also provides detailed information about the nominated directors, our governance practices and how we compensate our directors and executives.

In this document, *we*, *us*, *our*, the *Company* and *FCR* refer to First Capital Realty Inc. *You* and *your* refer to FCR shareholders.

The information in this management information circular is provided as of April 25, 2019, unless indicated otherwise.

All information is presented in Canadian dollars, unless indicated otherwise.

We are using the "notice-and-access" system for the delivery of the Circular and our annual report in respect of fiscal 2018, which includes management's discussion and analysis and our annual audited consolidated financial statements for the fiscal year ended December 31, 2018 (collectively, the "Meeting Materials").

Under the notice-and-access system, the Notice and form of proxy (or voting instruction form, as applicable) will be mailed on or about May 1, 2019 to all shareholders of record of the Company as of the close of business on April 24, 2019. The Notice provides instructions regarding the website availability of the Meeting Materials. Shareholders have the ability to access the Meeting Materials on our website at https://fcr.ca/ir/shareholder-meeting and under our SEDAR profile at www.sedar.com, and to request a paper copy of the Meeting Materials by telephone. Instructions on how to request a paper copy can be found in the Notice. The principal benefit of the notice-and-access system is that it reduces the environmental impact of producing and distributing paper copies of documents in large quantities.

See the discussion below for information about who is entitled to vote and how to vote. The solicitation of proxies in conjunction with the matters referred to in this Circular is being made on behalf of management of FCR. The Company will bear all costs associated with this Circular, the Notice and the form of proxy (or voting instruction form, as applicable), as well as the costs of the solicitation of proxies (or voting instructions). Although the solicitation will be primarily by mail, officers and employees of the Company may also directly solicit proxies or voting instructions (but not for additional compensation) personally, by telephone or facsimile or by other means of electronic transmission. Banks, brokerage houses and other custodians and nominees or fiduciaries will be requested to forward proxy solicitation materials to their principals and to obtain authorizations for the execution of proxies, and will be reimbursed for their reasonable expenses in doing so.

Who Can Vote

You have the right to vote on each matter put to a vote at the Meeting if you owned Common Shares as of the close of business on April 24, 2019. Each Common Share you own entitles you to one vote.

In order to determine how to vote at the Meeting, you should first determine whether you are a beneficial or registered shareholder.

Beneficial Holders

Most of our shareholders are beneficial, or non-registered, shareholders ("Beneficial Holders"). You are a Beneficial Holder if you beneficially own Common Shares that are held in the name of an intermediary such as a bank, trust company, securities broker, trustee, depository, clearing agency (such as CDS Clearing and Depository Services Inc. or "CDS") or other intermediary. For example, you are a Beneficial Holder if you hold your Common Shares in a brokerage account of any type.

Beneficial Holders will receive a request for voting instructions for the number of Common Shares they hold. For your Common Shares to be voted, you must follow the instructions on the request for voting instructions that is provided to you. Voting instruction forms can be completed by telephone or facsimile at the applicable numbers listed thereon, by mail in the envelope provided, or through the Internet at www.proxyvote.com. **Beneficial Holders who are completing, signing and delivering voting instruction forms should note that those forms specify mandatory delivery dates which generally occur BEFORE the deadline that registered shareholders must deliver completed forms of proxy.**

In some cases, Beneficial Holders may be given a form of proxy which has already been signed by the intermediary (typically by a facsimile or stamped signature) which is restricted as to the number of Common Shares beneficially owned but which is otherwise uncompleted. The form of proxy need not be signed by the shareholder. In this case, the Beneficial Holder who wishes to submit a form of proxy should properly complete the form of proxy and deposit it with Computershare Trust Company of Canada ("Computershare"), our transfer agent and registrar, as described below under *Registered Holders*.

Since we have limited access to the names or holdings of Beneficial Holders, you must complete the following steps to vote in person at the Meeting (or have another person attend and vote on your behalf): (a) insert your own name (or such other person's name) in the space provided or mark the appropriate box on the request for voting instructions to appoint yourself (or such other person) as the proxyholder; and (b) return the document in the envelope provided or as otherwise permitted by your intermediary. No other part of the form should be completed. In some cases, your intermediary may send you additional documentation that must also be completed in order for you (or such other person) to vote in person at the Meeting.

Registered Holders

You are a registered shareholder if you hold a paper share certificate and your name appears directly on your share certificate.

You have the right to authorize another person or company, called a proxyholder, to attend the meeting and vote on your behalf. The persons named as proxyholders in the form of proxy are representatives of management of the Company and are directors and/or officers of the Company. If you wish to appoint some other person as your proxyholder, you may do so by inserting such person's name in the blank space provided on the form of proxy. The form of proxy also affords you the opportunity to specify that the Common Shares registered in your name shall be voted for, or withheld from voting, in respect of the matters outlined in the Notice.

To be valid, proxies must be deposited with Computershare at 100 University Avenue, 9th Floor, North Tower, Toronto, Ontario, M5J 2Y1 not later than 10:00 a.m. (Toronto time) on May 31, 2019 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjourned or postponed meeting. Forms of proxy may also be completed by telephone or facsimile at the applicable numbers listed on the form of proxy or through the internet at www.investorvote.com.

Revocation

Beneficial Holders

A Beneficial Holder may revoke a voting instruction form and the right to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on a revocation of a voting instruction form that is not received by the intermediary at least seven days prior to the Meeting.

Registered Holders

A registered shareholder who has given a proxy may revoke the proxy by:

(a) completing and signing a proxy bearing a later date and depositing it with Computershare as described above;

(b) depositing an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing:

- (i) at FCR's registered office at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting, at which the proxy is to be used; or

- (ii) with the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting, or any adjournment or postponement of the Meeting; or

(c) in any other manner permitted by law.

Voting

The management representatives designated in the form of proxy (or voting instruction form) will vote or withhold from voting the Common Shares in respect of which they are appointed on any ballot that may be called for in accordance with the instructions of the shareholder as indicated on the proxy (or voting instruction form, as applicable) and, if the shareholder specifies a choice with respect to any matter to be acted upon, such Common Shares will be voted accordingly. **In the absence of such direction, such Common Shares will be voted**:

- **FOR the election of each of the management nominees named in this Circular as directors (see *Business of the Meeting – Election of Directors*);**
- **FOR the reappointment of Ernst & Young LLP as the auditors of the Company and the authorization of the directors to fix the remuneration to be paid to the auditors (see *Business of the Meeting – Appointment of Auditor*); and**
- **FOR the non-binding advisory resolution accepting the approach to executive compensation disclosed in this Circular (see *Business of the Meeting – Say-on-Pay Non-Binding Advisory Vote*).**

The form of proxy (or voting instruction form, as applicable) confers discretionary authority upon the management representatives designated therein with respect to amendments to or variations of matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters.

Voting of Shares

As of the close of business on April 24, 2019, the Company had outstanding 219,067,855 Common Shares. Each holder of Common Shares of record at the close of business on April 24, 2019 is entitled to vote on all matters proposed to come before the Meeting on the basis of one vote for each Common Share held. A simple majority of votes cast, in person or by proxy (or voting instruction form), is required to approve each of the items specified in the Notice. Only shareholders of record at the close of business on April 24, 2019 are entitled to vote at the Meeting.

Significant Holders of Voting Securities

To the knowledge of our directors and officers, there is no person or company who beneficially owns, directly or indirectly, or exercises control or direction over, securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities as at the close of business on April 24, 2019, the record date for the Meeting.

Gazit-Globe Ltd. (“Gazit-Globe”), a corporation listed on the Tel Aviv Stock Exchange (the “TASE”), through its indirect wholly-owned subsidiary Gazit Canada Inc. (“Gazit Canada” and, together with Gazit-Globe, “Gazit”), was previously a significant shareholder of the Company, holding approximately 31.3% of the outstanding Common Shares as of December 31, 2018.

On February 28, 2019, the Company announced that the following transactions were entered into, upon completion of which, the ownership of the Common Shares by Gazit would be reduced from approximately 31.3% to approximately 9.9%:

i. *Share Repurchase Transaction*: Pursuant to a transaction agreement dated February 28, 2019 between the Company, Gazit Canada and Gazit-Globe (the “Transaction Agreement”), the Company agreed to purchase for cancellation 36,000,000 Common Shares from Gazit Canada for a price of $20.60 per Common Share, for gross share consideration paid to Gazit Canada of $741.6 million (the “Share Repurchase Transaction”); and

ii. *Secondary Offering*: The Company, Gazit Canada, Gazit-Globe and RBC Dominion Securities Inc. (“RBC”) entered into an agreement for Gazit Canada to sell 22,000,000 Common Shares on a bought deal basis to a syndicate of underwriters led by RBC, at a price of $20.60 per Common Share, payable in two instalments, for total gross proceeds to Gazit Canada of $453.2 million (the “Secondary Offering”).

The Secondary Offering closed on April 11, 2019. The Share Repurchase Transaction was approved by the Company’s shareholders on April 10, 2019 and closed on April 16, 2019.

BUSINESS OF THE MEETING

Receiving the Financial Statements

Our consolidated annual financial statements for the fiscal year ended December 31, 2018 and the auditors' report thereon are available on our website at www.fcr.ca, or our SEDAR profile at www.sedar.com.

Election of Directors

Shareholders are asked to vote on the election of directors to the Board of Directors of FCR (the "Board of Directors" or the "Board"). Nine directors have been nominated, seven of whom currently serve on our Board. All nine nominated directors are eligible to serve as directors and have expressed their willingness to do so. The nominated directors are:

Dori J. Segal	Annalisa King
Adam E. Paul	Aladin (Al) W. Mawani
Leonard Abramsky	Bernard McDonell
Paul C. Douglas	Andrea Stephen
Jon N. Hagan	

Management and the Board recommend that you vote ***for*** *the nominated directors.*

The management representatives designated in the form of proxy (or voting instruction form, as applicable) will vote or withhold from voting the Common Shares in respect of which they are appointed by proxy in the election of the management nominees for director in accordance with the instructions of the shareholder as indicated on the proxy. **In the absence of such instructions, such Common Shares will be voted FOR the election of such directors.** All such nominees who are now directors have been directors since the dates indicated in *About the Nominated Directors* below. Management does not contemplate that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason before the Meeting, the management representatives designated in the form of proxy (or voting instruction form, as applicable) reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the Company's next annual meeting or until his or her successor is elected or appointed.

See *About the Nominated Directors* for more information.

HIGHLIGHTS OF THE BOARD OF DIRECTORS

- Highly experienced Board of Directors, with expertise in all key areas of the Company's business.
- 7 of 9 nominees for director are independent (assuming election of nominees).
- Women represent 22% of the Board and 29% of the independent directors of the Board (assuming election of nominees).
- Independent Chair of the Board.
- 4 new members since 2016 (assuming election of nominees).
- Individual and majority voting policy.
- All directors in 2018 met or exceeded applicable share ownership requirements.
- Skills matrix used to evaluate and guide the composition and development of the Board and committees.
- Board Diversity Policy to ensure that diversity is considered during the director recruitment process.

Majority Voting Policy

The Board believes that each of its members should carry the confidence and support of its shareholders. To this end, the Board has unanimously adopted an individual and majority voting policy that requires that shareholders be able to vote in favour of, or withhold from voting, separately for each nominee for director and that, in an uncontested election of directors, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall immediately tender his or her resignation to the Chair of the Board following the applicable meeting or to each member of the Compensation and Corporate Governance Committee (as defined below) if the affected director is such Chair. Any resignation received by the Chair of the Board shall be promptly referred to the Compensation and Corporate Governance Committee for consideration. An "uncontested election" means an election where the number of nominees for directors is equal to the number of directors to be elected.

The Compensation and Corporate Governance Committee shall, promptly following the resignation but in any event within 30 days of the applicable shareholders' meeting, consider the offer of resignation and shall recommend to the Board whether or not to accept it. The Compensation and Corporate Governance Committee shall recommend that the Board accept the resignation absent exceptional circumstances that would warrant the applicable director to continue to serve on the Board.

The Board shall act on the Compensation and Corporate Governance Committee's recommendation promptly following its receipt thereof and, in any event, within 90 days of the applicable shareholders' meeting. The Board shall accept the Compensation and Corporate Governance Committee's recommendation absent exceptional circumstances. If a resignation is accepted, the Board may, subject to applicable law and the Company's articles of amalgamation, appoint a new director to fill any vacancy created by the resignation, reduce the size of the Board or call a meeting of shareholders to appoint a replacement. A resignation will be effective upon its acceptance by the Board. The Company will promptly issue a news release announcing the Board's decision. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision.

Board Committees

The Board has established the following three standing committees:

- Audit Committee
- Compensation and Corporate Governance Committee
- Investment Committee

The current members of these committees are indicated in *About the Nominated Directors* below. Following the Meeting, the Compensation and Corporate Governance Committee will be split into two committees, namely (i) the Compensation Committee and (ii) the Corporate Governance Committee.

About the Nominated Directors

The Board has determined that nine directors are to be elected this year. Seven of the nine nominated directors currently serve on the Board. Seven of the nine nominated directors are independent of the Company as determined in accordance with applicable securities laws.

In conjunction with the Share Repurchase Transaction, Mr. Segal will step down as Chair of the Board and Chair of the Investment Committee shortly before the Meeting, and the Board has resolved to appoint Mr. McDonell as Chair of the Board and Chair of the Investment Committee upon Mr. Segal stepping down as Chair (the "Chair Transition").

The Transaction Agreement provides Gazit with the right to nominate one representative to the Board as long as Gazit-Globe beneficially owns, directly or indirectly, or exercises control or direction over, at least 5% of the outstanding Common Shares. Mr. Segal is being nominated for election to the Board at the Meeting pursuant to Gazit's nomination right under the Transaction Agreement.

The following profiles present information about the nominated directors, including their areas of expertise, their membership on other public entity boards and the number of FCR securities held as at the Record Date. Each director has skills and experience that are important for fulfilling his or her responsibilities as a member of the Board (see *Skills Matrix* below). See *Our Corporate Governance Practices – Share Ownership Guidelines* for additional information regarding the equity ownership by the directors.

The following profiles also provide the proxy voting results received by each director at our 2018 annual meeting of shareholders held on May 29, 2018 (the "2018 Meeting"), where there were shareholders represented in person or by proxy holding 202,973,349 Common Shares, representing 82.91% of our then issued and outstanding Common Shares.

DORI J. SEGAL

Age: 57

Toronto, Ontario, Canada

Director Since: August 18, 2000

NOT INDEPENDENT
(Chair and Former President and Chief Executive Officer of the Company) (1)

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Environmental
Human resource management
Public policy/corporate relations

Principal Occupation

Mr. Segal will continue to act as the Chair of the Board of the Company until the Chair Transition. He is a director of Gazit-Globe and Norstar Holdings Inc. ("Norstar"). Previously, Mr. Segal was the Vice Chairman and Chief Executive Officer of Gazit-Globe and Vice Chairman of Norstar. He was the President and Chief Executive Officer of the Company from 2000 to February 2015.

Other Public Board Memberships	Public Board Interlocks
Gazit-Globe, Norstar	None

Current Board/Committee Membership(1)	2018 Attendance		2018 Attendance (Total)	
Member of the Board (Chair) Member of the Investment Committee (Chair)	17/17 2/2	100% 100%	19/19	100%

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly (2) (3)			Shareholding Requirements	
Year	**Common Shares**	**Restricted Share Units ("RSUs")**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	2,135,225	83,814	6 x annual cash engagement retainer	Yes
As at April 25, 2019	2,309,670	77,726		

Voting Results of 2018 Annual Meeting			
	Proxy Votes For	**Proxy Votes Withheld**	**Total Proxy Votes Cast**
# of Proxy Votes	197,292,887	5,577,485	202,973,349
% of Proxy Votes	97.25	2.75	100

(1) Following the Chair Transition, and subject to his re-election at the Meeting, Mr. Segal will continue to be a director of the Company and a member of the Investment Committee, and Mr. McDonell will become the Chair of the Board and the Chair of the Investment Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) In addition to the equity outlined above, Mr. Segal holds a total of 195,000 stock options with a weighted average exercise price of $18.57. 75,000 Common Shares are represented by instalment receipts pursuant to the Secondary Offering.

(3) Includes ownership by Mr. Segal's former spouse.

BERNARD MCDONELL

Age: 64

Apple Hill, Ontario, Canada

Director Since: May 24, 2007

INDEPENDENT

Mr. McDonell was appointed Lead Director effective March 2, 2011[1]

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Human resource management
Environmental
Public policy/corporate relations

Principal Occupation

Mr. McDonell was the Chairman of Old PSG Wind-down Ltd. (formerly Performance Sports Group Ltd.), a director of The Commonwell Mutual Insurance Company and a director of Investus Real Estate Inc., a publicly traded industrial real estate company, and, prior thereto, served as Vice-Chairman and Chief Executive Officer of the same company.

Mr. McDonell was the Vice-Chairman and President of Provigo Inc. from 1999 to 2006, at which time it was Quebec's grocery market share leader and a Top 10 employer with 24,000 employees in the Province. In this role, he led the company's integration with Loblaw Companies Limited and managed a complete market repositioning of the company's retail network. Under his guidance, the company executed a capital plan in excess of $1 billion and the addition of an average of 250,000 square feet of net retail space per annum.

Mr. McDonell's experience includes work in the most senior executive positions in real estate and property management both at Provigo Inc. and Steinberg Inc. During his career, he has led several corporate acquisitions and divestitures.

Other Public Board Memberships	Public Board Interlocks
None	None

Current Board/Committee Membership[1]	2018 Attendance[2]		2018 Attendance (Total)[3]	
Member of the Board	17/17	100%	23/23	100%
Member of the Compensation and Corporate Governance Committee (Chair)	4/4	100%		
Member of the Investment Committee	2/2	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Director Shareholding Requirements	
Year	**Common Shares**	**Deferred Share Units ("DSUs")**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	2,616	98,131	6 x annual retainer	Yes
As at April 25, 2019	2,616	106,349		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	196,208,513	6,661,859	202,973,349
% of Proxy Votes	96.72	3.28	100

(1) Following the Chair Transition, Mr. McDonell will become the Chair of the Board and the Chair of the Investment Committee. Subject to his re-election at the Meeting, Mr. McDonell will cease to be a member of the Corporate Governance Committee and will continue as Chair of the Board and Chair of the Investment Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) In addition, Mr. McDonell attended all meetings of the independent directors. In 2018, the independent directors of the Board met separately at each Board meeting as well as on two additional occasions during 2018.

(3) In addition, Mr. McDonell was the Chair of a special committee of the Board (the "Special Committee") which was formally constituted to among other things, oversee, review and consider the terms of the Share Repurchase Transaction. He attended six of six meetings of the Special Committee held in 2018.

ADAM E. PAUL, C.P.A., C.A.

Age: 44

Toronto, Ontario, Canada

Director Since: February 16, 2015

NOT INDEPENDENT
(President and Chief Executive Officer of the Company)

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Human resource management
Environmental
Public policy/corporate relations

Principal Occupation

As President and Chief Executive Officer, Mr. Paul is responsible for the overall leadership and performance of the Company. Prior to joining the Company in February 2015, Mr. Paul was a senior executive at Canadian Real Estate Investment Trust ("CREIT") (now Choice Properties Real Estate Investment Trust) where he had direct responsibility for various aspects of CREIT's business. Mr. Paul is a Chartered Professional Accountant, Chartered Accountant, a member of the Young Presidents' Organization and a director of Real Property Association of Canada (REALpac).

Other Public Board Memberships	Public Board Interlocks
None	None

Current Board/Committee Membership	2018 Attendance		2018 Attendance (Total)	
Member of the Board	17/17	100%	19/19	100%
Member of the Investment Committee	2/2	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly(1)				Shareholding Requirements	
Year	Common Shares	RSUs	Performance Share Units ("PSUs")	Minimum Shareholding Requirements	Meets Requirements
As at April 10, 2018	109,224	39,940	172,885	6 x annual base salary	Yes
As at April 25, 2019	231,886	0	206,957		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	201,558,826	1,311,546	202,973,349
% of Proxy Votes	99.35	0.65	100

(1) In addition to the equity outlined above, Mr. Paul holds a total of 2,580,692 stock options with a weighted average exercise price of $19.89. 60,000 Common Shares are represented by instalment receipts pursuant to the Secondary Offering.

LEONARD ABRAMSKY

Age: 56

Toronto, Ontario, Canada

Director Since: New Nominee

INDEPENDENT

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Corporate finance and capital markets
Business leadership
Human resource management
Environmental
Public policy/corporate relations

Principal Occupation

Mr. Abramsky is a real estate investor and advisor. He has over 35 years of experience in the commercial real estate industry. Mr. Abramsky is currently the President of The Dunloe Group Inc., a Toronto-based real estate investment company. In his current role, he actively oversees investments in private equity, real estate assets and private debt.

Along with founding The Dunloe Group Inc., Mr. Abramsky was Managing Partner of Brookfield Financial Corp. ("BFIN"). From 2005 to 2018, he held positions of increasing responsibility with BFIN in a number of areas including the active trading and financing of all forms of commercial property (with a particular focus on retail assets) and overseeing the global expansion of the firm to 9 countries and 15 offices. During this time he also served on the board of directors of Rouse Properties Inc., a US public retail company which was privatized by Brookfield in 2016.

Mr. Abramsky presently serves on the Board of Trustees and the Investment Committee of the Jewish Foundation of Greater Toronto, as well as being a member of the board of the UJA of Greater Toronto.

Other Public Board Memberships	Public Board Interlocks
None	None

Current Board/Committee Membership[(1)]	2018 Attendance		2018 Attendance (Total)	
Compensation Committee Investment Committee	N/A	N/A	N/A	N/A

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly [(2)]			Shareholding Requirements	
Year	**Common Shares**	**DSUs**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	N/A	N/A	6 x annual retainer	Yes, as applicable[(3)]
As at April 25, 2019	45,605	Nil		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	N/A	N/A	N/A
% of Proxy Votes	N/A	N/A	N/A

(1) Subject to his election at the Meeting, Mr. Abramsky will become a member of the above committees. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) 40,000 Common Shares are represented by instalment receipts pursuant to the Secondary Offering.

(3) Mr. Abramsky is a new director nominee. If elected, he will be subject to applicable shareholding requirements. Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant). See *Share Ownership Guidelines* for more information.

PAUL C. DOUGLAS

Age: 66

Toronto, Ontario, Canada

Director Since: New Nominee

INDEPENDENT

Areas of Expertise:

Strategic insight/leading growth
Real estate
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Business leadership
Human resource management
Public policy/corporate relations

Principal Occupation

Mr. Douglas is currently the Group Head, Canadian Business Banking at TD Bank Group ("TD"). In his current role, he leads the bank in offering a variety of banking products, services and expertise to business banking customers across Canada.

Mr. Douglas has had a distinguished career at TD for over 40 years, during which time he has held positions of increasing responsibility in a number of areas including retail banking, commercial banking, corporate banking, investment banking and risk management. He has held his current position leading TD's business bankers since 2004.

Mr. Douglas is the former Chair of TD's Diversity Leadership Council subcommittee on promoting and enhancing a supportive environment for LGBTQ2+ employees and clients. He also serves as Chair of the Board of Governors of McMaster University, where he earned his Bachelor or Commerce and Master of Business Administration degrees.

Other Public Board Memberships	Public Board Interlocks
None	None

Current Board/Committee Membership[1]	2018 Attendance		2018 Attendance (Total)	
Audit Committee Corporate Governance Committee	N/A	N/A	N/A	N/A

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly [2]			Shareholding Requirements	
Year	**Common Shares**	**DSUs**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	N/A	N/A	6 x annual retainer	Yes, as applicable[2]
As at April 25, 2019	7,000	Nil		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	N/A	N/A	N/A
% of Proxy Votes	N/A	N/A	N/A

(1) Subject to his election at the Meeting, Mr. Douglas will become a member of the above committees. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) Mr. Douglas is a new director nominee. If elected, he will be subject to applicable shareholding requirements. Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant). See *Share Ownership Guidelines* for more information.

JON N. HAGAN, C.P.A., C.A.

Age: 72

Dover, Christ Church, Barbados

Director Since: February 14, 2003

INDEPENDENT

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Human resource management
Environmental
Public policy/corporate relations

Principal Occupation

Mr. Hagan has been the principal of JN Hagan Consulting since December 2000. He provides assistance to major corporations regarding real estate capital markets, and acquisition and disposition transactions covering situations in Canada, the United States, Mexico and China. He has over 40 years of experience with leading Canadian real estate companies as the senior financial executive, including Cadillac Fairview Corporation, Empire Company Limited and Cambridge Shopping Centres Limited.

In addition to serving on the Board of the Company, Mr. Hagan is a director of Walton Big Lake Development Corporation and Walton Westphalia Development Corporation.

He has served as chair of the board of Regal Lifestyle Communities Inc., a trustee of Sunrise Senior Living Real Estate Investment Trust, chairman of Teranet Income Fund, a director of the Mills Corporation, and a director of the Bentall Kennedy Group. Mr. Hagan is a Chartered Professional Accountant, Chartered Accountant.

Other Public Board Memberships	Public Board Interlocks
None	None

Current Board/Committee Membership[1]	2018 Attendance[2]		2018 Attendance (Total)	
Member of the Board	17/17	100%	23/23	100%
Member of the Audit Committee	4/4	100%		
Member of the Investment Committee	2/2	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Director Shareholding Requirements	
Year	Common Shares	DSUs	Minimum Shareholding Requirements	Meets Requirements
As at April 10, 2018	20,472	90,720	6 x annual retainer	Yes
As at April 25, 2019	20,472	98,130		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	199,907,254	2,963,118	202,973,349
% of Proxy Votes	98.54	1.46	100

(1) Subject to his re-election at the Meeting, Mr. Hagan will also become a member of the Corporate Governance Committee and cease to be a member of the Investment Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) In addition, Mr. Hagan attended all meetings of the independent directors during 2018. In 2018, the independent directors of the Board met separately at each Board meeting as well as on two additional occasions during 2018.

ANNALISA KING

Age: 52

Vancouver, British Columbia, Canada

Director Since: November 9, 2016

INDEPENDENT

Areas of Expertise:

Strategic insight/leading growth
Real Estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Human resource management
Public policy/corporate relations

Principal Occupation

Ms. King is a corporate director. In addition to serving on the Board of the Company, she is a director of Saputo Inc., The North West Company Inc., Chair of Governance for the Vancouver Airport Authority, and director for McArthurGlen Designer Outlet Centre (a joint venture between McArthurGlen Group and the Vancouver Airport Authority).

Ms. King was most recently the Chief Financial Officer, Chief Information Officer and Senior Vice President of Best Buy Canada Ltd. Prior to joining Best Buy Canada Ltd., Ms. King was the Senior Vice President of Business Transformation for Maple Leaf Foods in Toronto. She has also held leadership positions in finance at several consumer packaged goods companies, including Kraft and Pillsbury Canada. Ms. King holds the ICD.D designation from the Institute of Corporate Directors and is a National Association of Corporate Directors (NACD) Board Leadership Fellow.

Other Public Board Memberships	Public Board Interlocks
Saputo Inc. The Northwest Company Inc.	None

Current Board/Committee Membership(1)	2018 Attendance(2)		2018 Attendance (Total)	
Member of the Board	17/17	100%	25/25	100%
Member of the Audit Committee	4/4	100%		
Member of the Compensation and Corporate Governance Committee	4/4	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Director Shareholding Requirements	
Year	**Common Shares**	**DSUs**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	5,161	6,178	6 x annual retainer	Yes, as applicable(3)
As at April 25, 2019	5,161	12,831		

Voting Results of 2018 Annual Meeting			
	Proxy Votes For	**Proxy Votes Withheld**	**Total Proxy Votes Cast**
# of Proxy Votes	196,699,625	6,170,747	202,973,349
% of Proxy Votes	96.96	3.04	100

(1) Subject to her re-election at the Meeting, Ms. King will also become the Chair of the Corporate Governance Committee and cease to be a member of the Compensation Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) In addition, Ms. King attended all meetings of the independent directors. In 2018, the independent directors of the Board met separately at each Board as well as on two additional occasions during 2018.

(3) Ms. King was appointed as a director on November 9, 2016 and elected by shareholders on May 30, 2017. Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant). See *Share Ownership Guidelines* for more information.

ALADIN (AL) W. MAWANI, C.P.A., C.A.

Age: 67

Thornhill, Ontario, Canada

Director Since: May 29, 2018

INDEPENDENT

Areas of Expertise:

Strategic insight/leading growth
Real estate
Retail
Board and governance
Accounting and tax acumen
Corporate finance and capital markets
Legal
Business leadership
Human resource management
Public policy/corporate relations

Principal Occupation

Mr. Mawani is a principal of Exponent Capital Partners Inc., a private equity investor and real estate advisory firm. He has over 35 years of experience in the commercial real estate industry. Mr. Mawani is currently an independent member of the board of trustees of Granite Real Estate Investment Trust (“Granite”) and also an independent director of Extendicare Inc. He is a member of the audit committee of both boards and Chair of the Compensation, Governance & Nominating Committee of the board of Granite.

Previously, Mr. Mawani served as the independent lead trustee of Boardwalk Real Estate Investment Trust. Mr. Mawani was also a trustee of SmartCentres Real Estate Investment Trust, Slate Office Real Estate Investment Trust and IPC US Real Estate Investment Trust, and also served as a director of Amica Mature Lifestyle Inc. Mr. Mawani has held several executive officer positions in his career including President and Chief Executive Officer of Rodenbury Investments Limited, a private real estate owner-operator, and President and Chief Executive Officer of SmartCentres Real Estate Investment Trust. In addition, he spent 23 years at Oxford Properties Group, Inc., including over 11 years as Chief Financial Officer.

Mr. Mawani is a Chartered Professional Accountant, Chartered Accountant and has earned Master of Business Administration and Master of Laws degrees.

Other Public Board Memberships	Public Board Interlocks
Granite Real Estate Investment Trust Extendicare Inc.	None

Current Board/Committee Membership(1)	2018 Attendance(2)		2018 Attendance (Total)(3)	
Member of the Board	8/8	100%	10/10	100%
Member of the Audit Committee (Chair)	2/2	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Director Shareholding Requirements	
Year	**Common Shares**	**DSUs**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	10,000	N/A	6 x annual retainer	Yes, as applicable(4)
As at April 25, 2019	10,000	3,815		

Voting Results of 2018 Annual Meeting	Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes	202,832,573	37,799	202,973,349
% of Proxy Votes	99.98	0.02	100

(1) Subject to his re-election at the Meeting, Mr. Mawani will also become a member of the Compensation Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) Mr. Mawani was elected as director and appointed Chair of the Audit Committee on May 29, 2018. He attended all meetings of the Board and of the Audit Committee held after his election. In addition, Mr. Mawani attended all meetings of the independent directors held after his election. In 2018, the independent directors of the Board met separately at each Board as well as on two additional occasions during 2018.

(3) In addition, Mr. Mawani was a member of the Special Committee. He attended six of six meetings of the Special Committee held in 2018.

(4) Mr. Mawani was elected as director on May 29, 2018. Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant). See *Share Ownership Guidelines* for more information.

	**ANDREA STEPHEN, C.P.A., C.A.** Age: 54 Toronto, Ontario, Canada Director Since: January 9, 2012 **INDEPENDENT**	**Areas of Expertise:** Strategic insight/leading growth Real estate Retail Board and governance Accounting and tax acumen Corporate finance and capital markets Legal Business leadership Human resource management Public policy/corporate relations

Principal Occupation

Ms. Stephen is a corporate director. In addition to serving on the Board of the Company, she is currently a member of the board of trustees of Boardwalk Real Estate Investment Trust and Slate Retail Real Estate Investment Trust, and is also a director of The Macerich Company.

Ms. Stephen retired from her position as Executive Vice President, Investments at The Cadillac Fairview Corporation ("Cadillac Fairview") in 2011. In this position, she was responsible for developing and executing investment strategy. She executed over $9 billion of transactions, including Cadillac Fairview's first investments in the United Kingdom and Brazil. Ms. Stephen was previously a director of Multiplan Empreendimentos Imobiliaros, a public real estate company listed on the Brazil stock exchange and was also a member of the board of directors of the Pension Real Estate Association (PREA). She has served as Director, Real Estate with the Ontario Teachers' Pension Plan Board, where she initiated the U.S. real estate investment program and led the team that privatized Cadillac Fairview. Ms. Stephen was also previously a member of the Investor Advisory Committee of the National Association of Real Estate Investment Trusts (NAREIT) and a director of Canada's Walk of Fame. Ms. Stephen is a Chartered Professional Accountant, Chartered Accountant.

Other Public Board Memberships	Public Board Interlocks
Boardwalk Real Estate Investment Trust Slate Retail Real Estate Investment Trust The Macerich Company	None

Current Board/Committee Membership(1)	2018 Attendance(2)		2018 Attendance (Total)(3)	
Member of the Board	17/17	100%	27/27	100%
Member of the Audit Committee	4/4	100%		
Member of the Compensation and Corporate Governance Committee	4/4	100%		
Member of the Investment Committee	2/2	100%		

Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Director Shareholding Requirements	
Year	**Common Shares**	**DSUs**	**Minimum Shareholding Requirements**	**Meets Requirements**
As at April 10, 2018	12,123	33,604	6 x annual retainer	Yes
As at April 25, 2019	12,123	39,963		

Voting Results of 2018 Annual Meeting			
	Proxy Votes For	**Proxy Votes Withheld**	**Total Proxy Votes Cast**
# of Proxy Votes	196,553,621	6,316,751	202,973,349
% of Proxy Votes	96.89	3.11	100

(1) Subject to his re-election at the Meeting, Ms. Stephen will also become the Chair of the Compensation Committee and cease to be a member of the Audit Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) In addition, Ms. Stephen attended all meetings of the independent directors. In 2018, the independent directors of the Board met separately at each Board meeting as well as on two additional occasions during 2018.

(3) In addition, Ms. Stephen was a member of the Special Committee. She attended six of six meetings of the Special Committee held in 2018.

Skills Matrix

Our Board is comprised of individuals that have demonstrated skills in one or more of the following areas:

Strategic Insight/Leading Growth – Experience driving strategic insight and direction to encourage innovation and conceptualize key trends to continuously challenge the organization to sharpen its vision while achieving significant growth.

Real Estate – Experience in the retail, commercial or residential real estate industries, real estate property development and management, regulatory requirements, construction and sustainable/green development practices and a strong knowledge of markets, business challenges and real estate finance.

Retail – Experience in the retail industry and knowledge of markets, competitors, consumer trends, product cycles, business challenges and regulatory implications.

Board and Governance – Experience as a board or committee member of a major organization with a current governance mindset.

Accounting and Tax Acumen – Experience in financial accounting and reporting and understanding of internal financial controls. Experience with and knowledge of tax implications and tax treatment of commercial real estate business operations and developments.

Corporate Finance and Capital Markets – Experience with corporate finance, debt and equity capital markets, public company reporting and continuous disclosure obligations, investor relations and related activities in public capital markets, either domestically or internationally.

Legal – Experience with and knowledge of the legal and regulatory environments associated with carrying on business in Canada and/or abroad, including in particular in connection with the business of FCR.

Business Leadership – Experience working as a chief executive officer or senior officer of a large public company or major organization.

Human Resource Management – Experience in and a thorough understanding of succession planning, talent development and retention and compensation programs, including executive compensation.

Environmental – Experience in and a thorough understanding of environmental liability, impacts and remediation requirements.

Public Policy/Corporate Relations – Experience in or a strong understanding of the workings of government and public policy. May include experience in or a thorough understanding of communication and media perspectives.

The following skills matrix illustrates the relevant skills possessed by each of the nominee directors. The skills matrix can be used to evaluate and guide the development of the Board, assist in the recruiting process and identify areas for training or education. See *Our Corporate Governance Practices – About the Board – Board Succession and Renewal – Recruitment of Directors* for additional information.

Name	Strategic Insight/ Leading Growth	Real Estate	Retail	Board and Governance	Accounting and Tax Acumen	Corporate Finance and Capital Markets	Legal	Business Leadership	Human Resource Management	Environmental	Public Policy/ Corporate Relations
Dori J. Segal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adam E. Paul	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leonard Abramsky	✓	✓	✓	✓		✓		✓	✓	✓	✓
Paul C. Douglas	✓	✓		✓	✓	✓		✓	✓		✓
Jon N. Hagan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Annalisa King	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Al Mawani	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Bernard McDonell	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Andrea Stephen	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓

Ownership, Control or Direction over Common Shares by Directors and Officers of the Company

As at April 25, 2019, the directors and executive officers (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*) of the Company, as a group, beneficially owned, or exercised control or direction over, an aggregate of 2,696,735 Common Shares representing approximately 1.2% of the issued and outstanding Common Shares and 1,665,659 vested options granted under the Stock Option Plan. If all vested options beneficially owned by such persons were exercised, such persons would own an additional 1,665,659 Common Shares and would hold approximately 2.0% of the issued and outstanding Common Shares as at April 25, 2019.

Additional Disclosure Relating to Directors

Except as set forth below, as of the date hereof, to the knowledge of the Company and based upon information provided to it by the nominees for election to the Board of Directors which has not been independently verified by the Company, no such nominee is or has been in the 10 years, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer, or was subject to an order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (b) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) 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 that individual. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Mr. McDonell was the Chairman of the board of Old PSG Wind-down Ltd. (formerly Performance Sports Group Ltd.) ("PSG"). On October 31, 2016, PSG announced that it had filed voluntary petitions under

Chapter 11 of the United States Bankruptcy Code in the District of Delaware and commenced proceedings under the *Companies' Creditors Arrangement Act (Canada)* (the "CCAA") in the Ontario Superior Court of Justice. Trading in the securities of PSG on the Toronto Stock Exchange (the "TSX") and the New York Stock Exchange was immediately suspended and the securities were subsequently delisted. On February 28, 2017, PSG announced the completion of the court-approved sale of substantially all of its assets.

Mr. Hagan was a director of Walton Ontario Land 1 Corporation ("Walton Land 1"), Walton Big Lake Development Corporation, Walton Edgemont Development Corporation ("Walton Edgemont") and Walton Westphalia Development Corporation (collectively, the "Walton Companies"). The Walton Companies are involved in real estate investment and development projects. On April 28, 2017, it was announced that the parent company, Walton International Group Inc. (of which Mr. Hagan was not a director) and 32 of its affiliates (including Walton Land 1 and Walton Edgemont) had obtained protection from their creditors and would attempt to restructure under the CCAA. Under the CCAA, Walton Land 1 and Walton Edgemont began a court-supervised restructuring in order to provide a CCAA plan of arrangement to creditors for approval. Walton Land 1 and Walton Edgemont sold their properties and proceeds from the transactions were used to repay court-ordered charges and debt. Mr. Hagan has advised that both Walton Land 1 and Walton Edgemont have now paid in full all creditors and are in the process of being wound up which will result in final distribution to their investors.

Appointment of Auditor

The auditor of the Company is Ernst & Young LLP ("E&Y"), Chartered Professional Accountants, Chartered Accountants, Licensed Public Accountants, located in Toronto, Ontario. E&Y was initially appointed as the auditor of the Company effective September 25, 2012.

Following its evaluation of E&Y's performance during 2018, the Audit Committee recommended to the Board that E&Y be reappointed as the auditor of the Company for 2019 and the Board accepted such recommendation. Shareholders are being asked to approve the reappointment of E&Y as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration of the auditor. If E&Y is re-appointed as auditor, they will serve until the end of the next annual meeting of shareholders and their remuneration for 2019 will be set and approved by the Audit Committee.

The Board recommends that you vote ***for*** *the re-appointment of E&Y as our auditor.*

The management representatives designated in the form of proxy (or voting instruction form) will vote for or withhold from voting the Common Shares in respect of which they are appointed by proxy in respect of the reappointment of E&Y as auditor of the Company to hold office until the Company's next annual meeting of shareholders and the authorization of the directors to fix the remuneration to be paid to the auditor in accordance with the instructions of the shareholder as indicated on the proxy (or voting instruction form, as applicable). **In the absence of such instructions, such Common Shares will be voted FOR the reappointment of E&Y as auditor of the Company to hold office until the Company's next annual meeting of shareholders and the authorization of the directors to fix the remuneration to be paid to the auditor.**

Say-on-Pay Non-Binding Advisory Vote

The Company's compensation policies and procedures are based on the principle of pay for performance. The Board believes that such policies and procedures align the interests of the Company's executive officers with the long-term interests of shareholders. The Board also believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles used in its approach to executive compensation decisions and to have an advisory vote on the approach to executive compensation. Detailed disclosure of the compensation program for 2018 can be found under the heading *"Executive Compensation"* below.

This non-binding, advisory vote, commonly known as "Say-on-Pay", gives shareholders an opportunity to either endorse or not endorse the Company's approach to its executive compensation programs and policies. Shareholders are being asked to consider an annual non-binding advisory Say-on-Pay resolution (the "Say-on-Pay Resolution") substantially in the form below:

"Resolved, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors of the Company, that the shareholders accept the approach to executive compensation disclosed in the Circular delivered in advance of the 2019 annual meeting of shareholders."

The purpose of the Say-on-Pay Resolution is to provide appropriate director accountability to shareholders of the Company for the Board's compensation decisions by giving shareholders a formal opportunity to provide their views on the disclosed objectives of the executive compensation plans, and on the plans themselves, for the past, current and future fiscal years. While shareholders will provide their collective advisory vote, the directors of the Company remain fully responsible for their compensation decision and are not relieved of these responsibilities by a positive advisory vote by shareholders.

Approval of the Say-on-Pay Resolution will require an affirmative vote of a majority of the votes cast at the Meeting. As this is an advisory vote, the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as appropriate, when considering future compensation policies, procedures and decisions and in determining whether there is a need to significantly increase their engagement with shareholders of the Company on compensation and related matters. The Company will disclose the voting results of the Say-on-Pay Resolution as a part of its report on voting results for the Meeting. In addition, in the event that the Resolution does not receive sufficient support of at least 70% of the votes cast, the Board will consult with the Company's shareholders, particularly those who are known to have voted against it, in order to better understand their concerns. The Compensation and Corporate Governance Committee will review the Company's approach to compensation in the context of those concerns. Shareholders who have voted against the Resolution will be encouraged to contact the Compensation and Corporate Governance Committee to discuss their specific concerns.

Following the review by the Compensation and Corporate Governance Committee, the Company will disclose to its shareholders as soon as is practicable, a summary of the significant comments relating to compensation received from shareholders in the process, a description of the process undertaken and a description of any resulting changes to executive compensation or why no changes will be made. The Company will endeavor to provide this disclosure within six months of voting on the Say-on-Pay Resolution, and no later than in the management information circular for the next annual meeting of shareholders.

The Board recognizes that Say-on-Pay is an evolving area in Canada and globally, and will review this policy annually to ensure that it is effective in achieving its objectives.

*Management and the Board recommend that you vote **for** the non-binding advisory resolution to accept the approach to executive compensation disclosed in this Circular.*

The management representatives designated in the form of proxy (or voting instruction form, as applicable) will vote the Common Shares in respect of which they are appointed by proxy ***for*** or ***against*** the non-binding advisory resolution accepting the approach to executive compensation disclosed in this Circular. **In the absence of such instructions, such Common Shares will be voted FOR the non-binding advisory resolution to accept the approach to executive compensation disclosed in this Circular.**

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Named Executive Officers in 2018

This section discusses our compensation program and the key compensation decisions for our *named executive officers* or *NEOs* in 2018. The titles listed below and throughout this section of the Circular apply to 2018 and, except as otherwise noted below, reflect the title the named executive officer held on December 31, 2018:

Adam E. Paul	President and Chief Executive Officer
Kay Brekken	Executive Vice President and Chief Financial Officer
Jordan Robins	Executive Vice President and Chief Operating Officer
Jodi M. Shpigel	Senior Vice President, Development
Dori J. Segal	Chair of the Board

Except as noted, the following discussion applies to each of our NEOs other than the Chair of the Board of the Company as the Chair's compensation was determined by the terms of his engagement agreement with the Company (see *Executive Compensation – Termination and Change of Control Benefits*).

HIGHLIGHTS OF EXECUTIVE COMPENSATION

- The objectives of the Company's executive compensation programs are to attract, retain and motivate outstanding executives who are committed to improving the Company's performance and creating value for its shareholders.
- Structured to align executive compensation with the long-term financial performance of the Company, with the long-term performance of its Common Shares and, ultimately, to align the long-term interests of the Company's executives with those of our shareholders.
- The President and CEO, the members of the executive leadership team and all directors are subject to share ownership requirements.
- Share ownership requirements continue to apply to the President and CEO for a period of one year following him ceasing to hold the office of President and CEO, subject to limited exceptions.
- The Company has a compensation claw-back policy for the executive leadership team and directors.
- Vesting timeframe of "at-risk" compensation is designed to expose a material portion of executive compensation to the risks associated with the Company's business, including property development and stabilization timelines and financing strategy.
- Say-on-Pay vote.

Named Executive Officers

The following presents basic biographical information for each of the Company's Named Executive Officers.

	**ADAM E. PAUL** **President and Chief Executive Officer**	
	Toronto Ontario, Canada Service: 4 years Industry Experience: >15 years Age: 44	Mr. Paul joined the Company in 2015. As President and Chief Executive Officer, he is responsible for the overall leadership and performance of the Company. Prior to joining the Company, Mr. Paul was a senior executive at CREIT (now Choice Properties Real Estate Investment Trust) where he had direct responsibility for various aspects of CREIT's business across Canada. Mr. Paul is a Chartered Professional Accountant, Chartered Accountant, a member of the Young Presidents' Organization and a director of Real Property Association of Canada (REALpac).

	**KAY BREKKEN** **Executive Vice President and Chief Financial Officer**	
	Toronto Ontario, Canada Service: 5 years Industry Experience: 5 years Age: 50	Ms. Brekken joined the Company in 2014. As Chief Financial Officer, she is responsible for managing the Company's financial reporting, accounting, treasury, taxation, investor relations, internal audit and information systems and technology. Previously, she was the Executive Vice President and Chief Financial Officer of Indigo Books & Music, Inc. Ms. Brekken has over 20 years of North American financial leadership experience including public company reporting, strategic and operational planning, and debt and equity financing. Ms. Brekken is a Certified Public Accountant.

	**JORDAN ROBINS** **Executive Vice President and Chief Operating Officer**	
	Toronto, Ontario, Canada Service: 3 years Industry Experience: >20 years Age: 48	Mr. Robins joined the Company in 2016. As Chief Operating Officer, he is responsible for overseeing various aspects of the Company's activities, including leasing, acquisitions, dispositions, development, design and construction. Previously, he was the Senior Vice President, Planning and Development of RioCan Real Estate Investment Trust. Mr. Robins brings over 20 years of extensive experience and a proven track record in many facets of retail real estate to the Company including development, leasing and acquisitions.

	**JODI M. SHPIGEL** **Senior Vice President, Development**	
	Richmond Hill, Ontario, Canada Service: 11 years Industry Experience: >15 years Age: 43	Ms. Shpigel joined the Company in 2008. As Senior Vice President, Development, she is primarily responsible for the Company’s national development program, including development strategy, entitlements, planning and execution. Prior to her current role, she held various positions with the Company and most recently, Senior Vice President, Central Canada. Prior to joining the Company, Ms. Shpigel was a Real Estate Manager at Sobeys Inc. Ms. Shpigel has over 15 years of real estate experience, including retail and mixed use development, acquisitions and leasing.

	**DORI J. SEGAL** **Chair of the Board**	
	Toronto Ontario, Canada Service: 19 years Industry Experience: >25 years Age: 57	Mr. Segal joined the Company in 2000. He is the Chair of the Board and former President and Chief Executive Officer of the Company. He is a director of Gazit-Globe and Norstar. Previously, Mr. Segal was the Vice Chairman and Chief Executive Officer of Gazit-Globe and Vice Chairman of Norstar.

Compensation Governance

Composition and Mandate of the Compensation and Corporate Governance Committee

The mandate of the Compensation and Corporate Governance Committee is set out in its charter as described under *Our Corporate Governance Practices — Committees of the Board — Compensation and Corporate Governance Committee*.

The Compensation and Corporate Governance Committee is directly responsible for reviewing and approving the corporate goals and objectives that are relevant to the President and Chief Executive Officer's compensation, for evaluating his performance in meeting those goals and objectives, and for determining his compensation. The Compensation and Corporate Governance Committee reviews and provides input to the President and Chief Executive Officer regarding the compensation of the executives who report directly to him.

The current members of the Compensation and Corporate Governance Committee have direct experience that is relevant to their responsibilities in respect of executive compensation. Their experience and skills enable the Compensation and Corporate Governance Committee to make sound decisions on the suitability of the Company's compensation policies and practices. The following discussion provides some background on the current members of the Compensation and Corporate Governance Committee that is relevant to the performance of their duties as members of the Compensation and Corporate Governance Committee.

Members:

- Bernard McDonell (Chair)
- Annalisa King
- Andrea Stephen

Each committee member is independent within the meaning of applicable securities laws. No committee member is an officer, employee or former officer or employee of the Company or its affiliates or is (or will be) eligible to participate in the Company's executive compensation programs.

Bernard McDonell has been the Chair of the Compensation and Corporate Governance Committee since May 2014 and a member since 2010. He was previously the Vice Chairman and President of Provigo Inc. In this role, he hired several key executives and was responsible for all of their compensation packages as well as the company's compensation policy. Mr. McDonell was also involved with executive compensation at Performance Sports Group Ltd. in his capacity as Chairman of its board and at The Commonwealth Mutual Insurance Company in his capacity as a member of its board and its executive committee.

Annalisa King has been a member of the Compensation and Corporate Governance Committee since May 2017. She is a corporate director and currently serves on the boards of Saputo Inc., The North West Company Inc., Vancouver Airport Authority and McArthurGlen Designer Outlet Centre (a joint venture between McArthurGlen Group and the Vancouver Airport Authority). She is currently chair of the governance committee for Vancouver Airport Authority and serves on the human resources committees of The North West Company and Vancouver Airport Authority. Previously, Ms. King was Chief Financial Officer, Chief Information Officer and Senior Vice President of Best Buy Canada Ltd. Prior to joining Best Buy Canada Ltd., she was the Senior Vice President of Business Transformation for Maple Leaf Foods in Toronto and, prior to that, Vice President of Finance. Ms. King has extensive management expertise from her experience in finance and operations. Earlier in her career she held leadership positions in finance at several consumer packaged goods companies, including Kraft and Pillsbury Canada. In addition, Ms. King holds the ICD.D designation from the Institute of Corporate Directors and is a National Association of Corporate Directors (NACD) Board Leadership Fellow.

Andrea Stephen has been a member of the Compensation and Corporate Governance Committee since May 2014. She is currently chair of the compensation committee of The Macerich Company. Ms. Stephen is also a trustee of Boardwalk Real Estate Investment Trust and Slate Retail Real Estate Investment Trust.

Previously, she was Executive Vice President, Investments for The Cadillac Fairview Corporation where she led the investment team on sourcing and executing many significant global investments. She also held several positions with the Ontario Teachers' Pension Plan Board, including Assistant Portfolio Manager, Asset Management and North American Investments, as well as Director, Real Estate. She served as a member of the board of Multiplan Empreendimentos Imobiliaros, a Brazilian public real estate company, Pension Real Estate Association, Canada's Walk of Fame, and was previously a member of National Association of Real Estate Investment Trust's Investor Committee. Ms. Stephen is a Chartered Professional Accountant, Chartered Accountant.

After the Meeting, the Compensation and Corporate Governance Committee will split in two committees, the Compensation Committee and the Corporate Governance Committee. Subject to election of nominees at the Meeting, the Compensation Committee will be composed of Andrea Stephen (Chair), Leonard Abramsky, Al Mawani and Bernard McDonell. The Corporate Governance Committee will be composed of Annalisa King (Chair), Paul Douglas, Jon Hagan and Andrea Stephen. Executive compensation will be the responsibility of the Compensation Committee.

Executive Compensation Philosophy

The objectives of our executive compensation programs are to attract, retain and motivate outstanding executives who are committed to improving our performance and creating value for our shareholders.

Four core principles underlie our executive compensation programs:

1. Pay for Performance
2. Competitive Compensation
3. Alignment with Long-term Shareholder Interest
4. Effective Risk Management

1. Pay for Performance

We structure our executive compensation programs to align executive compensation with our financial performance and with the performance of our Common Shares. A significant portion of executive compensation is in the form of at-risk pay and the Company's leadership team receives PSUs that are subject to the Company's relative performance (see *Elements of Compensation – RSU Plan - PSUs*). This creates a performance-based corporate culture that rewards individual and team-based contributions to the achievement of our goals and to the increase in shareholder value.

Fixed and At-Risk Compensation

The following table illustrates the portions of compensation that are fixed and at-risk for each NEO.

Named Executive Officer	PAY COMPONENTS (as % of Total Compensation Earned)			
	Fixed	At Risk		
	Base Salary and Other Compensation	Annual Incentive Bonus	Equity Compensation	Total (%)
Adam E. Paul				
2018	23	25	52	100
2017	24	29	47	100
2016	26	24	50	100
Kay Brekken				
2018	34	30	36	100
2017	33	33	34	100
2016	41	27	32	100
Jordan Robins(1)				
2018	35	29	36	100
2017	35	28	37	100
2016	31	20	49	100
Jodi M. Shpigel				
2018	46	18	36	100
2017	43	27	30	100
2016	44	26	30	100
Dori J. Segal(2)				
2018	51	N/A	49	100
2017	50	N/A	50	100
2016	71	N/A	29	100

(1) Mr. Robins joined the Company in June 2016.

(2) Mr. Segal is not entitled to an annual incentive bonus as per his engagement agreement with the Company.

2. *Competitive Compensation*

Competitive compensation is important as it enables us to attract and retain talented and qualified individuals to lead the business. We have developed processes to ensure that our executive compensation programs are competitive with market and industry practices and support the attraction, development and retention of high-quality executives.

3. *Alignment of Executive Compensation Programs with Long-Term Shareholder Interests*

We structure our executive compensation programs to align the interests of our executives with those of our shareholders. A significant portion of executive compensation takes the form of long-term equity-based awards. Structuring executive compensation in this manner ensures that our executives are properly motivated to increase long-term shareholder value.

4. *Effective Risk Management*

The compensation program must not encourage management to take excessive or inappropriate risks. Within this philosophy, compensation for our individual executives reflects the functions they perform, the short-term and long-term risks associated with their responsibilities, their contributions, their ability to improve our financial performance, their commitment to achieving corporate objectives and their ability to create shareholder value.

Safeguards to Mitigate Compensation Risks

The Board and the Compensation and Corporate Governance Committee believe that our executive compensation program should serve to mitigate risk by effectively aligning the short-term and long-term interests of each executive with those of the Company. Risk mitigation is a core principle of our compensation and corporate governance practices and the Compensation and Corporate Governance Committee considers risk implications in its annual review and recommendation of actual executive compensation and in its regular review of our compensation plans and practices. Accordingly, our compensation program includes numerous safeguards to mitigate compensation risks. The following measures have been implemented to avoid excessive or inappropriate risk-taking by NEOs:

- The Compensation and Corporate Governance Committee is made up of entirely independent directors and the committee regularly holds in-camera sessions where management is not present.
- Risk oversight function involves the Board and its committees.
- The compensation of the Chair is fixed pursuant to his engagement agreement with the Company.
- Short-term incentive compensation (annual incentive cash bonus) is capped as a percentage of base salary (125% for the President and Chief Executive Officer, 100% for the Executive Vice President and Chief Financial Officer, 100% for the Executive Vice President and Chief Operating Officer and 50% for the Senior Vice President, Development. Changes were made in 2018 to the bonus targets in order to align short-term incentive compensation among executive vice presidents and senior vice presidents of the Company. The Chair of the Board is not entitled to an annual incentive award).
- A substantial portion of our NEO compensation is “at-risk”, with variable “vesting” periods (annual, 3-year and 5-year), which serves to align the interests of NEOs with those of shareholders as a substantial portion of their compensation is directly affected by our performance over a varied time horizon.
- Short-term and long-term incentives are based on a mix of corporate and individual performance measures.
- All directors, the President and Chief Executive Officer and all other NEOs are subject to share ownership requirements, which serve to further align their interests with our shareholders.
- The President and Chief Executive Officer continues to be subject to the applicable share ownership requirements for one year following him ceasing to hold the office of President and Chief Executive Officer of the Company for any reason, subject to certain exceptions, as described below and under *Our Corporate Governance Practices – Share Ownership Guidelines*. This serves to align the longer-term interests of the President and Chief Executive Officer with the longer-term interests of our shareholders.
- An annual review of our compensation practices and targets is undertaken by the Compensation and Corporate Governance Committee to ensure continued appropriateness.
- Adjustments can be made by the Compensation and Corporate Governance Committee where the application of the policies has unintended results.
- We have a formal compensation “claw-back” policy as described under *Compensation Discussion and Analysis − Compensation Claw-Back Policy* which applies to all of our directors and members of our executive leadership team.
- We have a formal anti-hedging policy as described under *Our Corporate Governance Practices − Hedging* which applies to, among others, all of our directors, officers and employees.

Other elements of our executive compensation plans and practices which the Board and the Compensation and Corporate Governance Committee believe help to deter excessive risk-taking behaviour include:

a. generally consistent structure of compensation policies across roles and regions within the organization, all with a significant overall Company performance component;

b. the vesting timeframe of "at-risk" compensation is designed to expose a material portion of executive compensation to the risks associated with our business, including property development and stabilization timelines and an overall financing strategy; and

c. performance goals heavily based on financial metrics that are fundamental to long-term shareholder value appreciation.

As a result of these and other practices, the Board and the Compensation and Corporate Governance Committee believe that our executive compensation program does not encourage NEOs to take unreasonable risks relating to our business and stated objectives and consequently does not raise our risk profile.

In the design of our executive compensation plans and practices, the Board and the Compensation and Corporate Governance Committee have considered the implications of the risks associated therewith and with our business. As a general rule, our executive compensation plans are designed to ensure that management is not encouraged to take excessive risks.

Compensation Consultant and Executive Compensation-Related Fees

In establishing appropriate compensation policies, practices and levels, the Compensation and Corporate Governance Committee may request and receive advice from outside experts, who have expertise in executive compensation or who conduct surveys and provide competitive data, as well as recommendations from management.

To assist the Compensation and Corporate Governance Committee in fulfilling its duties, the committee periodically retains the services of independent compensation advisors. An independent compensation advisor was not retained by the Compensation and Corporate Governance Committee either in 2018 or 2017. In 2016, Willis Towers Watson ("WTW") was retained to provide independent executive compensation advice to the Compensation and Corporate Governance Committee. WTW provided reports, analysis and recommendations to the Compensation and Corporate Governance Committee in respect of our long-term incentive programs, director compensation, Chief Executive Officer compensation, and comparator groups for each of director and executive officer compensation purposes. WTW received aggregate fees of $103,000 for performing such services. Other than the services described above, WTW has not provided any services to the Company or to its affiliated or subsidiary entities, or to any of the Company's directors or officers.

Compensation Claw-Back Policy

Our compensation claw-back policy provides that the Compensation and Corporate Governance Committee will require members of the executive leadership team, including NEOs, and directors to reimburse, in all appropriate cases, any bonus, short-term incentive award or amount, or long-term incentive award or amount, awarded to the executive or director and to forfeit any non-vested equity-based awards previously granted to the executive or director (collectively, "Incentive Compensation") if:

(a) the amount of the Incentive Compensation was calculated based upon the achievement of certain financial results that were subsequently the subject of a restatement or the correction of a material error;

(b) the executive or director engaged in intentional misconduct that caused or partially caused the need for the restatement or caused or partially caused the material error; and

(c) the amount of the Incentive Compensation that would have been awarded to the executive or director, had the financial results been properly reported, would have been lower than the amount actually awarded.

Elements of Compensation

Our executive compensation program is comprised of salary, short-term, mid-term and long-term compensation incentives based on the achievement of corporate and individual objectives, and benefits. The key components of the short-term compensation program are base salary and the short-term annual incentive cash bonus plan. The mid-term compensation program is comprised of RSUs and PSUs and our long-term compensation program is comprised of stock options.

The Compensation and Corporate Governance Committee reviews the executive compensation program annually with a view to aligning our NEO compensation with long-term growth for shareholders. For more information, see *Elements of Compensation – Equity Compensation Plans*.

The following components made up our 2018 compensation for executives, including NEOs. For more information, see *Executive Compensation – Termination and Change of Control Benefits*.

Compensation Components	Program Objectives
Fixed Compensation	
1. Base Salary	
Cash	• to generally pay the executives a base salary that is in line and competitive with positions with relatively equivalent responsibilities and scope within a peer comparator group • to align with the executive's scope of responsibility and individual performance • to attract and retain key talent
At Risk Compensation	
2. Short-Term Incentive	
Annual Incentive Cash Bonus Cash	• to motivate and reward individual executives for the direct contribution they make to the Company and for success in achieving the annual business plan • to retain key talent
3. Medium and Long-Term Incentives	
Performance Share Units PSUs awarded with pre-set performance-based vesting criteria	• an equity-based incentive to foster retention of key executives and long-term accumulation of Common Shares • to provide a performance based component to executive compensation • to align long-term shareholder interests with key executives • to assist in recruitment of key executives
Stock Options Options granted with pre-set term and vesting criteria	• an equity-based incentive to foster retention of key executives and long-term accumulation of Common Shares • to provide a performance based component to executive compensation • to align long-term shareholder interests with key executives • to assist in recruitment of key executives
Other Compensation	
4. Other Benefits	
Medical and dental benefits fully funded by the Company with executives responsible for co-payments under the benefits plan. The Company also contributes to RRSPs for members of the executive leadership team	• to provide competitive benefits to protect the well-being of key executives • to attract and retain executives
Indirect Compensation (fitness expense benefit, life insurance coverage and a car allowance)	• to provide competitive benefits to protect the well-being of key executives • to attract and retain executives

1. Base Salary

Base salaries and total compensation for executives are determined relative to positions with relatively equivalent responsibilities and scope within a peer comparator group. The executive compensation comparator group for 2018 was:

2018 Executive Compensation Peer Comparator Group	
Choice Properties Real Estate Investment Trust SmartCentres Real Estate Investment Trust Canadian Apartment Properties Real Estate Investment Trust	Allied Properties Real Estate Investment Trust H&R Real Estate Investment Trust RioCan Real Estate Investment Trust

The comparator group did not change in 2018 as compared to the prior year. The entities in the executive compensation comparator group were recommended to the Company by WTW. The Compensation and Corporate Governance Committee also reviews the comparator group periodically. In determining the compensation comparator group, companies that are in the same industry and that are comparable to the Company based on annual revenues, total assets, market capitalization, enterprise value, funds from operations, characteristics of assets, geography of operations and corporate ownership structure are considered.

The comparator group and other market analysis were used to ensure that executive compensation was substantially in line with the comparator group. Generally, we consider total compensation to be the most relevant basis for comparison of executive compensation since incentive compensation comprises an important portion of total compensation that can be subject to large fluctuations from year to year based on specific and sometimes subjective criteria.

For our executive leadership team, a substantial portion of compensation will be variable, with a heavier weighting on long-term opportunities, consistent with market practice and to mitigate risks relating to compensation practices.

The Compensation and Corporate Governance Committee reviews annually and approves any changes in base salary for the President and Chief Executive Officer and considers and, if thought fit, approves changes in base salaries recommended by the President and Chief Executive Officer for his direct reports.

2. Short-Term Incentives

Annual Incentive Cash Bonus

Purpose	To motivate and reward individual executives for the direct contribution they make to the Company and to the overall achievement of the Company's annual business plan and to retain key executives.
Form of award	Cash based on quantitative performance and qualitative measurements within performance measurement categories. Targets are set for each performance measurement category based on the annual business plan and other individual factors for the year.
Payout	Paid in cash, generally in February or March of the following year, based on corporate and individual performance in the previous year.

Setting Objectives

The Board holds a meeting in the fourth quarter of every year to review, discuss and approve the Company's annual business plan for the following year.

Annual performance objectives for the Company's executives are designed to align the interests of executives with the Company's business objectives as well as each executive's ability to attain these objectives. As in the prior year, emphasis was placed on the Financial Growth performance measurement category in 2018 to enhance alignment of the interests of the Company's executive officers with the long-term interests of shareholders.

Assessing Performance

The Compensation and Corporate Governance Committee is responsible for evaluating performance and determining the achievement of the annual business plan for the year.

The tables below reflect the 2018 performance measurement categories, weightings and results for Mr. Paul, Ms. Brekken, Mr. Robins and Ms. Shpigel. Mr. Segal did not have any performance measures set in 2018 as the position of Chair of the Board is not entitled to an annual incentive award.

Adam Paul, President and Chief Executive Officer:

<table>
<tr><th>PERFORMANCE MEASUREMENT CATEGORY</th><th colspan="2">WEIGHTING</th><th>SPECIFIC PERFORMANCE MEASURES</th><th>ACTUAL ACHIEVED</th><th>LEVEL ACHIEVED</th></tr>
<tr><td colspan="6">CORPORATE PERFORMANCE MEASUREMENT</td></tr>
<tr><td rowspan="3">Financial Growth</td><td rowspan="4">30%</td><td>15%</td><td>Operating FFO[1] per share target of $1.20</td><td>$1.20</td><td>Target</td></tr>
<tr><td>3.75%</td><td>Total Same Property (“SP”) NOI[1] growth target of 3.1%</td><td>3.1%</td><td>Target</td></tr>
<tr><td>2.25%</td><td>Development NOI[1] (excluding SP development) target of $55 million</td><td>$48 million</td><td>Mid</td></tr>
<tr><td>High Performance Organizational Culture</td><td>9%</td><td>Specific Corporate Projects</td><td colspan="2">Mid to Target</td></tr>
<tr><td colspan="6">PLATFORM AND STRATEGIC MATTERS</td></tr>
<tr><td rowspan="2">Strategic Initiatives</td><td colspan="2" rowspan="2">30%</td><td>Strategic Initiative</td><td colspan="2" rowspan="2">The Compensation and Corporate Governance Committee considered these specific performance measures and determined that the President and CEO’s targets were met or exceeded in 2018.</td></tr>
<tr><td>Strategic Corporate Projects</td></tr>
<tr><td rowspan="4">Investment Activities and Development Program</td><td colspan="2" rowspan="4">20%</td><td>Acquisitions</td><td colspan="2" rowspan="4">The Compensation and Corporate Governance Committee considered these specific performance measures and determined that the President and CEO’s targets were met or exceeded in 2018.</td></tr>
<tr><td>Dispositions</td></tr>
<tr><td>Development</td></tr>
<tr><td>Investments</td></tr>
<tr><td>Qualitative Component</td><td colspan="2">20%</td><td>Performance of the CEO and other factors to be considered for this component (which may include Risk Management, Corporate Governance, Investor Relations, Public Presentations, Organizational Improvements and Executive Succession Planning) are at the discretion of the Compensation and Corporate Governance Committee and the Board.</td><td colspan="2">The Compensation and Corporate Governance Committee determined that the President and CEO provided great leadership and performed well in 2018.</td></tr>
<tr><td>Total Potential</td><td colspan="2">100%</td><td></td><td colspan="2">Achieved 92.6% of eligible bonus (115.8% of base salary)</td></tr>
</table>

(1) Operating FFO and NOI are measures of operating performance not defined by International Financial Reporting Standards (“IFRS”). These non-IFRS measures are further defined and discussed in the Company’s management’s discussion and analysis for the three months and year ended December 31, 2018. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers.

Kay Brekken, Executive Vice President and Chief Financial Officer:

PERFORMANCE MEASUREMENT CATEGORY	WEIGHTING		SPECIFIC PERFORMANCE MEASURES	ACTUAL ACHIEVED	LEVEL ACHIEVED
CORPORATE PERFORMANCE MEASUREMENT					
Financial Growth	40%	20%	Operating FFO(1) per share target of $1.20	$1.20	Target
		5%	Total SP NOI(1) growth target of 3.1%	3.1%	Target
		3%	Development NOI(1) (excluding SP development) target of $55 million	$48 million	Mid
High Performance Organizational Culture		12%	Specific Corporate Projects	Mid to Target	
INDIVIDUAL PERFORMANCE MEASUREMENT					
Financial Growth	40%	4%	ACFO(1) (less dividends) target of $46 million	$54.5 million	Above target
Investor Relations and Financial Management		7%	Communication and relationship with stakeholders	Target	
		8%	Capital structure and access to capital	Target	
		15%	Tax planning	Target	
High Performance Organizational Culture		6%	Deliver Continuous Improvement Project	Below Threshold	
Qualitative Component	20%		Performance of the CFO and other factors to be considered for this component are at the discretion of the CEO and the Audit Committee	The CEO and the Audit Committee Chair determined that the CFO performed well in 2018.	
Total Potential	**100%**			**Achieved 95.2% of eligible bonus (95.2% of base salary)**	

(1) Operating FFO, NOI and ACFO are measures of operating performance not defined by International Financial Reporting Standards ("IFRS"). These non-IFRS measures are further defined and discussed in the Company's management's discussion and analysis for the three months and year ended December 31, 2018. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers.

Jordan Robins, Executive Vice President and Chief Operating Officer:

PERFORMANCE MEASUREMENT CATEGORY	WEIGHTING		SPECIFIC PERFORMANCE MEASURES	ACTUAL ACHIEVED	LEVEL ACHIEVED
Financial Growth					
Financial Growth	40%	20%	Operating FFO[1] per share target of $1.20	$1.20	Target
		5%	Total SP NOI[1] growth target of 3.1%	3.1%	Target
		3%	Development NOI[1] (excluding SP development) target of $55 million	$48 million	Mid
High Performance Organizational Culture		12%	Specific Corporate Projects	Mid to Target	
INDIVIDUAL PERFORMANCE MEASUREMENT					
Operations (Investments, Leasing, Construction and Development)	40%	15%	Investments (targets on specific projects)	Mid to Target	
		15%	Leasing targets	Mid to Target	
		10%	Construction and development	Threshold to Mid	
Qualitative Component	20%		Performance of the COO and other factors to be considered for this component are at the discretion of the CEO	The CEO determined that the COO performed well in 2018.	
Total Potential	**100%**			**Achieved 89.2% of eligible bonus (89.2% of base salary)**	

(1) Operating FFO, NOI and ACFO are measures of operating performance not defined by International Financial Reporting Standards ("IFRS"). These non-IFRS measures are further defined and discussed in the Company's management's discussion and analysis for the three months and year ended December 31, 2018. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers.

Jodi M. Shpigel, Senior Vice President, Development:

PERFORMANCE MEASUREMENT CATEGORY	WEIGHTING		SPECIFIC PERFORMANCE MEASURES	ACTUAL ACHIEVED	LEVEL ACHIEVED
CORPORATE PERFORMANCE MEASUREMENT					
Financial Growth	40%	20%	Operating FFO(1) per share target of $1.20	$1.20	Target
		5%	Total SP NOI(1) growth target of 3.1%	3.1%	Target
		3%	Development NOI(1) (excluding SP development) target of $55 million	$48 million	Mid
High Performance Organizational Culture		12%	Specific Corporate Projects	Mid to Target	
INDIVIDUAL PERFORMANCE MEASUREMENT					
Financial Growth	40%	18%	Development projects targets	Mid	
Standardized Reporting		3%	Review, update, standardize and implement various development reports	Target	
Growth Plan		10%	Development strategy, development plans for specific projects and completion of comprehensive analysis of development pipeline	Target	
Development Project Success		9%	Development and redevelopment objectives on specific projects	Mid to Target	
Qualitative Component	20%		Performance of the SVP, Development and other factors to be considered for this component are at the discretion of the CEO and COO	The CEO and the COO determined that the SVP, Development performed well in 2018.	
Total Potential	**100%**			**Achieved 87.5% of eligible bonus (43.8% of base salary)**	

(1) Operating FFO, NOI and ACFO are measures of operating performance not defined by International Financial Reporting Standards ("IFRS"). These non-IFRS measures are further defined and discussed in the Company's management's discussion and analysis for the three months and year ended December 31, 2018. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers.

Target bonus

Participants are assigned a performance-based incentive award target, expressed as a percentage of base salary. The annual incentive awards are based on actual achievements relative to the established performance measurement targets, as described in the preceding tables.

The table below summarizes the 2018 threshold, mid and target levels approved by the Compensation and Corporate Governance Committee:

Executive	**2018 threshold performance as a % of base salary**	**2018 mid performance as a % of base salary**	**2018 target performance as a % of base salary**
President and Chief Executive Officer	62.5%	93.75%	125%
Executive Vice President and Chief Financial Officer	50%	75%	100%
Executive Vice President and Chief Operating Officer	50%	75%	100%
Senior Vice President, Development	25%	37.5%	50%

As indicated above, a portion of the overall bonus of all of the Company's NEOs is left to the discretion of the Compensation and Corporate Governance Committee, in the case of the President and Chief Executive Officer, and to the President and Chief Executive Officer, in the case of the other NEOs (other than the Chair of the Board who does not receive a bonus).

In administering the annual incentive bonus plan, the Compensation and Corporate Governance Committee may, in its judgment, vary incentive awards payable to executives if the application of the Company's incentive formula has unintended results, to reward exceptional performance or for other reasons determined by the Compensation and Corporate Governance Committee. The Compensation and Corporate Governance Committee did not vary the incentive awards payable to executives in 2018.

3. Medium and Long-Term Incentives

Equity Compensation Plans

The Compensation and Corporate Governance Committee administers our equity compensation plans. These plans have two components, (i) PSUs or RSUs and (ii) stock options, each of which reward management based on increases in the value of the Common Shares. These plans are designed to foster the long-term retention of key employees of FCR and to demonstrably align the long-term interests of key employees with the long-term interests of FCR shareholders.

Allocations under these plans are intended to provide strong incentives for superior long-term performance. A principal attraction of these plans is that they link compensation to shareholders' interests because the value of the awards to the executives is directly linked to our stock price plus dividends.

Generally, the Compensation and Corporate Governance Committee makes option and PSU grants with a view to providing competitive total target compensation packages. All option and PSU awards for NEOs are approved by the Compensation and Corporate Governance Committee.

In 2016, the Compensation and Corporate Governance Committee created and began to issue PSUs to the members of the executive leadership team as an alternative to time-based RSUs. PSUs are adjusted by a performance factor at the time of vesting that is based on the relative performance of the Common Shares against the TSX Capped REIT Index (see – *Performance Share Units*). As a result, PSUs more deeply align the long-term interests of the Company's key executives with the long-term interests of its shareholders. The Compensation and Corporate Governance Committee has not granted any RSUs to the executive leadership team since 2016 (other than to Mr. Segal).

In administering the equity compensation plans, the Compensation and Corporate Governance Committee may, in its judgment, vary incentive awards payable to executives if the application of the Company's formula has unintended results, to reward exceptional performance or for other reasons determined by the Compensation and Corporate Governance Committee.

The following is a summary of the main features of each of our equity compensation plans.

Stock Option Plan

Form of award	Options to buy Common Shares whereby each stock option represents the right to purchase from the Company one Common Share in consideration for payment of the exercise price described below.
Who participates	The Stock Option Plan provides that directors, officers, employees or consultants of the Company may be eligible participants. However, it is the intention of the Compensation and Corporate Governance Committee to grant stock options primarily to members of the executive leadership team.
Administration	The Board has delegated to the Compensation and Corporate Governance Committee responsibility for administering the Stock Option Plan and approving all stock options granted thereunder, including the entitlement, vesting, exercise price and all other matters relating to the Stock Option Plan.
Determination of Option Grants	Option grants are determined based on a percentage of each participant's total targeted long term incentive plan awards and are subject to discretionary adjustments based on merit and performance criteria similar to those used in establishing annual cash incentive bonuses.
Vesting	Options typically vest in equal annual amounts over a five-year period commencing on the first anniversary of the grant date. The Compensation and Corporate Governance Committee determines the time at which options vest when making a grant. Subsequent to the time of granting options, the Compensation and Corporate Governance Committee may, in its discretion, permit an option holder to exercise any or all of such holder's unvested options then outstanding.
Exercise Price	The exercise price of an option may not be lower than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of the grant.
Term	The term of an option may not exceed 10 years from the date of the grant; however, if an option would otherwise expire during a blackout period, the term of such option shall automatically be extended until 10 business days after the end of the blackout period.
Payout	Value is based on the difference between the market price of a Common Share when the options are exercised and the exercise price. An option holder may elect to surrender his/her options in exchange for an amount equal to the aggregate market price of the underlying Common Shares, minus (i) the aggregate exercise price of options being surrendered, and (ii) any applicable withholding taxes (the "Net Surrender Consideration"). The Company shall satisfy the payment of such Net Surrender Consideration by issuing to the option holder such number of Common Shares with an aggregate market value equal to the Net Surrender Consideration.
Cessation of Employment	Unless otherwise determined by the Compensation and Corporate Governance Committee, options cease to be exercisable if an option holder ceases to be a director, officer, employee or consultant of the Company or one of its affiliates. At the time of granting options, the Compensation and Corporate Governance Committee may, in its discretion, determine the provisions relating to the expiry of an

	option upon the bankruptcy, death, disability, retirement, termination of employment or directorship of an option holder.
Assignment	Options are not assignable or transferable other than to an RRSP controlled by the grantee established for the sole benefit of the grantee; a personal holding company controlled by the grantee, the sole shareholders of which are the grantee or the spouse, minor children or minor grandchildren of the grantee; or a family trust, a trustee of which is the grantee and the sole beneficiaries of which are the grantee or the spouse, minor children or minor grandchildren of the grantee, in each case, subject to approval of the Compensation and Corporate Governance Committee and any applicable regulatory approval.
Change of Control	All issued and outstanding options vest immediately upon a change of control of the Company in accordance with the terms of the Stock Option Plan.

The full text of the Stock Option Plan was publicly filed on May 11, 2017 and is available on SEDAR under the Company's issuer profile at www.sedar.com.

2018 Stock Option Grants

The following table outlines the stock options granted during fiscal 2018 for each of the Company's NEOs:

STOCK OPTIONS			
Name	**Number of Securities Underlying Stock Options**	**Option Exercise Price ($)**	**Option Expiration Date**
Adam E. Paul	557,748	20.03	March 2, 2028
Kay Brekken	150,163	20.03	March 2, 2028
Jordan Robins	150,163	20.03	March 2, 2028
Jodi M. Shpigel	81,517	20.03	March 2, 2028
Dori J. Segal	NIL	N/A	N/A

Limits

Subject to the overall limit on the number of Common Shares issuable under the Stock Option Plan, the maximum number of Common Shares available for issuance under the Stock Option Plan to:

(i) any one participant is 5% of the then issued and outstanding Common Shares; and

(ii) insiders of the Company is 10% of the then issued and outstanding Common Shares.

Under no circumstances may more than 10% of the Company's total issued and outstanding securities be issued within a one-year period or be issuable at any time to insiders of the Company under the Stock Option Plan and all of the Company's other security-based compensation arrangements. In addition, non-employee director participation in the Stock Option Plan is limited such that options cannot be granted on a discretionary basis to a non-employee director in any year if, when taken together with all other equity grants to that non-employee director made under any equity compensation plan (other than equity granted or received in lieu of cash fees) to that director, the grants exceed an annual value of $100,000 per non-employee director.

The following table sets out the number of Common Shares previously issued and available for future issuance under the Stock Option Plan.

As at December 31, 2018	Number of Common Shares	
	Number	**As % of Outstanding**
Maximum number of Common Shares approved for issuance under the Stock Option Plan	19,740,000	7.92%
Number of stock options previously granted under the Stock Option Plan but not yet exercised(1)	4,736,098	1.90%
Number of Common Shares that remain available for future grants of stock options under the Stock Option Plan	4,548,876	1.82%

(1) Excludes stock options which have expired or been cancelled.

Annual Burn Rate under the Stock Option Plan as of December 31, 2018

Year	Number of Stock Options Granted	Burn rate (as % of weighted average number of Common Shares outstanding during the applicable fiscal year)	Weighted average number of Common Shares outstanding during the applicable fiscal year
2018	1,197,013	0.48%	249,348,569
2017	869,050	0.36%	243,868,547
2016	1,000,000	0.43%	234,831,261

Amending, Suspending or Terminating the Stock Option Plan

The Compensation and Corporate Governance Committee may amend, suspend or terminate the Stock Option Plan at any time in accordance with applicable laws, regulations, stock exchange rules or accounting/auditing requirements, and subject to any required shareholder or regulatory approval, as long as it obtains the participant's consent to any material adverse change to such participant's outstanding options.

Shareholder approval is required to make the following amendments to the Stock Option Plan:

- increasing the number of Common Shares that can be issued under the Stock Option Plan, including an increase to a fixed number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed percentage;
- extending awards beyond a term of 10 years from the date of grant;
- increasing the period after a blackout period during which an award may be exercised;
- repricing an option;
- permitting the transfer of an option, except by testate or intestate succession;
- broadening or increasing insider participation in the Stock Option Plan;
- increasing the participation of non-employee directors in the Stock Option Plan on a discretionary basis; and
- changing the provisions for amending, suspending or terminating the Stock Option Plan.

No amendments to the Stock Option Plan were made in 2018.

RSU Plan

RSUs

Form of award	Each RSU represents the right of a participant to receive, on a deferred basis and at the option of the Company, an award of one Common Share issued from treasury or purchased on the open market, or the equivalent cash value, or a combination thereof.
Who participates	The RSU Plan provides that any employee of the Company may be an eligible participant. RSUs are typically granted to the Company's senior management level employees, the Chair of the Board and certain other high performing employees.
Administration	The Board has delegated to the Compensation and Corporate Governance Committee responsibility for administering the RSU Plan and approving all RSUs granted thereunder, including the entitlement, vesting, and all other matters relating to the RSU Plan.
Determination of RSU Grants	The number of RSUs granted to a participant in respect of a fiscal year is determined based on a percentage of each participant's total targeted long term incentive plan awards and are subject to discretionary adjustments based on merit and performance criteria similar to those used in establishing annual cash incentive bonuses. When a dividend is paid on the Common Shares, each participant is allocated additional RSUs equal in value to the dividend paid on an equivalent number of Common Shares.
Vesting	RSUs granted prior to June 1, 2015 (and related dividend RSUs) vest on December 15 of the third calendar year following the calendar year in respect of which the RSU is granted, and is redeemed by the Company on such vesting date, or, in the Company's absolute discretion, prior to such vesting date. RSUs granted on or after June 1, 2015 (and related dividend RSUs) vest on the third anniversary following the date on which such RSUs were granted or such other date that the Compensation and Corporate Governance Committee may determine from time to time. A dividend RSU vests on the same day as the RSU in respect of which the dividend was granted and is redeemed by the Company on such vesting date.
Payout	The Company may elect to settle vested RSUs by delivering Common Shares issued from treasury, cash or Common Shares purchased in the open market. If the Company elects to settle RSUs with Common Shares purchased in the open market, the Company will provide funds to an independent custodian to purchase Common Shares in the open market. These open market Common Shares will be held in an employee benefit plan trust and will be delivered to participants in settlement of vested RSUs. If the Company elects to settle RSUs by delivering cash, the amount of cash will be equal to the weighted average trading price of the Common Shares on the TSX for the five trading days ending on the last trading day preceding the vesting date multiplied by the number of RSUs being settled.
Cessation of Employment	If the employment of a participant ceases for any reason, the participant will forfeit all rights, title and interest with respect to all RSUs which have not vested on or prior to the participant's termination date, unless otherwise set forth in the participant's RSU grant agreement or employment agreement, or unless otherwise expressly determined by the Compensation and Corporate Governance Committee in writing.
Assignment	RSUs are not assignable or transferable other than by will or the laws of descent and distribution.

PSUs

<table>
<tr><td>Form of award</td><td>Each PSU, granted under the RSU Plan, represents the right of a participant to receive, on a deferred basis and at the option of the Company, an award of one Common Share issued from treasury or purchased on the open market, or the equivalent cash value or a combination thereof.</td></tr>
<tr><td>Who participates</td><td>PSUs may be awarded to any employee of the Company or its subsidiaries. It is the intention of the Compensation and Corporate Governance Committee that only the Company’s executive leadership team will receive PSU grants. New participants may be eligible to participate at the time of hire or promotion subject to the approval of the Compensation and Corporate Governance Committee.</td></tr>
<tr><td>Administration</td><td>The Board has delegated to the Compensation and Corporate Governance Committee responsibility for administering the RSU Plan (under which the PSUs are granted) and approving all PSUs granted thereunder, including the entitlement, vesting, and all other matters relating to the RSU Plan.</td></tr>
<tr><td>Determination of PSU Grants</td><td>The number of PSUs granted to a participant will be established at the sole discretion of the Compensation and Corporate Governance Committee. Grants will generally be considered on an annual basis. A grant of PSUs with specific terms and conditions attached will be evidenced by a grant agreement, signed on behalf of the Company and acknowledged (signed) by the participant. The terms and conditions of the grant agreement will set out the applicable performance adjustment factor.</td></tr>
<tr><td>Performance Adjustment Factor</td><td>The performance adjustment factor used to determine PSU vesting is dependent on the Company’s performance relative to the standard(s) determined at the grant date. Performance standards and associated adjustment factors are determined at the sole discretion of the Compensation and Corporate Governance Committee. The performance adjustment factor is from a minimum of 50% to a maximum of 150%.</td></tr>
<tr><td>Performance Period</td><td>PSUs are subject to a performance period over which performance is measured to determine the number of PSUs which will vest and may reflect: (i) a three-year period beginning with the start of the Company’s fiscal year in the year of the grant; or (ii) such other time period that the Compensation and Corporate Governance Committee may determine.</td></tr>
<tr><td>Performance Measure</td><td>The type, number and weighting of performance measures used for the PSUs will be determined at the sole discretion of the Compensation and Corporate Governance Committee on the grant date.

The 2016, 2017 and 2018 PSU grants were made on the following basis:

<table>
<tr><th>Three-year Performance of Common Shares Relative to S&P/TSX Capped REIT Index[(1)]</th><th>Performance Adjustment Factor (% of Grant)</th></tr>
<tr><td>At or below 25th percentile</td><td>50%</td></tr>
<tr><td>At 50th percentile</td><td>100%</td></tr>
<tr><td>At or above 75th percentile</td><td>150%</td></tr>
</table>
(1) The S&P/TSX Capped REIT Index was selected as the performance-related benchmark index because it is a sector-based index of Canadian real estate issuers and generally represents the primary group of issuers against which the Company competes for capital.

On the applicable vesting date, a minimum of 50% and a maximum of 150% performance adjustment factor will be applied to the PSUs granted in 2016, 2017 and 2018 (a performance adjustment factor below 50% or above 150% is not applicable).

For the performance between the above levels, the performance adjustment factor will be interpolated on a linear basis based on the actual percentile ranking. The Compensation and Corporate Governance Committee may apply additional adjustments to the adjustment factor in circumstances where the outcome is inconsistent with the intent of the RSU Plan (no additional adjustments to the adjustment factor have ever been applied).</td></tr>
</table>

Vesting Period	PSUs vest on the date that is: (i) the third anniversary following the date on which the PSUs were granted; or (ii) such other date that the Compensation and Corporate Governance Committee may determine from time to time, provided that the vesting date may not be later than December 15 of the year that is three years from the year in respect of which the PSUs were granted. The number vesting will equal the number granted (plus dividend equivalents) multiplied by the performance adjustment factor.
Payout	The Company may elect to settle vested PSUs by delivering Common Shares issued from treasury, cash or Common Shares purchased in the open market. If the Company elects to settle PSUs with Common Shares purchased in the open market, the Company will provide funds to an independent custodian to purchase Common Shares in the open market. These open market Common Shares will be held in an employee benefit plan trust and will be delivered to participants in settlement of vested PSUs. If the Company elects to settle PSUs by delivering cash, the amount of cash will be equal to the weighted average trading price of the Common Shares on the TSX for the five trading days ending on the last trading day preceding the vesting date multiplied by the number of PSUs being settled.
Cessation of Employment	If the employment of a participant ceases for any other reason, the participant will forfeit all rights, title and interest with respect to all PSUs which have not vested on or prior to the participant's termination date, unless otherwise set forth in the participant's PSU grant agreement or employment agreement, or unless otherwise expressly determined by the Compensation and Corporate Governance Committee in writing.
Assignment	PSUs are not assignable or transferable other than by will or the laws of descent and distribution.

The full text of the RSU Plan was publicly filed on April 6, 2018 and is available on SEDAR under the Company's issuer profile at www.sedar.com.

2018 RSU and PSU Grants

The following table outlines the RSUs and PSUs granted during fiscal 2018 to each of the Company's NEOs:

Name	RSUs Granted	PSUs Granted	Vesting Date
Adam E. Paul	Nil	65,037	March 2, 2021
Kay Brekken	Nil	17,510	March 2, 2021
Jordan Robins	Nil	17,510	March 2, 2021
Jodi M. Shpigel	Nil	9,505	March 2, 2021
Dori J. Segal	25,014	Nil	March 2, 2021

(1) The number of RSUs and PSUs does not include dividends accumulated from date of grant until the end of fiscal 2018.

Limits

Subject to the overall limit on the number of Common Shares issuable under the RSU Plan, the maximum number of Common Shares available for issuance under the RSU Plan to:

(i) any one participant is 5% of the then issued and outstanding Common Shares; and

(ii) insiders of the Company is 10% of the then issued and outstanding Common Shares.

Under no circumstances may more than 10% of the Company's total issued and outstanding securities be issued within a one-year period or be issuable at any time to insiders of the Company under the RSU Plan and all of the Company's other security-based compensation arrangements.

The following table sets out the number of Common Shares previously issued and available for future issuance under the RSU Plan.

As at December 31, 2018	Number of Common Shares	
	Number	As % of Outstanding
Maximum number of Common Shares approved for issuance under the RSU Plan	2,430,554	0.97%
Number of RSUs and PSUs previously granted under the RSU Plan but not yet redeemed[(1)]	587,494	0.24%
Number of Common Shares that remain available for future grants of RSUs and PSUs under the RSU Plan	757,283	0.30%

(1) Excludes RSUs which have been cancelled.

Annual Burn Rate under the RSU Plan as of December 31, 2018

Fiscal Year	Number of RSUs and PSUs[(1)] Granted	Burn rate (as % of weighted average number of Common Shares outstanding during the applicable fiscal year)	Weighted average number of Common Shares outstanding during the applicable fiscal year
2018	220,843	0.09%	249,348,569
2017	191,452	0.08%	243,868,547
2016	170,913	0.07%	234,831,261

(1) 139,579 PSUs were granted in 2018, 111,680 PSUs were granted in 2017 and 105,790 PSUs were granted in 2016. The performance adjustment factor for PSUs is between 50% and 150%.

Amending, Suspending or Terminating the RSU Plan

The Compensation and Corporate Governance Committee may amend, suspend or terminate the RSU Plan at any time in accordance with applicable laws, regulations, stock exchange rules or accounting/auditing requirements, and subject to any required shareholder or regulatory approval, as long as it has the participant's consent to any material adverse change to such participant's outstanding RSUs.

Shareholder approval is required to make the following changes to the RSU Plan:

- increasing the number of Common Shares that can be issued under the RSU Plan, including an increase to a fixed number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed percentage;
- expanding the categories of eligible participants;
- extending the term of any rights granted under the plan beyond its original expiry date;
- permitting the transfer of an RSU, except by testate or intestate succession;
- any amendment to remove or exceed the insider participation limit; and
- changing the provisions for amending, suspending or terminating the RSU Plan.

We do not require shareholder approval to make other amendments to the RSU Plan, including without limitation amendments that:

- are administrative or "housekeeping" in nature;
- are required to comply with the law;
- qualify for favourable tax treatment;
- relate to early termination; and
- are necessary to suspend or terminate the RSU Plan.

No amendments to the RSU Plan were made in 2018.

Employee Share Purchase Plan

The Employee Share Purchase Plan was implemented in 2016 in order to attract, retain and motivate persons who are employed by the Company and its affiliates to invest in Common Shares of the Company in a convenient and systematic manner, so as to encourage continued employee interest in the operation, growth and development of the Company, as well as to provide an additional investment savings opportunity to employees.

Form of award	The Company contributes one hundred percent of the participant's contributions, up to a maximum contribution for each participant for each calendar year of $1,500, subject to any restrictions as may be required under the *Tax Act* or the Canada Revenue Agency's administrative policies.
Who participates	All regular permanent full-time employees of the Company or a participating subsidiary, but excluding any member of the Company's executive leadership team, having completed at least three months of continuous service are eligible participants.
Administration	The Employee Share Purchase Plan is administered by the Company. The Company may, from time to time, establish, amend or repeal administrative rules and regulations relating to the operation of the Employee Share Purchase Plan as it may deem necessary. An independent third party has been appointed by the Company as a trustee to maintain employee accounts and to acquire, hold and sell Common Shares for and on behalf of all participants.
Determination of Common Share Purchases	Participants may elect to contribute by way of regular payroll deductions or, no more than four times per calendar year, elect to make lump sum contributions, the total contributions of which may not exceed the greater of $1,500 and 5% of the participant's eligible earnings for that calendar year. The Company will contribute an amount equal to 100% of a participant's contribution, up to a maximum contribution of $1,500 for each participant for each calendar year.
Vesting	Common Shares purchased using Company contributions ("Company Shares"), as well as the Common Shares acquired through the reinvestments of dividends on such shares, are subject to a 12- month vesting period.
Payout	After expiry of the vesting period applicable to Company Shares, and at any time with respect to other Common Shares, a participant may elect to withdraw or sell all or any portion of his/her Common Shares held in the Employee Share Purchase Plan.
Cessation of Employment	In the event a participant ceases to be employed by the Company or a participating subsidiary for any reason, including death, disability, retirement, resignation or termination with or without cause, the participant may elect to withdraw from the plan or sell all whole Common Shares other than the unvested Common Shares. Unvested Company Shares are immediately forfeited on the participant's termination date and no amount is payable to the participant in respect thereof.
Assignment	The interest of any participant in the Employee Share Purchase Plan is not assignable either by voluntary assignment or by operation of law except upon death or upon mental incompetency.
Change of Control	All unvested Company Shares credited to a participant's account vest at the effective time of a change of control of the Company in accordance with the terms of the Employee Share Purchase Plan.

4. Benefits

We provide a comprehensive benefit program to our executives similar to those typically found in Canadian companies of a similar size. Our benefit program provides all employees (including the executive leadership team) with additional medical and dental benefits, life insurance coverage and a fitness expense benefit. The benefit program is fully funded by the Company with executives responsible for co-payments under the benefits plan. The Company also contributes to RRSPs for all executives, including each of the NEOs.

Performance Graph

The graph below shows a comparison over the same period of the yearly change in the Company's cumulative total shareholder return on a $100 investment in Common Shares on December 31, 2013, assuming reinvestment of dividends with (i) the cumulative total returns of the S&P/TSX Composite Index®, (ii) the S&P/TSX Capped Real Estate Investment Trust Index®, and (iii) the yearly change in total compensation for the Company's NEOs from time to time assuming compensation of $100 in the year preceding the comparison period.

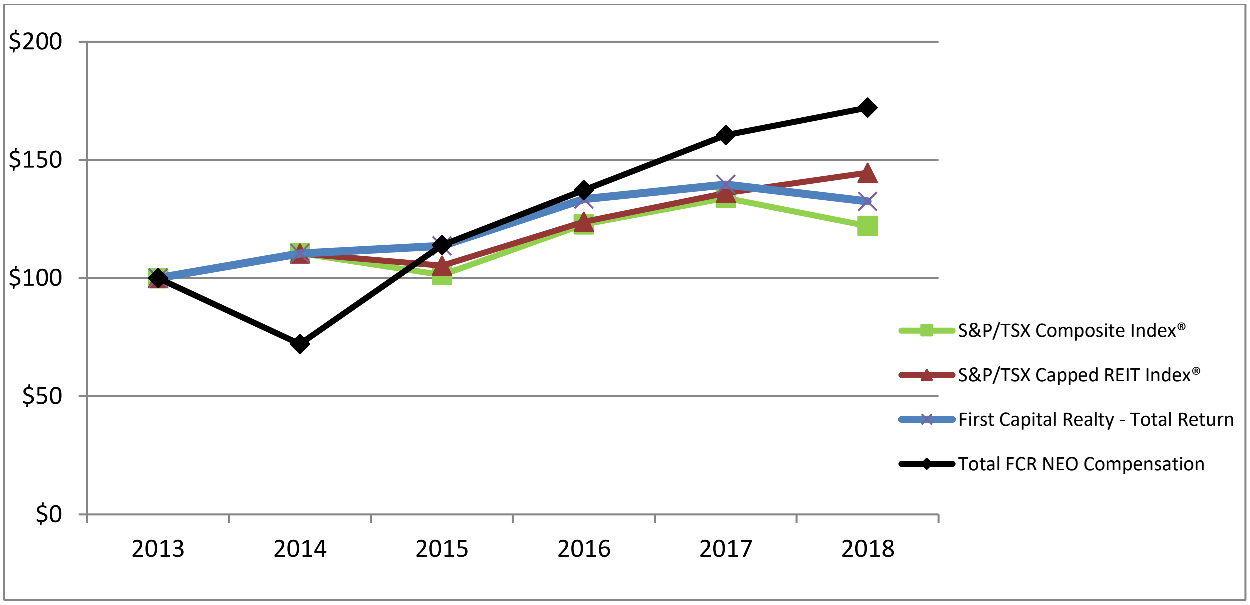


Table Showing Relative Cumulative Total Return Data Used In Performance Graph (As at December 31)						
	2013	**2014**	**2015**	**2016**	**2017**	**2018**
FCR – Total Return	$100	$110	$114	$133	$140	$133
S&P/TSX Capped REIT Index®	100	110	105	124	136	145
S&P/TSX Composite Index®	100	111	101	123	134	122
Total FCR NEO Compensation	100	72	114	137	160	172

Sources: TSX; Bloomberg

Based on the timing and structure of the Company's compensation plans and review process, executive compensation levels are determined when the actual performance of the Company in the prior year is known. As a result, Company performance is reflected (i) in the annual incentive cash bonus amounts in the same year (since these are made in respect of the prior year) and (ii) in the medium and long-term incentive equity grants in the following year (since these are made in respect of the year in which they are granted). This causes executive compensation impacts to partially lag Company performance. Moreover, for the purposes of the analysis below, total compensation is valued only on the date of grant or payment, as applicable, and does not reflect the fact that a substantial portion of the NEOs' past compensation has been in the form of stock options, RSUs and PSUs that have a value that is directly tied to the trading price of the Common Shares and fluctuates with shareholder returns. See *Executive Compensation – Compensation Discussion and Analysis* for a discussion of the factors considered in the determination of the Company's executive compensation levels.

Analysis of the total compensation trend for the Company's NEOs from time to time (excluding the Chair in each year since he had a fixed fee arrangement during the period) for the five years ended December 31, 2018 demonstrates that the total compensation for these individuals as a group: (i) declined in 2014 despite positive total return of the Common Shares on the TSX in 2014 primarily due to reduced equity based incentive compensation awards in March 2014 reflecting the Company's relative underperformance against its performance measurement targets for 2013, waiver by the then President and Chief Executive Officer of his entitlement to an incentive bonus award and reduced annual incentive bonus awards in respect of 2014 reflecting the Company's relative underperformance against its performance measurement targets for 2013; (ii) increased in 2015 at a faster pace than the positive total return of the Common Shares in 2015, reflecting the Company's overall performance relative to its performance measurement targets for 2014 and primarily due to the lower level of total compensation in 2014 which augmented the relative amount of the total compensation increase in 2015; (iii) increased in 2016 at a pace consistent with the positive total return of the Common Shares in 2016 primarily due to the Company's performance relative to its performance measurement targets for 2015, and due in part to newly created roles and market adjustments made to NEO compensation levels based on the advice of the independent compensation consultants, WTW, engaged by the Compensation and Corporate Governance Committee; (iv) increased in 2017 at a faster pace than the positive total return of the Common Shares in 2017, reflecting the Company's overall performance relative to its performance measurement targets for 2016 and primarily due to the lower level of total compensation in 2016 which augmented the relative amount of the total compensation increase in 2017; and (v) increased in 2018 despite the slightly negative total return of the Common Shares which was primarily due to a decline of real estate stocks and of the stock market in general in 2018, and also lower level of total compensation in 2017. The total compensation of NEOs for the purposes of this analysis excludes transition payments made to any NEOs during the period.

Cost of Management Ratio

The following information is for the Company's NEOs from time to time (excluding the Chair in each year since he had a fixed fee arrangement during the period) and represents the total compensation as presented in the Summary Compensation Table in each year for the five-year period from January 1, 2014 through December 31, 2018 (excluding transition payments made to any NEOs during the period), presented as a percentage of each of FFO and revenues.

	2014	**2015**	**2016**	**2017**	**2018**
Total NEO compensation ($millions)[(1)]	3.1	4.9	5.8	6.9	7.4
FFO ($millions)	209	221	263	284	303
As a % of FFO	1.5%	2.2%	2.2%	2.5%	2.4%
Revenues ($millions)	666	680	684	704	738
As a % of revenues	0.47%	0.72%	0.85%	0.99%	1.00%

(1) Total NEO compensation excludes transition payments made to any NEOs during the period.

CEO Compensation Look-Back Table

The following table provides a summary of compensation earned by the CEO of the Company from 2014 to 2018. The current CEO of the Company, Adam E. Paul, became President and Chief Executive Officer of the Company on February 16, 2015. Dori J. Segal was the President and Chief Executive Officer of the Company from 2000 until the appointment of Mr. Paul. See also *Executive Compensation – Summary Compensation Table for NEOs* below.

Name	2014 ($)	2015 ($)	2016 ($)	2017 ($)	2018 ($)
Adam E. Paul President and Chief Executive Officer					
Salary	N/A	687,500	750,000	800,000	800,000
Share Based Awards(1)	1,099,800	663,495	1,000,000	1,066,666	1,300,000
Option Based Awards(2)	274,000	293,000	500,000	533,333	650,000
Annual Incentive Plan	N/A	673,750	734,250	973,000	926,000
All Other Compensation	N/A	51,800	47,300	48,100	48,800
Total Compensation	1,373,800(3)	2,369,545	3,031,550	3,421,099	3,724,800
Dori J. Segal Former President and Chief Executive Officer					
Salary	720,000	N/A	N/A	N/A	N/A
Share Based Awards(4)	443,750	N/A	N/A	N/A	N/A
Option Based Awards(5)	72,000	N/A	N/A	N/A	N/A
Annual Incentive Plan	N/A	N/A	N/A	N/A	N/A
All Other Compensation	4,687,800(6)	N/A	N/A	N/A	N/A
Total Compensation	5,923,550	N/A	N/A	N/A	N/A

(1) The amount represents the dollar value of RSUs and PSUs granted, based on the weighted average closing price of the Common Shares on the TSX for the five trading days ending on the trading day immediately prior to the date of grant (which was $17.74 for 2014, $18.69 for 2015, $20.45 for 2016, $20.14 for 2017 and $19.98 for 2018) multiplied by the number of RSUs or PSUs granted. In 2016, 2017 and 2018 all share-based awards were made in the form of PSUs for Mr. Paul.

(2) The value of the option-based awards represents the compensation value of options granted on November 3, 2014 in respect of 2014 grant, June 8, 2015 in respect of 2015 grant, February 19, 2016 in respect to 2016 grant, March 17, 2017 in respect of 2017 grant and March 2, 2018 in respect of 2018 grant. The 2014, 2015, 2016, 2017 and 2018 option grant values are based on the closing price of the Common Shares on the TSX on the day immediately preceding the date of grant being $18.41 for the 2014 grant, $18.40 for the 2015 grant, $19.60 for the 2016 grant, $20.07 for the 2017 grant and $20.03 for the 2018 grant. The option grant compensation value is determined using the Black-Scholes option pricing model for option valuation and reflects the estimated expected life of the options as well as assumptions for volatility, risk-free interest rate and dividend yield. The weighted average assumptions used to determine the Black-Scholes value of $1.13 per option for 2014 were as follows: Risk-free interest rate of 1.61%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.68%. The weighted average assumptions used to determine the Black-Scholes value of $1.03 per option for 2015 were as follows: risk-free interest rate of 1.20%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.56%. The weighted average assumptions used to determine the Black-Scholes value of $1.09 per option for 2016 were as follows: risk-free interest rate of 0.78%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.35%. The weighted average assumptions used to determine the Black-Scholes value of $1.29 per option for 2017 were as follows: risk-free interest rate of 1.31%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.26%. The weighted average assumptions used to determine the Black-Scholes value of $1.17 per option for 2018 were as follows: risk-free interest rate of 2.00%, expected share price volatility of 13.50%, expected option life of 5.5 years, and dividend yield of 4.33%.

(3) On November 3, 2014, Mr. Paul was appointed President and Chief Executive Officer of the Company and such appointment took effect on February 16, 2015. Effective November 3, 2014, Mr. Paul received a grant of 240,000 options and 60,000 RSUs as part of his compensation arrangements as President and Chief Executive Officer of the Company. He received no other compensation in 2014.

(4) The amount represents the dollar value of RSUs granted, based on the weighted average closing price of the Common Shares on the TSX for the five trading days ending on the trading day immediately prior to the date of grant (which was $17.75 for 2014) multiplied by the number of RSUs granted.

(5) The value of the option-based awards represents the compensation value of options granted on March 7, 2014 in respect of 2014 grant. The 2014 option grant value was based on the closing price of the Common Shares on the TSX on the day immediately preceding the date of grant being $17.77. The option grant compensation value is determined using the Black-Scholes option pricing model for option valuation and reflects the estimated expected life of the options as well as assumptions for volatility, risk-free interest rate and dividend yield. The weighted average assumptions used to determine the Black-Scholes value of $1.12 per option were as follows: Risk-free interest rate of 1.78%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.68%.

(6) Includes a lump sum payment of $4,630,000 to Mr. Segal pursuant to the terms of his transition agreement.

Summary Compensation Table for NEOs

The following table provides a summary of compensation earned by our NEOs in respect of 2018, 2017 and 2016, as determined in accordance with applicable securities laws.

					Non-Equity Incentive Plan Compensation ($)			
Name and Principal Position	**Year**	**Salary ($)**	**Share-Based Awards(1) ($)**	**Option-Based Awards(2) ($)**	**Annual Incentive Plans**	**Long-Term Incentive Plans(3)**	**All Other Compensation(4) ($)**	**Total Compensation ($)**
Adam E. Paul	2018	800,000	1,300,000	650,000	926,000	N/A	48,800	3,724,800
President and	2017	800,000	1,066,666	533,333	973,000	N/A	48,100	3,421,099
Chief Executive Officer	2016	750,000	1,000,000	500,000	734,250	N/A	47,300	3,031,550
Kay Brekken	2018	450,000	350,000	175,000	428,400	N/A	42,900	1,446,300
Executive Vice	2017	440,000	300,000	150,000	430,320	N/A	42,600	1,362,920
President and Chief Financial Officer	2016	425,000	240,000	120,000	312,056	N/A	41,300	1,138,356
Jordan Robins(5) (6)	2018	475,000	350,000	175,000	423,700	N/A	42,400	1,466,100
Executive Vice	2017	475,000	333,000	167,000	336,006	N/A	42,100	1,353,106
President and Chief Operating Officer	2016	279,500	333,000	167,000	203,925	N/A	33,700	1,017,125
Jodi M. Shpigel	2018	310,000	190,000	95,000	135,625	N/A	42,400	773,025
Senior Vice	2017	290,000	150,000	75,000	208,365	N/A	42,200	765,565
President, Development	2016	285,000	150,000	75,000	198,574	N/A	41,300	749,874
Dori J. Segal(7)	2018	500,000	500,000	N/A	N/A	N/A	13,500	1,013,500
Chair of the Board	2017	500,000	500,000	N/A	N/A	N/A	5,500	1,005,500
	2016	700,000	300,000	N/A	N/A	N/A	48,100	1,048,100

(1) The amount represents the dollar value of RSUs and PSUs granted, based on the weighted average closing price of the Common Shares on the TSX for the five trading days ending on the trading day immediately prior to the date of grant (which was $20.45 for 2016, $20.14 for 2017 and $19.98 in 2018 for all NEOs) multiplied by the number of RSUs or PSUs granted. In 2016, 2017 and 2018, all NEOs received share-based awards in the form of PSUs, with the exception of Mr. Segal who received RSUs.

(2) The value of the option-based awards represents the compensation value of options granted on February 19, 2016 (April 11, 2016 for Mr. Robins) in respect of 2016 grants, March 17, 2017 in respect of 2017 grants and March 2, 2018 in respect of 2018 grants. The 2016, 2017 and 2018 option grant values are based on the closing price of the Common Shares on the TSX on the day immediately preceding the date of grant being $19.60 for the 2016 grants ($20.24 for the 2016 grants to Mr. Robins), $20.07 for the 2017 grants and $20.03 for the 2018 grants. The option grant compensation value is determined using the Black-Scholes option pricing model for option valuation and reflects the estimated expected life of the options as well as assumptions for volatility, risk-free interest rate and dividend yield. The weighted average assumptions used to determine the Black-Scholes value of $1.09 per option for 2016 were as follows: risk-free interest rate of 0.78%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.35%. The weighted average assumptions used to determine the Black-Scholes value of $1.29 per option for 2017 were as follows: risk-free interest rate of 1.31%, expected share price volatility of 15%, expected option life of 6 years, and dividend yield of 4.26%. The weighted average assumptions used to determine the Black-Scholes value of $1.17 per option for 2018 were as follows: risk-free interest rate of 2.00%, expected share price volatility of 13.50%, expected option life of 5.5 years, and dividend yield of 4.33%.

(3) The Company does not provide non-equity long-term incentives to its executives.

(4) These amounts represent the Company's contributions to RRSPs on behalf of the NEOs, car allowances, group life insurance and other benefits.

(5) Mr. Robins joined the Company as Executive Vice President and Chief Operating Officer in June 2016. Mr. Robin's compensation earned in 2016 was prorated based on his start date.

(6) Mr. Robins' annual bonus for 2017 includes a one time bonus of $25,000 in respect of specific achievements relating to leasing (in addition to the eligible bonus achieved).

(7) Mr. Segal does not receive an annual bonus for his services as Chair of the Board.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning options, RSUs and PSUs outstanding under the each of the Stock Option Plan and RSU Plan, as applicable, held by the NEOs of the Company as at December 31, 2018.

	Option-Based Awards				Share-Based Awards (RSUs and PSUs)		
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-The-Money Options ($)(1)	Number of Shares or Units of Shares That Have Not Vested (#)(2)	Market or Payout Value of Share-Based Awards That Have Not Vested ($)(3)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ($)
Adam E. Paul	240,000 285,000 467,000 411,872 557,748	18.41 18.40 19.60 20.07 20.03	November 3, 2024 June 8, 2025 February 19, 2026 March 17, 2027 March 2, 2028	233,850	178,473	3,364,216	N/A
Kay Brekken	50,000 74,000 112,000 115,839 150,163	19.02 18.40 19.60 20.07 20.03	August 5, 2024 June 8, 2025 February 19, 2026 March 17, 2027 March 2, 2028	33,300	47,149	888,759	N/A
Jordan Robins	145,000 128,967 150,163	20.24 20.07 20.03	April 11, 2026 March 17, 2027 March 2, 2028	0	53,963	1,017,203	N/A
Jodi M. Shpigel	2,700 8,000 33,000 56,000 57,920 81,517	18.97 17.77 18.40 19.60 20.07 20.03	March 1, 2023 March 7, 2024 June 8, 2025 February 19, 2026 March 17, 2027 March 2, 2028	23,490	25,977	489,666	N/A
Dori J. Segal	130,000 65,000	18.97 17.77	March 1, 2023 March 7, 2024	70,200	68,850	1,297,823	N/A

(1) Value represents the difference between the closing price of the Common Shares on the TSX on December 31, 2018, $18.85 and the exercise price of the applicable option, multiplied by the number of such options.

(2) The RSUs and PSUs held by the NEOs will vest according to the following schedule, subject to the terms of the RSU Plan described under *Executive Compensation – Elements of Compensation – 3. Medium and Long-Term Incentives – Equity Compensation Plans – RSU Plan*. In 2016, 2017 and 2018, all NEOs received share-based awards in the form of PSUs, with the exception of Mr. Segal who received RSUs.

NEO	2019		2020		2021	
	RSUs	PSUs	RSUs	PSUs	RSUs	PSUs
Adam E. Paul	Nil	54,286	Nil	57,048	Nil	67,139
Kay Brekken	Nil	13,029	Nil	16,045	Nil	18,076
Jordan Robins	Nil	18,078	Nil	17,809	Nil	18,076
Jodi M. Shpigel	Nil	8,143	Nil	8,022	Nil	9,813
Dori J. Segal	16,286	Nil	26,741	Nil	25,823	Nil
Total	16,286	93,536	26,741	98,924	25,823	113,104

(3) Value represents the number of share-based awards that have not vested multiplied by the closing price of the Common Shares on the TSX on December 31, 2018, $18.85. In the case of PSUs, the performance adjustment factor of 100% is applied in order to determine the value of the award.

Incentive Plan Awards - Value Vested, Realized or Earned During 2018

The following table sets forth information concerning the value of option-based awards and share-based awards of the NEOs of the Company that vested or was realized upon exercise or redemption (as applicable) during 2018, as well as the value of non-equity incentive plan compensation earned during 2018.

Name	Option-Based Awards – Value Vested During 2018(1) ($)	Option-Based Awards – Value Realized Upon Exercise During 2018(2) ($)	Share-Based Awards – Value Vested During 2018(3) RSUs ($)	Share-Based Awards – Value Vested During 2018(3) PSUs ($)	Non-Equity Incentive Plan Compensation – Value Earned During 2018 ($)
Adam E. Paul	289,750	-	852,409	-	926,000
Kay Brekken	88,025	-	234,112	-	428,400
Jordan Robins	20,171	-	-	-	423,700
Jodi M. Shpigel	54,095	-	174,084	-	135,625
Dori J. Segal	56,420	938,200	355,260	-	N/A

(1) Value represents the difference between the closing price of the Common Shares on the TSX on the day immediately preceding the date of vesting and the exercise price of the applicable option on the vesting date, multiplied by the number of such options that vested in 2018.

(2) Value represents the difference between the closing price of the Common Shares on the TSX on the day immediately preceding the date of exercise and the exercise price of the applicable option, multiplied by the number of such options exercised.

(3) Value represents the number of share-based awards that vested in 2018 multiplied by the five-day weighted average closing price of the Common Shares on the TSX ending on the trading day immediately prior to the applicable vesting date.

Termination and Change of Control Benefits

Mr. Paul, the President and Chief Executive Officer of the Company, has an employment contract with the Company that was amended in March 2018 (no amendments were made to the termination and change of control benefits) pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the Company's annual incentive cash bonus plan and is eligible to participate in the Company's long-term incentive programs based on his performance and commensurate with awards to other members of the Company's executive leadership team as determined by the Compensation and Corporate Governance Committee. His employment contract also provides that if his employment is terminated without cause, or if he resigns for "good reason" (defined below) within 24 months following a change of control, he will be paid an amount equivalent to two years' base salary, bonus, benefits and perquisites and all RSUs, PSUs and options vest immediately with RSUs and PSUs being redeemed immediately and options being exercisable until the earlier of: (a) 60 days after his date of termination; and (b) the original expiry of the awards. Mr. Paul is subject to one year post-termination non-competition and non-solicitation obligations in respect of employees and a confidentiality obligation. If he breaches any of these obligations, the Company is entitled to injunctive relief and any further legal relief as may be applicable. Under the terms of Mr. Paul's employment contract, "good reason" means: (a) a reduction of his salary by the Company; (b) any action by the Company which would materially adversely affect the participation in or materially reduce the aggregate incentive compensation, pension, life insurance, health, accident, or other benefits under plans which Mr. Paul participates in; (c) any failure by the Company to make any payments to Mr. Paul when due; (d) any breach by the Company of any of its material obligations under Mr. Paul's employment contract; (e) the relocation of the principal office at which Mr. Paul's services are performed by more than 50 kilometres; (f) Mr. Paul involuntarily ceases to be CEO and a Board member of the Company; (g) a material adverse change in Mr. Paul's role, responsibilities or reporting relationship; (h) a change in control and more than 50% of the directors of the Company voluntarily resign as a consequence of the change in control; and (i) any other reason which would be considered to constitute constructive dismissal by a court of competent jurisdiction.

Ms. Brekken, the Executive Vice President and Chief Financial Officer of the Company, has an employment contract with the Company that was amended in March 2018 (no amendments were made to the termination and change of control benefits) pursuant to which she is paid an annual base salary, is entitled to receive a bonus under the Company's annual incentive cash bonus plan and is eligible to participate in the Company's long-term incentive programs based on her performance and commensurate with awards to other members of the Company's executive leadership team as determined by the Compensation and Corporate Governance Committee. Her employment contract also provides that if her employment is terminated without cause, she will be paid an amount equivalent to two years' base salary, bonus, benefits and perquisites and all RSUs, PSUs and options vest immediately with RSUs and PSUs being redeemed immediately and options being exercisable until the earlier of: (a) 60 days after her date of termination; and (b) the original expiry of the awards. Ms. Brekken is subject to a one year post-termination non-competition and non-solicitation obligations in respect of employees and a confidentiality obligation. If she breaches any of these obligations, the Company is entitled to injunctive relief and any further legal relief as may be applicable.

Mr. Robins, the Executive Vice President and Chief Operating Officer of the Company, has an employment contract with the Company that was amended in March 2018 (no amendments were made to the termination and change of control benefits) pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the Company's annual incentive cash bonus plan and is eligible to participate in the Company's long-term incentive programs based on his performance and commensurate with awards to other members of the Company's executive leadership team as determined by the Compensation and Corporate Governance Committee. His employment contract also provides that if his employment is terminated without cause, or if he resigns for "good reason" (defined below) within 12 months following a change of control, he will be paid an amount equivalent to one year's base salary, bonus, benefits and perquisites and all RSUs, PSUs and options vest immediately with RSUs and PSUs being redeemed immediately and options being exercisable until the earlier of: (a) 60 days after his date of termination; and (b) the original expiry of the awards. Mr. Robins is subject to a one year post-termination non-competition and non-solicitation obligations in respect of employees and a confidentiality obligation. If he breaches any of these obligations, the Company is entitled to injunctive relief and any further legal relief as may be applicable. Under the terms of Mr. Robins' employment contract, "good reason" means: (a) a reduction of his salary by the Company; (b) any action by the Company which would materially adversely affect the participation in or materially reduce the aggregate incentive compensation, pension, life insurance, health, accident, or other benefits under plans which Mr. Robins participates in; (c) any failure by the Company to make any payments to Mr. Robins when due; (d) any breach by the Company of any of its material obligations under Mr. Robins' employment contract; (e) the relocation of the principal office at which Mr. Robins' services are performed by more than 50 kilometres; (f) a material adverse change in Mr. Robins' role, responsibilities or reporting relationship; and (g) any other reason which would be considered to constitute constructive dismissal by a court of competent jurisdiction.

Ms. Shpigel, the Senior Vice President, Development of the Company, has an employment contract with the Company that was amended in March 2018 (no amendments were made to the termination and change of control benefits) pursuant to which she is paid an annual base salary, is entitled to receive a bonus under the Company's annual incentive cash bonus plan and is eligible to participate in the Company's long-term incentive programs based on her performance and commensurate with awards to other members of the Company's Executive Leadership Team as determined by the Compensation and Corporate Governance Committee. Her employment contract also provides that if her employment is terminated without cause, she will be paid an amount equivalent to one year's base salary, bonus and benefits and all RSUs, PSUs and options vest immediately with RSUs and PSUs being redeemed immediately and options being exercisable until the earlier of: (a) 60 days after her date of termination; and (b) the original expiry of the awards. Ms. Shpigel is subject to a one year post-termination non-competition and non-solicitation obligations in respect of employees and a confidentiality obligation. If she breaches any of these obligations, the Company is entitled to injunctive relief and any further legal relief as may be applicable.

Mr. Segal entered into an amended and restated engagement agreement with the Company effective February 1, 2017 pursuant to which he is entitled to (i) annual cash compensation in the amount of $500,000; and (ii) RSUs representing $500,000 (calculated in accordance with the RSU Plan) annually. His amended and restated engagement agreement also provides that, if his engagement is terminated without cause, he will be provided with notice or pay in lieu of notice equal to the lesser of one year, or the length of time remaining until the expiry of the term of his engagement agreement. The Company may terminate his engagement without compensation, notice or any pay in lieu of notice, for cause or in the event of a change of control. Mr. Segal is subject to one year post termination non-competition and non-solicitation obligations in respect of employees, customers and suppliers of the Company, as well as a confidentiality obligation. If he breaches any of these obligations, the Company is entitled to injunctive relief and any further legal relief as may be applicable. Mr. Segal’s amended and restated engagement agreement expires on January 31, 2020. In accordance with Mr. Segal’s amended and restated engagement agreement he will continue to receive his entitlements thereunder from the Chair Transition to January 31, 2020.

As of February 2019, the employment contracts for Mses. Brekken and Shpigel were amended to add change of control payments if they resign for “good reason” within 12 months following a change of control, consistent with the payments to which they are entitled to upon termination without cause. The definition of “good reason” is consistent with the way that term is defined in the Company’s other employment contracts with executive officers. These amendments were made to align the terms of the employment contracts for Mses. Brekken and Shpigel with those of other executive officers of the Company.

Termination and Change of Control Payments

The following table presents the termination and change of control payments that would be paid by the Company if a termination or change of control occurred on December 31, 2018. These amounts are determined pursuant to each NEOs employment contract or engagement agreement as applicable. For more information regarding the circumstances, including termination, that trigger payments and provision of benefits, please see *Executive Compensation — Termination and Change of Control Benefits* above.

Adam E. Paul

Name	Termination Without Cause or Resignation for Good Reason(1) within 24 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Adam E. Paul, President and Chief Executive Officer	$7,033,211 comprised of: • $1,600,000 (2 x base salary) • $1,899,000 (2 x average bonus paid to employee for two most recently completed fiscal years) • $9,115 (2 x annual cost of benefit plans premiums for employee) • $88,460 (cost of perquisites for 24 months, including RRSP contributions and car allowance) • $3,364,216 (dollar value of all accelerated PSUs - all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment) • $72,420 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	$72,420 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	In case of death $3,364,216 (dollar value of accelerated PSUs – all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of death). In case of retirement, PSUs granted continue to vest in accordance with the terms of the RSU Plan as if Mr. Paul continued to be actively employed by the Company.

(1) See *Executive Compensation – Termination and Change of Control Benefits* for the definition of "good reason".

Kay Brekken

Name	Termination without Cause or Disability	Change of Control	Death or Retirement
Kay Brekken, Executive Vice President and Chief Financial Officer	$2,748,620 comprised of: • $900,000 (2 x base salary) • $858,720 (2 x average bonus paid to employee for two most recently completed fiscal years) • $9,381 (cost of benefit plans premiums for 24 months) • $76,460 (cost of perquisites for 24 months, including RRSP contributions and car allowance) • $888,759 (dollar value of accelerated PSUs - all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment) • $15,300 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	$15,300 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	In case of death $888,759 (dollar value of accelerated PSUs – all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment). In case of retirement, PSUs granted continue to vest in accordance with the terms of the RSU Plan as if Ms. Brekken continued to be actively employed by the Company.

Jordan Robins

Name	Termination Without Cause or Resignation for Good Reason[(1)] within 12 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Jordan Robins, Executive Vice President and Chief Operating Officer	$1,914,491 comprised of: • $475,000 (1 x base salary) • $379,853 (1 x average bonus paid to employee for two most recently completed fiscal years) • $4,205 (cost of benefit plans premiums for 12 months) • $38,230 (cost of perquisites for 12 months, including RRSP contributions and car allowance) • $1,017,203 (dollar value of accelerated PSUs - all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment) • $Nil (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	$Nil (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	In case of death $1,017,203 (dollar value of accelerated PSUs – all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment). In case of retirement, PSUs granted continue to vest in accordance with the terms of the RSU Plan as if Mr. Robins continued to be actively employed by the Company.

(1) See *Executive Compensation – Termination and Change of Control Benefits* for the definition of "good reason".

Jodi M. Shpigel

Name	Termination without Cause or Disability	Change of Control	Death or Retirement
Jodi M. Shpigel, Senior Vice President, Development	$990,086 comprised of: • $310,000 (1 x base salary) • $171,995 (1 x bonus paid to employee for the most recently completed fiscal year) • $4,205 (cost of benefit plans premiums for 12 months) • $489,666 (dollar value of accelerated PSUs - all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment) • $14,220 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	$14,220 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	In case of death $489,666 (dollar value of accelerated PSUs - all PSUs (and related dividend share units) are accelerated and vest immediately prior to the date of termination of employment). In case of retirement, PSUs granted continue to vest in accordance with the terms of the RSU Plan as if Ms. Shpigel continued to be actively employed by the Company.

Dori J. Segal

Name	Termination Without Cause	Disability	Death or Retirement
Dori J. Segal, Chair of the Board	$2,331,863 comprised of: • $1,000,000 ($500,000 cash and $500,000 in RSUs, being the compensation payable to Mr. Segal for the lesser of one year and remaining term of his engagement agreement) • $1,297,823 (dollar value of all accelerated RSUs – all RSUs (and related dividend RSUs) are accelerated) • $14,040 (the in the money amount as at December 31, 2018 of all options which were unvested on December 31, 2018)	RSUs continue to vest as if Mr. Segal continued to serve under his amended and restated engagement agreement.	In case of death $1,297,823 (dollar value of accelerated RSUs – all RSUs (and related dividend share units) are accelerated and vest immediately prior to the date of death). In case of retirement, RSUs granted continue to vest in accordance with the terms of the RSU Plan as if Mr. Segal continued to be actively employed by the Company.

DIRECTOR COMPENSATION AND MEETING INFORMATION

Compensation Discussion and Analysis

Director Compensation

The Company's director compensation philosophy integrates the following objectives:

1. to align the interests of the directors with the interests of the Company's shareholders;

2. to attract, retain and motivate directors who will contribute to the success of the Company;

3. to provide fair and competitive compensation that takes into account the time commitment, risks and responsibilities of directors; and

4. to provide the types of compensation and the amounts paid to directors of comparable publicly-traded Canadian entities.

HIGHLIGHTS OF DIRECTOR COMPENSATION

- 67% of fees were paid in DSUs.
- Stock Options have not formed part of director compensation since 2005.
- All directors in 2018 met or exceeded share ownership requirements, as applicable.
- The Company has a compensation claw-back policy for senior management and directors.
- Fixed annual retainer structure for director compensation.

We review our director compensation program regularly to ensure we stay competitive and can attract quality directors to our board. The last change to director compensation took place in 2016, when the Company's former director compensation, comprising an annual base retainer plus meeting fees, was replaced with a fixed annual retainer. As before, there are additional retainer amounts for the Lead Director, Chair of each of the Audit Committee and Compensation and Corporate Governance Committee, and members of the Audit Committee, in each case recognizing and proportionate to the additional responsibilities associated with such roles. The change to a fixed annual retainer was made since this structure of director compensation is viewed as a good practice.

The Compensation and Corporate Governance Committee annually reviews the adequacy and form of directors' compensation. In 2018, director compensation was comprised of the following components:

- An annual retainer for outside directors (consisting of a fixed amount of cash and DSUs); and
- Additional annual retainer amounts for the Lead Director, committee chairs (other than the Investment Committee Chair) and Audit Committee members (other than the Audit Committee Chair who receives an annual retainer in this capacity).

The Compensation and Corporate Governance Committee considers the compensation of directors of a group of companies when reviewing the adequacy and form or our directors' compensation. The companies in the comparator group for director compensation are set out in the table below. This is the same as the executive compensation comparator group.

2018 Director Compensation Peer Comparator Group	
Choice Properties Real Estate Investment Trust SmartCentres Real Estate Investment Trust Canadian Apartment Properties Real Estate Investment Trust	Allied Properties Real Estate Investment Trust H&R Real Estate Investment Trust RioCan Real Estate Investment Trust

The comparator group did not change in 2018 as compared to the prior year. The entities in the executive compensation comparator group were recommended to the Company by WTW. The Compensation and Corporate Governance Committee also reviews the comparator group periodically. In determining the compensation comparator group, companies that are in the same industry and that are comparable to the Company based on annual revenues, total assets, market capitalization, enterprise value, funds from operations, characteristics of assets, geography of operations and corporate ownership structure are considered.

The comparator group and other market analysis were used to ensure that director compensation was substantially in line with the comparator group. The following table lists the fees our outside directors (i.e., all directors other than Messrs. Paul and Segal) were entitled to receive in 2018. For a summary of the compensation earned by Messrs. Segal and Paul for the year ended December 31, 2018, see *Executive Compensation – Summary Compensation Table for NEOs*.

Director Fees	**Fee Amount**
Annual Retainer – Board Chair	$Nil
Annual Retainer – Lead Director	$20,000
Annual Retainer – Outside Directors	$65,000 in DSUs and $50,000 in cash or DSUs
Annual Retainer – Audit Committee Chair	$20,000
Annual Retainer – Audit Committee Members (other than the Chair)	$5,000
Annual Retainer – Compensation and Corporate Governance Committee Chair	$10,000

Director Compensation Table

The table below shows fees earned by each outside director (i.e., all directors other than Messrs. Paul and Segal) in 2018, based on the fee schedule. Of total compensation payable to outside directors in 2018, 67% was paid in the form of DSUs. For a summary of the compensation earned by Messrs. Paul and Segal for the year ended December 31, 2018, see *Executive Compensation – Summary Compensation Table for NEOs*.

Outside Director	**Annual Cash Retainer**	**Quarterly DSU Retainer**	**Committee Chair Fees**	**Committee Member Fees**	**Total Compensation**	**Percentage Of Total Compensation Paid In DSUs(1)**
Jon N. Hagan(2)	50,000	65,000	8,278	2,931	126,208	54%
Chaim Katzman(3) (10)	3,397	4,416	-	-	7,813	57%
Allan S. Kimberley(4)	20,694	26,903	-	2,069	49,667	73%
Annalisa King	50,000	65,000	-	5,000	120,000	100%
Al Mawani(5) (9)	32,417	40,986	11,722	-	85,125	48%
Bernard McDonell(9)	57,724	71,276	30,000(6)	-	159,000	45%
Jeffrey Mooallem(7) (10)	20,556	26,722	-	-	47,278	57%
Mia Stark(8)	29,444	38,278	-	-	67,722	100%
Andrea Stephen(9)	52,500	68,500	-	5,000	126,000	73%
Total	**316,732**	**407,081**	**50,000**	**15,000**	**788,813**	**67%**

(1) Directors are entitled to elect to receive any portion (up to all) of their fees in the form of DSUs. The minimum amount of fees that is paid in the form of DSUs is $65,000 per year.

(2) Mr. Hagan was the Chair of the Audit Committee until May 29, 2018 and then he continued to be a member of the Audit Committee thereafter. Upon election as director, Mr. Mawani became the Chair of the Audit Committee. Chair and committee member fees for Mr. Hagan have been prorated.

(3) Mr. Katzman re-joined the Board on December 6, 2018. His compensation earned in 2018 was prorated.

(4) Mr. Kimberley did not stand for re-election at the 2018 Meeting. His compensation earned in 2018 was prorated.

(5) Mr. Mawani was elected as a director at the 2018 Meeting and appointed as Chair of the Audit Committee upon his election as director. His compensation earned in 2018 was prorated.

(6) Includes the annual retainer for the Lead Director.

(7) Mr. Mooallem was appointed as a director on August 1, 2018. His compensation earned in 2018 was prorated.

(8) Ms. Stark resigned from the Board on August 1, 2018. Her compensation earned in 2018 was prorated.

(9) Annual cash retainer and quarterly DSU retainer includes additional compensation for serving on the Special Committee of the Board. In 2018, the Special Committee was formally constituted for the period October 15, 2018 to December 31, 2018. The compensation for the members of the Special Committee was $7,000 per month for the Chair and $3,000 per month for the members with the same allocation between cash and DSUs as with the other fees. Mr. McDonell was the Chair of the Special Committee, Mr. Mawani and Ms. Stephen were members. On January 25, 2019, the Special Committee was reconstituted. Mr. Hagan and Ms. King joined the Special Committee as members. The compensation for the Chair and the members did not change in 2019. The Special Committee was dissolved on April 16, 2019.

(10) Messrs. Katzman and Mooallem resigned from the Board on April 16, 2019.

Board of Directors Meetings Held and Attendance of Directors

The table below provides a summary of the attendance of directors at Board and committee meetings held during the year ended December 31, 2018. Attendance is a critical element for directors to perform their duties and responsibilities. Directors are expected to attend all meetings of the Board and its committees on which they sit, unless circumstances make it impossible to do so.

SUMMARY OF ATTENDANCE AT BOARD AND COMMITTEE MEETINGS												
DIRECTOR	**BOARD MEETINGS**		**AUDIT COMMITTEE MEETINGS**		**COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE MEETINGS**		**INVESTMENT COMMITTEE MEETINGS**		**INDEPENDENT DIRECTOR MEETINGS[1]**		**OVERALL**	
Dori J. Segal	17/17	100%	N/A	N/A	N/A	N/A	2/2	100%	N/A	N/A	19/19	100%
Adam E. Paul	17/17	100%	N/A	N/A	N/A	N/A	2/2	100%	N/A	N/A	19/19	100%
Jon N. Hagan	17/17	100%	4/4	100%	N/A	N/A	2/2	100%	19/19	100%	42/42	100%
Chaim Katzman[2] [5]	1/1	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1/1	100%
Annalisa King	17/17	100%	4/4	100%	4/4	100%	N/A	N/A	19/19	100%	44/44	100%
Al Mawani[3] [4]	8/8	100%	2/2	100%	N/A	N/A	N/A	N/A	10/10	100%	20/20	100%
Bernard McDonell[4]	17/17	100%	N/A	N/A	4/4	100%	2/2	100%	19/19	100%	42/42	100%
Jeffrey Mooallem[5] [6]	5/5	100%	N/A	N/A	N/A	N/A	0/0	100%	N/A	N/A	5/5	100%
Andrea Stephen[4]	17/17	100%	4/4	100%	4/4	100%	2/2	100%	19/19	100%	46/46	100%
OVERALL ATTENDANCE RECORD	**100%**		**100%**		**100%**		**100%**		**100%**		**100%**	

(1) During 2018, the independent directors of the Board met separately at each Board meeting and also twice separately from the Board.

(2) Mr. Katzman has been a director of the Company since August 2000. He served as Chairman of the Board from August 2000 to May 2015 and then as director from May 2015 to May 2016. He did not stand for re-election at the shareholders' meeting held on May 30, 2016 and re-joined the Board on December 6, 2018.

(3) Mr. Mawani was elected as a director and appointed as Chair of the Audit Committee on May 29, 2018. He attended all meetings held after his election.

(4) In addition, Mr. McDonell was the Chair and Ms. Stephen and Mr. Mawani were members of the Special Committee. They attended six of six meetings of the Special Committee held in 2018.

(5) Mr. Mooallem was appointed as a director and member of the Investment Committee on August 1, 2018. He attended all meetings held after his appointment.

(6) Messrs. Katzman and Mooallem resigned from the Board on April 16, 2019.

Directors' Deferred Share Unit Plan

The Board has delegated to the Compensation and Corporate Governance Committee responsibility for administering the Deferred Share Unit Plan (the "DSU Plan"). The DSU Plan was implemented in order to align the long-term interests of the directors with the long-term interests of the Company's shareholders.

Form of award	With the exception of the Chair, a portion of all non-employee directors' annual retainer is paid in the form of DSUs, and they may elect to receive up to 100% of their other directors' compensation in the form of DSUs. Each DSU represents the right of the eligible director to receive, on a deferred basis and at the option of the Company, an award of one Common Share issued from treasury, purchased on the open market, the equivalent cash value or a combination thereof. DSUs are issued on the business day immediately following the last day of each fiscal quarter. The number of DSUs issued to each director who elects to receive DSUs is determined by dividing the amount of the director's quarterly remuneration to be provided in DSUs by the weighted average trading price of the Common Shares on the TSX for the five trading days ending on the trading day immediately preceding the date of issuance of the DSUs. When a dividend is paid on the Common Shares, each non-employee director is allocated additional DSUs equal in value to the dividend paid on an equivalent number of Common Shares. DSUs are fully vested on the date of grant.
Who participates	All Non-Employee Directors.
Cessation as an Outside Director	If a non-employee director ceases, for any reason except as a result of death, to be a director of the Company or any subsidiary of the Company, the DSUs held by such non-employee director will be redeemed upon the earlier of (i) the Company's receipt of notice by the director of an intention to redeem such DSUs and (ii) December 15 in the first calendar year commencing after the date that the non-employee Director retires from or otherwise ceases to hold such positions. In the event of death of a non-employee director, the Company will redeem all DSUs held by the non-employee director within 90 days of the death.
Payout	Each DSU will be redeemed for one Common Share or for cash equal to the weighted average trading price of the Common Shares on the TSX for the five trading days ending on the last trading day immediately preceding the applicable date. Non-employee directors pay a nil purchase price for Common Shares acquired on the redemption of DSUs. DSUs can be redeemed when the director ceases to be a member of the Board.
Assignment	DSUs are not assignable or transferable other than by will or the laws of descent and distribution.

The full text of the DSU Plan was publicly filed on April 6, 2018 and is available on SEDAR under the Company's issuer profile at www.sedar.com.

Limits

Subject to the overall limit on the number of Common Shares issuable under the DSU Plan, the maximum number of Common Shares available for issuance under the DSU Plan to:

(i) any one participant is 5% of the then issued and outstanding Common Shares; and

(ii) insiders of the Company is 10% of the then issued and outstanding Common Shares.

Under no circumstances may more than 10% of the Company's total issued and outstanding securities be issued within a one-year period or be issuable at any time to insiders of the Company under the DSU Plan and all of the Company's other security-based compensation arrangements.

The following table sets out the number of Common Shares previously issued and available for future issuance under the DSU Plan.

As at December 31, 2018	Number of Common Shares	
	Number	As % of Outstanding
Maximum number of Common Shares approved for issuance under the DSU Plan	815,000	0.33%
Number of DSUs previously granted under the DSU Plan but not yet redeemed	289,118	0.12%
Number of Common Shares that remain available for future grants of DSUs under the DSU Plan	161,478	0.06%

Annual Burn Rate under the DSU Plan as of December 31, 2018

Year	Number of DSUs Granted	Burn rate (as % of weighted average number of Common Shares outstanding during the applicable fiscal year)	Weighted average number of Common Shares outstanding during the applicable fiscal year
2018	27,645	0.01%	249,348,569
2017	27,447	0.01%	243,868,547
2016	24,138	0.01%	234,831,261

Amending, Suspending or Terminating the DSU Plan

The Compensation and Corporate Governance Committee may amend, suspend or terminate the DSU Plan at any time in accordance with applicable laws, regulations, stock exchange rules or accounting/auditing requirements, and subject to any required shareholder or regulatory approval, as long as it has the participant's consent to any material adverse change to such participant's outstanding DSUs.

Shareholder approval is required to make the following amendments to the DSU Plan:

- increasing the number of Common Shares that can be issued under the DSU Plan, including an increase to a fixed number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed percentage;
- expanding the categories of eligible participants;
- extending the term of any rights granted under the plan beyond its original expiry date;
- permitting the transfer of a DSU, except by testate or intestate succession;
- any amendment to remove or exceed the insider participation limit; and
- changing the provisions for amending, suspending or terminating the DSU Plan.

Shareholder approval is not required to make other amendments to the DSU Plan, including amendments that:

- are administrative or "housekeeping" in nature;
- are required to comply with the law;
- qualify for favourable tax treatment; and
- are necessary to suspend or terminate the DSU Plan.

No amendments to the DSU Plan were made in 2018.

Incentive Plan Awards - DSUs

The below table sets forth the following information concerning DSUs held by the non-employee directors of the Company.

- *Share-based awards – Value Vested during the Year* is the amount that non-employee directors received in DSUs in 2018, valued as of the grant dates. It includes all of the DSUs that vested as of the grant date and DSUs granted as dividend equivalents in 2018.

- *Share-based awards – Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed* are all of the directors' DSUs outstanding as at December 31, 2018. DSUs are not paid out until the director ceases to be a member of the Board. The DSUs were valued at $18.85, the closing price of the Common Shares on the TSX on December 31, 2018.

	Share-Based Awards (DSUs)	
Name	**Value Vested during the Year[(1)] ($)**	**Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (DSUs Outstanding) ($)**
Jon N. Hagan	143,780	1,813,709
Chaim Katzman[(2) (8)]	12,614	189,047
Allan S. Kimberley[(3)]	77,560	384,672
Annalisa King	125,980	207,425
Al Mawani[(4)]	41,281	40,188
Susan J. McArthur[(5)]	7,678	Nil
Bernard McDonell	156,463	1,964,302
Jeffrey Mooallem[(6) (8)]	26,837	26,465
Mia Stark[(7)]	71,021	101,733
Andrea Stephen	121,499	722,322

(1) Includes all of the DSUs that vested as of the grant date and DSUs granted as dividend equivalents in 2018, in each case valued as of the grant dates.

(2) Mr. Katzman did not stand for re-election at the Annual Meeting of Shareholders held on May 30, 2017 (the "2017 Meeting") and re-joined the Board on December 6, 2018.

(3) Mr. Kimberley retired from the Board effective May 29, 2018.

(4) Mr. Mawani was elected as a director at the 2018 Meeting.

(5) Ms. McArthur retired from the Board effective May 30, 2017.

(6) Mr. Mooallem was appointed as a director on August 1, 2018.

(7) Ms. Stark was elected as a director at the 2017 Meeting and resigned from the Board on August 1, 2018.

(8) Messrs. Katzman and Mooallem resigned from the Board on April 16, 2019.

EQUITY COMPENSATION PLAN INFORMATION

The table below provides information as at December 31, 2018 regarding Common Shares that may be issued under the Company's equity compensation plans.

	Number of securities to be issued upon exercise of outstanding options / redemption of outstanding share units	Weighted-average exercise price of outstanding options/ share units	Number of securities remaining available for future issuance under equity compensation plans (excluding securities which may be issued in connection with outstanding options / share units)
Equity compensation plans approved by security holders			
Stock Option Plan	4,736,098	$19.27	4,548,876
DSU Plan	289,118	N/A	161,478
RSU Plan (including PSUs)	587,494	N/A	757,283
Equity compensation plans not approved by security holders	--	--	--
Total	5,612,710	$19.27	5,467,637

OUR CORPORATE GOVERNANCE PRACTICES

We believe that sound and effective corporate governance is essential to our performance. We have adopted a governance framework that reflects our values, ensures that effective corporate governance practices are followed and that the Board functions independently of management. The Compensation and Corporate Governance Committee and the Board periodically review the various components of our overall approach to corporate governance, including corporate governance practices and procedures, to ensure that they adequately address the guidelines set forth in National Policy 58-201 – *Corporate Governance Guidelines* and other significant corporate governance matters. The following is a description of our corporate governance practices taking into account the requirements of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

HIGHLIGHTS OF CORPORATE GOVERNANCE

- Entirely independent Audit and Compensation and Corporate Governance committees.
- Significant share ownership requirements.
- Share ownership requirements continue to apply to the President and Chief Executive Officer for a period of one year following him ceasing to hold the office of President and Chief Executive Officer, subject to certain exceptions.
- Compensation claw-back policy for executives and directors.
- Anti-hedging policy.
- Succession planning for the President and Chief Executive Officer and other executives undertaken by the Board and the Compensation and Corporate Governance Committee annually.
- All committees have a written charter.
- Board Diversity Policy.
- Position descriptions for each of the Chair, Lead Director, Chief Executive Officer and Chief Financial Officer.

About the Board

Independence of the Board

The Board's composition and procedures are designed to permit it to function independently from management and to promote and protect the interests of all shareholders. The Board believes that, except during periods of temporary vacancies, a majority of its members should be "independent" as defined in section 1.4 of National Instrument 52-110 − *Audit Committees*, as the same may be amended from time to time ("NI 52-110").

The Board reviews the independence of all directors on an annual basis. To facilitate this review, directors are asked to provide the Board with full information regarding their business and other relationships with the Company and our affiliates and with executives and their affiliates. Directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships which may affect the Board's determination as to their independence. Length of tenure is also considered when determining independence.

The Board has reviewed the independence of each director and determined that the majority of the Board nominees (seven out of nine directors) are independent. Mr. Segal, the current Chair of the Board and former President and Chief Executive Officer of the Company and Mr. Paul, the President and Chief Executive Officer of the Company are not considered independent. The independent directors are Mses. King and Stephen and Messrs. Abramsky, Douglas, Hagan, Mawani and McDonell.

As the current Chair of the Board is not an "independent director", the Board has appointed Bernard McDonell, an independent director, as lead director of the Board (the "Lead Director"). The Lead Director is responsible for facilitating the functioning of the Board independently of management and ensuring that directors formally have an independent leadership contact. Following the Chair Transition, Mr. McDonell will become the Chair of the Board and the Company will not have a Lead Director.

During 2018, the independent directors met separately at each of the Board meetings held. They also met separately at each of the Board meetings held in 2019 up to the date of this Circular and it is a practice for the independent directors to meet separately at each Board meeting.

Mandate of the Board of Directors

The Board has adopted a formal written mandate (the "Board Mandate") which reflects the Company's commitment to high standards of corporate governance, to assist the Board in supervising the management of our business and affairs as required under applicable law and stock exchange rules and requirements. A copy of the Board Mandate is attached as Schedule A to this Circular and is also available on our website at www.fcr.ca. The Compensation and Corporate Governance Committee reviews the Board Mandate annually, or more often if warranted, and recommends to the Board such changes as it deems necessary and appropriate in light of the Company's needs and legal and regulatory developments. The most recent changes to the Board Mandate were approved by the Board on April 3, 2018.

The Board supervises the conduct of the affairs of the Company directly and through its committees. In so doing, the Board endeavours to act always in the best interest of the Company. In addition, the Board recognizes the importance of enhancing value for all shareholders. In carrying out its responsibilities, the Board appoints executives of the Company and meets with them on a regular basis to receive and consider reports on our business. The Board holds regularly scheduled meetings, with additional meetings being held as required to consider particular issues or conduct specific reviews between regularly scheduled meetings whenever appropriate. During 2018, the Board held a total of 14 meetings.

In discharging its duties and responsibilities, the Board's functions, either directly or through its committees, include: (a) overseeing our strategic planning process and overall business strategies and their implementation; (b) assessing and overseeing the management of the principal risks arising from or incidental to our operations, including financial, operational, regulatory and environmental risks; (c) electing or appointing our executives as deemed appropriate; (d) overseeing our executive compensation plans and policies and succession planning and reviewing the performance of the executive leadership team in line with corporate policies and applicable annual and long-term business strategies and our other objectives; (e) overseeing shareholder, investor and public communication policies and their implementation, including timely disclosure of material information; and (f) monitoring and assessing the scope, implementation and integrity of our audit, internal accounting control and management information systems.

Along with those matters which must by law be approved by the Board, key strategic decisions are also submitted by management to the Board for approval. In addition to approving specific corporate actions, the Board reviews and approves the reports issued to shareholders, including annual and interim financial statements, as well as materials prepared for shareholders' meetings. The Board also approves our overall business strategies and annual business plans for achieving the Company's objectives.

The quorum for the transaction of business at any meeting of the Board consists of a majority of the directors of the Board (provided a majority of the directors comprising such quorum are residents of Canada). At all meetings of the Board, every question is decided by a majority of the votes cast on the question and in case of an equality of votes, the chair of the meeting is not entitled to a second or casting vote.

Position Descriptions

The Board has adopted position descriptions for the Chair, the Lead Director, the Committee Chairs (Audit Committee, Compensation and Corporate Governance Committee and Investment Committee), the President and Chief Executive Officer and the Chief Financial Officer, which set out the duties and responsibilities of these directors and officers. These position descriptions are reviewed by the Compensation and Corporate Governance Committee from time to time.

Following the Meeting, responsibility for reviewing these position descriptions will be held by the Corporate Governance Committee.

Board Succession and Renewal

The Compensation and Corporate Governance Committee is responsible for reviewing and implementing succession planning for the Board.

Board Composition

The Compensation and Corporate Governance Committee is currently composed entirely of independent directors. The Committee is responsible for reviewing and assessing the composition of the Board and will make recommendations to the Board on the appointment of new directors. The Committee will identify, evaluate and recommend director nominees with the assistance of management, other directors and outside advisors, as appropriate. The Committee also supports the appointment of the director nominated by Gazit-Globe, independent directors and directors drawn from the executive leadership team. This combination leads to a healthy exchange in Board deliberations, resulting in objective, well-balanced and informed discussion and decision-making.

The names of our proposed directors, together with their municipality and country of residence, year first elected or appointed as a director, principal occupation, other principal directorships and committee memberships, if applicable, are set out under *Business of the Meeting – Election of Directors*. Also indicated for each proposed director is the number of Common Shares, DSUs and other securities of the Company beneficially owned, directly or indirectly, or over which control or direction was exercised, by the director as at the close of business on April 25, 2019.

Nine directors have been proposed for election to the Board at the Meeting. The Board considers this to be an appropriate size given the nature of our operations and our current ownership.

Of the nine directors proposed for election to the Board, two, or 22%, of such directors are women. Messrs. Segal and Paul are currently considered non-independent directors. The seven remaining directors are considered independent and two, or 29% of the independent directors are women.

The Board annually reviews its size and composition and those of its committees and makes recommendations on any proposed changes to the Board to complement our strategy, business and operations.

Board Diversity Policy

The Company endorses the principle that the Board should have a balance of skills, experience and diversity of perspectives appropriate to the business. The Board has adopted a written diversity policy (the "Board Diversity Policy") specifically geared towards ensuring that diversity, including gender diversity, is a key consideration when establishing recruitment priorities in advance of the director identification and selection process.

The Company believes that a diverse Board will have enhanced decision-making abilities, lead to improved oversight and promote better overall corporate governance by utilizing differences in skills, experience and background, gender, ethnicity, age, geographical and industry experience, length of service, and other distinguishing qualities of its members. Diversity will be considered in connection with the director recruitment process described below to determine optimal Board composition. Notwithstanding the foregoing, all Board appointments will always be based on merit, having due regard to the overall effectiveness of the Board.

The Board has not adopted a specific target regarding the number of women on the Board because it believes its Board evaluation and nomination process, together with the implementation of its written Board Diversity Policy, is robust and gender neutral and, in fact, does consider and result in gender diversity on the Board. The Compensation and Corporate Governance Committee reviews the structure and diversity of the Board annually and will set diversity, including gender diversity, aspirations regarding the Board's optimum composition as part of the recruitment process.

Recruitment of Directors

The Compensation and Corporate Governance Committee, which is currently composed entirely of independent directors, is responsible for identifying and recommending to the Board appropriate candidates to serve as a director to fill any vacancy. The Compensation and Corporate Governance Committee has developed *Criteria and Procedures for Board Candidate Selection* to be used for identifying and selecting candidates. Before commencement of any recruitment process, the Compensation and Corporate Governance Committee will set clear recruitment priorities. It will seek input from directors annually on Board composition through its annual Board evaluation process, identify gaps in the skills and knowledge needed on the Board with reference to the skills matrix and set diversity aspirations to determine the Board's optimal composition.

The Compensation and Corporate Governance Committee will initiate the search based on these recruiting priorities to arrive at a short-list identifying candidates matching the established criteria. The Compensation and Corporate Governance Committee will discuss and evaluate the short-list of candidates with a view to recruiting and appointing the most qualified person for the role. The Board will select a candidate from those candidates recommended by the Committee and will have objective reasons to support its determination.

Following the Meeting, the Compensation and Corporate Governance Committee will be split into two committees, (i) the Compensation Committee and (ii) the Corporate Governance Committee (both new committees will be composed entirely of independent directors). Recruitment of director candidates will be the responsibility of the Corporate Governance Committee.

Retirement Policy and Term Limits

The Board has not adopted a mandatory retirement policy or term limits for directors. It believes that mandatory retirement and term limits are not the most effective means of ensuring Board renewal and age is not the optimal means of ensuring director effectiveness.

The Compensation and Corporate Governance Committee believes that a mandatory retirement policy or term limits could result in a loss of directors who have developed, over a period of time, valuable insight into our strategy, business and operations and who have an institutional memory from which the entire Board and management can benefit.

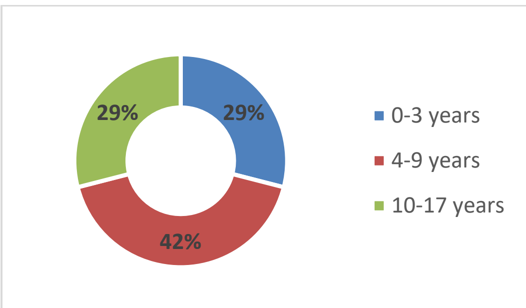
In order to ensure board renewal in the absence of a mandatory retirement policy or term limits, annual performance evaluations are conducted. Through its annual performance evaluations, the Compensation and Corporate Governance Committee reviews each director's performance and tenure, and each director has the opportunity to confirm his or her desire to continue serving on the Board. This provides the Compensation and Corporate Governance Committee with the opportunity to replace directors who are no longer interested or effective with consideration to the changing needs, diversity and skill set of the Board.

In determining whether to recommend a director for re-election, the Compensation and Corporate Governance Committee will consider:

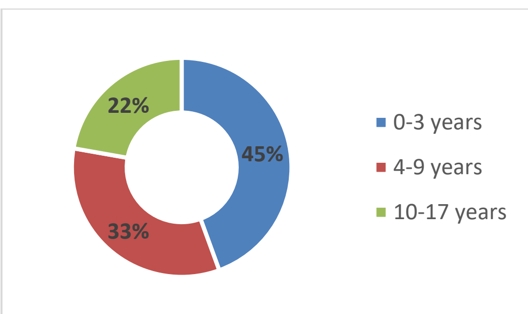
- the director's performance as a director and his or her qualifications, experience and knowledge;
- the qualifications, experience, knowledge and diversity required on the Board and the extent to which those qualifications and that experience and knowledge are represented on the Board;
- whether the director has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company and its shareholders;
- the independence of the director; and
- any other matter it considers appropriate.

Board Tenure

The chart below shows the tenure of our Board as of April 25, 2019:



The chart below shows the tenure of our Board after the Meeting (subject to the election of all director nominees):



Board Leadership

The Board Mandate provides that the Board will in each year elect from among its members a Chair who, except under exceptional circumstances, is not the Chief Executive Officer or otherwise a member of management. Mr. Segal was appointed Chair of the Board of the Company on May 4, 2015. As Chair of the Board, Mr. Segal is responsible for the management, development and effective performance of the Board, and for providing leadership to the directors in carrying out their collective responsibilities to provide a Board oversight role regarding the management of the business and affairs of the Company. The Board Mandate includes a position description of the Chair, which sets out his duties and responsibilities.

In addition, the Board Mandate provides that the Board will in each year, if the Chair is not an "independent director", elect from among its independent members a Lead Director. Mr. McDonell has held this position since March 2011. The Lead Director is responsible for facilitating the functioning of the Board independently of management and ensuring that directors formally have an independent leadership contact. The Board Mandate includes a position description for the Lead Director, which sets out his duties and responsibilities. This position description is reviewed by the Compensation and Corporate Governance Committee from time to time.

The Compensation and Corporate Governance Committee, with the assistance of the Lead Director, is responsible for reviewing and recommending the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest. The Compensation and Corporate Governance Committee monitors relationships between the executive leadership team and the Board and recommends procedures to allow directors to have access to, and an effective relationship with, executives.

As part of his responsibilities, the Lead Director will meet periodically with the other directors to ensure that the Board and its committees are able to discharge their respective responsibilities independently of management. To provide an opportunity for open discussion among the independent directors, the independent directors schedule time to meet separately at every Board meeting. The independent directors also meet at any other time upon the request of any independent director. These meetings are chaired by the Lead Director, who informs management of the substance of these meetings to the extent that action is required by them. The Compensation and Corporate Governance Committee and the Lead Director are each available as a forum for addressing the concerns of individual directors. Individual directors are also free to engage outside advisors, at the expense of the Company, with Compensation and Corporate Governance Committee authorization.

Following the Chair Transition, Mr. McDonell will become the Chair of the Board and the Company will not have a Lead Director.

Attendance

Each director is expected to attend all meetings of the Board and of committees on which they sit, unless circumstances make it impossible to do so. The attendance records of the Company's directors for the year ended December 31, 2018 are set out under *Executive Compensation — Board of Directors Meetings Held and Attendance of Directors*.

Committees of the Board

The Board has established the following three standing committees:

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

The current membership and independence of these committees is summarized in the table below.

	Committees (Number of Members)		
	Audit[1] (4)	Compensation and Corporate Governance[2] (3)	Investment (5)
Non-Independent Directors			
Dori J. Segal[3]			Chair
Adam E. Paul			√
Outside Directors - Independent Directors			
Al Mawani	Chair[4]		
Jon Hagan	√		√
Annalisa King	√	√	
Bernard McDonell[5]		Chair	√
Andrea Stephen	√	√	√

(1) All members of the Audit Committee are independent and financially literate in accordance with applicable securities laws.

(2) All members of the Compensation and Corporate Governance Committee are independent.

(3) Mr. Segal is currently the Chair of the Board; following the Chair Transition, Mr. McDonell will become Chair of the Board.

(4) Mr. Mawani, was elected as director on May 28, 2018 and appointed as Chair of the Audit Committee shortly thereafter.

(5) Mr. McDonell is currently the Lead Director; following the Chair Transition, Mr. McDonell will become Chair of the Board and the company will not have a Lead Director.

In 2018, the Special Committee was formally constituted to among other things, oversee, review and consider the terms of the Share Repurchase Transaction. Mr. McDonell was the Chair of the Special Committee, Mr. Mawani and Ms. Stephen were members. On January 25, 2019, the Special Committee was reconstituted. Mr. Hagan and Ms. King joined the Special Committee as members. The Special Committee was dissolved on April 16, 2019 upon closing of the Share Repurchase Transaction.

Each Board committee operates under a written charter. Copies of these charters are available on our website at www.fcr.ca. Each committee reviews its charter not less than annually and the Compensation and Corporate Governance Committee recommends any changes to the Board. Below is a brief description of the responsibilities of each committee.

Following the Meeting, subject election of nominees, the expected membership and independence of each of the committees is summarized in the table below.

	Committees (Number of Members)			
	Audit[1] (4)	**Compensation[2] (4)**	**Corporate Governance[3] (4)**	**Investment (5)**
Non-Independent Directors				
Dori J. Segal				√
Adam E. Paul				√
Outside Directors - Independent Directors				
Leonard Abramsky		√		√
Paul Douglas	√		√	
Al Mawani	Chair	√		
Jon Hagan	√		√	
Annalisa King	√		Chair	
Bernard McDonell[4]		√		Chair
Andrea Stephen		Chair	√	√

(1) All members of the Audit Committee will be independent and financially literate in accordance with applicable securities laws.

(2) All members of the Compensation Committee will be independent.

(3) All members of the Corporate Governance Committee will be independent.

(4) Following the Chair Transition, Mr. McDonell will be the Chair of the Board and the Chair of the Investment Committee.

Audit Committee

The Audit Committee is currently composed of four directors, all of whom are "independent" and "financially literate" as defined in NI 52-110.

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- the integrity of the Company's financial statements;
- the Company's compliance with legal and regulatory requirements related to financial reporting;
- the internal audit function of the Company;
- the qualifications, independence and performance of the Company's auditor;
- the design and implementation of internal controls and disclosure controls;
- risk management oversight; and
- any additional matters delegated to the Audit Committee by the Board.

A further description of matters relating to the Audit Committee as required by NI 52-110, including information regarding the fees paid to the auditors, is set forth under "Audit Committee" in the Company's annual information form dated March 26, 2019, which is available under our SEDAR profile at www.sedar.com.

Compensation and Corporate Governance Committee

The Compensation and Corporate Governance Committee is currently composed of three directors, all of whom are "independent" within the meaning of applicable securities laws.

The Compensation and Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- the selection and retention of executives;
- the compensation of the executive leadership team;
- professional development for executives;
- the management of benefit plans for employees;
- the Company's overall approach to corporate governance;
- the size, composition and structure of the Board and its committees;
- orientation and continuing education for directors;
- related party transactions and other matters involving conflicts of interest; and
- any additional matters delegated to the Compensation and Corporate Governance Committee by the Board.

Following the Meeting, the Compensation and Corporate Governance Committee will split into two committees, (i) the Compensation Committee and (ii) the Corporate Governance Committee, each of which is expected to have four members.

Investment Committee

The Investment Committee currently consists of five directors, including the Chair of the Company, the President and Chief Executive Officer of the Company, one non-independent director and three other directors who are "independent" within the meaning of applicable securities laws.

The Investment Committee has the authority, on behalf of the Board and subject to certain monetary limits determined by the Board, to:

- approve investments in and divestitures of real property assets, including:
  - acquisitions and dispositions of property;
  - development budgets (including the cost of land); and
  - acquisitions and dispositions of raw land;
- approve investments in and divestitures of marketable securities; and
- approve entering into derivatives for hedging purposes only.

Following the Meeting, the Investment Committee is expected to have five members. Mr. McDonell will be the Chair of the Investment Committee following the Chair Transition.

Executive Compensation and Succession Planning

The Compensation and Corporate Governance Committee is directly responsible for reviewing and approving the corporate goals and objectives that are relevant to the President and Chief Executive Officer's compensation, for evaluating his performance in meeting those goals and objectives, and for determining his compensation. The Compensation and Corporate Governance Committee considers the recommendations of the President and Chief Executive Officer in approving the compensation of other members of the executive leadership team who report to the President and Chief Executive Officer. The Compensation and Corporate Governance Committee also annually reviews the adequacy and form of directors' compensation.

The Compensation and Corporate Governance Committee is also responsible for reviewing the Company's organizational structure, considering policies and principles for the selection and retention of executives and succession planning for the executive leadership team. The Compensation and Corporate Governance Committee reviews and discusses succession planning issues for executives of the Company with the President and Chief Executive Officer on an annual basis. Discussions include prospects for high performing executives, replacement scenarios for unexpected events and development opportunities for the executive leadership team. In addition, the Board and the Compensation and Corporate Governance Committee developed a procedure to manage succession planning for the position of Chief Executive Officer should that position become vacant for any reason. Pursuant to that succession planning procedure, it is contemplated that the Board will appoint an existing and duly qualified member of the Board or management to serve as interim Chief Executive Officer while an independent external executive management search firm is retained to canvass for qualified external candidates in addition to any qualified internal candidates that may be identified by the Board.

Women in Executive Officer Positions

We value gender diversity and believe that we have a strong record with respect to promoting women on our executive leadership team and throughout our organization. We publish employee statistics annually in our Corporate Responsibility and Sustainability (CRS) Report which can be located on our website at www.fcr.ca. As at December 31, 2018, the following are statistics derived from our operations which we believe demonstrate our positive record with respect to gender diversity:

- Women represented approximately 62% of our workforce (including full-time, part-time and contract employees);
- 4 out of 9, or 44%, of executives on our executive leadership team were women. 2 out of 5, or 40%, of our NEOs were women. Executive officer and director positions in respect of our major subsidiaries are drawn from the same executive leadership team; and
- 60% of professional/technical and middle management roles were held by women.

As of April 25, 2019, 5 out of 9, or 56%, of executives on our executive leadership team were women. We consider the distinguishing qualities of all candidates during the executive officer recruitment process with regard to the overall composition of our executive leadership team, including the level of representation of women, and the final selection is always based on merit. We have not adopted a target regarding the number of women in executive officer positions because, as evidenced by the strong representation of women on our executive leadership team, we have an existing ingrained culture and strong record of promoting gender diversity at all levels throughout the organization.

Share Ownership Guidelines

The Board believes that meaningful share ownership by members of the Company's executive leadership team and the Board is a key element of strong corporate governance. The Board believes that long-term equity ownership further aligns the interests of directors and executives with our shareholders and also enables them to share in the long-term growth and success of the Company.

We have a Policy on Director and Executive Leadership Team Share Ownership (the "Share Ownership Policy") that applies to all directors and to all members of the Company's executive leadership team, including all NEOs.

- Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant).

- The Chair of the Company is required to acquire and maintain an equity interest in the Company with a value equal to six times his annual cash engagement retainer.

- Each member of the Company's executive leadership team is required to accumulate, over time from grants under the Company's RSU Plan and thereafter maintain RSUs, PSUs and Common Shares of the Company acquired through the vesting thereof (on an after-tax basis). The members of the executive leadership team who are NEOs must acquire and maintain such securities of the Company with a value at least equal to the multiple set forth below (the "Salary Multiple") of his/her annual base salary (the "Ownership Requirement"). Prior to achieving the Ownership Requirement, these individuals are prohibited from disposing of any Common Shares of the Company acquired pursuant to the Company's RSU Plan, other than dispositions as they may wish solely for the purpose of paying taxes associated with the vesting of RSUs or PSUs.

Title	**Salary Multiple**
President and Chief Executive Officer	6x annual salary
Executive Vice President and Chief Financial Officer	3x annual salary
Executive Vice President and Chief Operating Officer	3x annual salary
Senior Vice President, Development	1.5x annual salary

The value of DSUs, RSUs, PSUs (assuming performance adjustment factor of 100%) and Common Shares count towards meeting the Ownership Requirement. Unexercised options do not count toward the share Ownership Requirement. As per amendments made to the Share Ownership Policy on March 2, 2018, for purposes of the Ownership Requirement, the value of DSUs, RSUs, PSUs and Common Shares is deemed to be the market value at the relevant time.

CEO Share Retention Requirements

The Share Ownership Policy provides that the President and Chief Executive Officer continues to be subject to the applicable share ownership requirements for a period of one year following the date he ceases to hold the office of President and Chief Executive Officer of the Company, unless (i) the date he ceases to hold such office for any reason is within 12 months following a change of control (as defined in his employment agreement) or (ii) he ceases to hold such office following death, incapacity or disability.

Current Director and Executive Share Ownership

The following table sets out the ownership of Common Shares, RSUs, PSUs and DSUs by the applicable NEOs, directors and management's nominees for director as at the close of business on April 25, 2019:

Holdings[1]				Minimum Requirements				Comparison
Name and Title	**Type**	**Number[2]**	**Value[3] ($)**	**Multiple**	**Value[4] ($)**	**Deadline**	**Meets Requirements**	**Holdings vs. Minimum Requirements**
Dori J. Segal Chair of the Board	RSUs Common Shares[5] Total	77,726 2,309,670 2,387,396	1,655,564 49,195,971 50,851,535	6 times annual cash engagement retainer	3,000,000	N/A[6]	Yes	1,695% +$47,851,535
Adam E. Paul President and Chief Executive Officer and Director	PSUs Common Shares[5] Total	206,957 231,886 438,843	4,408,184 4,939,172 9,347,356	6 times annual salary	4,800,000	N/A[6]	Yes	195% +$4,547,356
Kay Brekken Executive Vice President and Chief Financial Officer	PSUs Common Shares Total	56,481 26,737 83,218	1,203,045 569,498 1,772,543	3 times annual salary	1,350,000	N/A[6]	Yes	131% +$422,543
Jordan Robins Executive Vice President and Chief Operating Officer	PSUs Common Shares[5] Total	59,245 59,325 118,570	1,261,919 1,263,623 2,525,541	3 times annual salary	1,425,000	N/A[6]	Yes	177% +$1,100,541
Jodi M. Shpigel Senior Vice President, Development	PSUs Common Shares[5] Total	27,349 18,745 46,094	582,534 399,269 981,802	1.5 times annual salary	465,000	N/A[6]	Yes	211% +$516,802
Leonard Abramsky[7] Director Nominee	DSUs Common Shares Total	0 45,605 45,605	0 971,387 971,387	6 times annual retainer	690,000	June 4, 2024	Not applicable	140% +$281,387
Paul C. Douglas[7] Director Nominee	DSUs Common Shares Total	0 7,000 7,000	0 149,100 149,100	6 times annual retainer	690,000	June 4, 2024	Not applicable	22% $-540,900
Jon N. Hagan Director	DSUs Common Shares Total	98,130 20,472 118,602	2,090,169 436,054 2,526,223	6 times annual retainer	690,000	Oct. 11, 2011	Yes	366% +$1,836,223
Annalisa King[8] Director	DSUs Common Shares Total	12,831 5,161 17,992	273,300 109,929 383,230	6 times annual retainer	690,000	Nov. 9, 2021	Yes as applicable[9]	55% -$306,770
Al Mawani[10] Director	DSUs Common Shares Total	3,815 10,000 13,815	81,260 213,000 294,260	6 times annual retainer	690,000	May 29, 2023	Yes as applicable[9]	43% -$395,740

	Holdings(1)			Minimum Requirements				Comparison
Name and Title	**Type**	**Number(2)**	**Value(3) ($)**	**Multiple**	**Value(4) ($)**	**Deadline**	**Meets Requirements**	**Holdings vs. Minimum Requirements**
Bernard McDonell	DSUs	106,349	2,265,234	6 times annual retainer	690,000	May 23, 2012	Yes	336%
Lead Director	Common Shares	2,616	55,721					+$1,630,955
	Total	108,965	2,320,955					
Andrea Stephen Director	DSUs	39,963	851,212	6 times annual retainer	690,000	Jan. 9, 2017	Yes	161%
	Common Shares	12,123	258,220					+$416,432
	Total	52,086	1,109,432					

(1) Includes RSUs, DSUs, PSUs and Common Shares owned, controlled or directed, directly or indirectly by such person. For calculation purposes RSUs and PSUs are considered as vested and PSUs are deemed to have a 1.0x performance adjustment factor. See *Performance Share Units* above.

(2) For RSUs, DSUs and PSUs, includes accrued dividends.

(3) Values are based on the closing price of the Common Shares on April 24, 2019 ($21.30).

(4) Values are based on 2019 annual cash engagement retainer, salary or annual retainer, as applicable.

(5) 75,000 Common Shares for Mr. Segal, 60,000 Common Shares for Mr. Paul, 20,000 Common Shares for Mr. Robins and 1,000 Common Shares for Ms. Shpigel are represented by instalment receipts pursuant to the Secondary Offering.

(6) Officers of the Company are required to acquire over time from grants under the RSU Plan and thereafter maintain RSUs, PSUs and Common Shares acquired (on an after-tax basis) through the vesting thereof with a value equal to the prescribed Salary Multiple.

(7) Messrs. Abramsky and Douglas are new director nominees. As such, the Company's share ownership requirements are not applicable to them as of April 25, 2019. If elected at the Meeting, they will be subject to applicable share ownership requirements.

(8) Ms. King was appointed as a director on November 9, 2016 and elected at the 2017 Meeting. She is required to meet her share ownership requirements by November 9, 2021.

(9) Directors are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the Company with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DSU grant).

(10) Mr. Mawani was elected as a director on May 29, 2018. He is required to meet his share ownership requirements by May 29, 2023.

Hedging

No director, officer or employee of the Company or its affiliates, or any other person (or their associates) in a special relationship with the Company, may, at any time, purchase financial instruments, including, prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Company.

Board Evaluation

The Compensation and Corporate Governance Committee is responsible for developing and recommending to the Board a review process for assessing the competencies, skills and effectiveness of the Board, Board committees and individual Board members.

The Compensation and Corporate Governance Committee assesses, on a periodic basis, the competencies, skills and effectiveness of the Board, Board committees and individual Board members as well as the operations of the Board and Board committees. In particular, at least annually, the Compensation and Corporate Governance Committee reviews and assesses the Board's mandate, the charter of each committee and the position description of the Chair of the Board and Lead Director. The Compensation and Corporate Governance Committee, on behalf of the Board, maintains a formal process for assessing the competencies, skills and effectiveness of the Board, Board committees and individual directors. The assessment is conducted internally by written self-assessment and peer reviews of the Board, its committees and individual directors. These written reviews are then considered by the Chair of the Board (other than to the extent they relate to the Chair of the Board), and to the extent they relate to the Chair of the Board, by the Chair of the Compensation and Corporate Governance Committee. The Lead Director also assists in the process of conducting director evaluations. Following review by the Chair and/or Lead Director, the results of the assessments are considered by the Board and changes, as required, are implemented to improve Board performance and effectiveness. The Compensation and Corporate Governance Committee periodically reviews the effectiveness of this process and recommends changes to the process where applicable.

Following the Meeting, this will be the responsibility of the Corporate Governance Committee.

Orientation and Continuing Education

We believe that well-informed directors are essential for the effective performance of a board. Accordingly, all new directors receive a comprehensive orientation, including an overview of the Company's business and strategy, its current year business plan, the role of the Board and its mandate, the roles of the committees and their respective charters, and the role of the Lead Director.

Upon appointment or election to the Board, each new director receives a package or is referred to convenient online sources containing up-to-date information on the Company's corporate and organizational structure, recent filings and financial information, corporate governance documents and important policies. A formal orientation session is given to new directors to familiarize them with the Company, its business, industry, the executive leadership team and the contribution individual directors are expected to make.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. To facilitate ongoing education:

- directors are provided an opportunity to meet individually in work sessions with executives to obtain further insight into the operations of the Company, and are involved on a regular basis in discussions with management;
- education is provided to directors through presentations to the Board and committees by management and outside advisors when key business decisions are sought and at strategic planning meetings; and
- Board members are encouraged to attend conferences, seminars or courses at the Company's expense. Conferences, seminars or courses can deal with any subject matter that is applicable to a director's role on the Board or a Board committee or to increase a director's knowledge of developments in the real estate industry.

During 2018, in addition to property tours attended by certain directors at various times, the Company organized the following presentations for its directors:

Educational Presentations	Presented/ Hosted By	Date	Audience
Occupational Health and Safety Training for Directors and Officers	Fasken Martineau DuMoulin	May 8, 2018	Board of Directors
Environmental Issues and Risk Management	Management	August 1, 2018	Board of Directors
Directors' and Officers' Insurance and Liability Trends	Marsh Canada	November 6, 2018	Compensation and Corporate Governance Committee
Audit Committee Insight	Ernst & Young LLP	December 11, 2018	Audit Committee and Bernard McDonell

In addition to participating in the internal educational presentations listed above, Board members also participated in conferences, seminars and courses during 2018 presented or hosted by persons other than the Company, including the following:

Educational Presentations	Presented/ Hosted By	Date	Attended By
2018 Economic Forecast	KPMG	January 16, 2018	Andrea Stephen
Audit Committee Effectiveness	Institute of Corporate Directors	January 22, 2018	Andrea Stephen
What to Expect from the CEO Pay Ratio	Equilar	February 1, 2018	Andrea Stephen
Leading Effective CEO Succession	Institute of Corporate Directors	February 6, 2018	Al Mawani
CEO Oversight	Institute of Corporate Directors	February 9, 2018	Annalisa King
2018 Federal Budget	Ernst & Young LLP	February 27, 2018	Jon Hagan
Canadian Economic Outlook From Six Leading Economists	Gluskin Sheff & Associates	March 19, 2019	Al Mawani
Top Priority for Audit Committee 2018	Institute of Corporate Directors with KPMG	March 27, 2018	Andrea Stephen
Disrupting Urban Infrastructure Using Advanced Digital Technology	Rotman Events – University of Toronto	March 29, 2018	Al Mawani
2018 Tax & Budget Update	MNP LLP	April 17, 2018	Al Mawani
Annual Real Estate Conference	CIBC	April 19, 2018	Al Mawani
Disclosure Effectiveness and Shareholder Engagement in the Digital Era	National Association of Corporate Directors	May 2, 2018	Annalisa King
Climate Change	CPA Barbados	May 15, 2018	Jon Hagan
2018 Tax Review	Deloitte	May 16, 2018	Jon Hagan
ICD National Conference	Institute of Corporate Directors	May 30, 2018 to May 31, 2018	Annalisa King
Audit Committee Update	Ernst & Young LLP	May 31, 2018	Jon Hagan
Board Oversight of Strategy	Institute of Corporate Directors	June 5, 2018 and October 23, 2018	Annalisa King
Economic Outlook	Bennett Jones	June 6, 2018	Jon Hagan
Executive Compensation Trends	Institute of Corporate Directors	June 19, 2018	Andrea Stephen
M&A What Directors Need to Know	Osler, Hoskin & Harcourt LLP	June 26, 2018	Andrea Stephen Al Mawani
Blockchain Technology and its Implications	Pension Real Estate Association	July 12, 2018	Andrea Stephen
Key Trends in North American Real Estate	Ernst & Young LLP	July 13, 2018	Andrea Stephen
Director Master Class	National Association of Corporate Directors	August 20, 2018 to August 21, 2018	Annalisa King
Real REIT Conference	REALPAC	September 6, 2018	Andrea Stephen Jon Hagan
Financial Reporting Update	KPMG	September 26, 2018	Andrea Stephen
Democratization of Identity Using Blockchain	SailPoint	October 4, 2018	Annalisa King
CPAB Real Estate Industry Forum	CPAB (The Canadian Public Accountability Board)	October 18, 2018	Al Mawani
ESG, Wealth, Inequality & Pay-for-Performance	Hugessen Consulting	November 13, 2018	Al Mawani
Performance Measurement: Challenges for the Board and Audit Committee	Deloitte	November 15, 2018	Al Mawani

Educational Presentations	Presented/ Hosted By	Date	Attended By
Digital Transformation Streategy for Small-Cap Boards	National Association of Corporate Directors	November 15, 2018	Annalisa King
Annual Disclosure and Governance Seminar	McCarthy Tétrault LLP	November 22, 2018	Al Mawani
Real Estate Forum	REALPAC	November 28, 2018 to November 29, 2018	Jon Hagan
Not for Profit Governance	Institute of Corporate Directors	December 4, 2018	Annalisa King
Audit Committee Conference	Chartered Professional Accountants Canada	December 6, 2018 to December 7, 2018	Jon Hagan

Ethical Conduct

Employee Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics (the "Code") that governs the conduct of our employees, officers and directors. The Code is based on our values, and the laws, regulations and rules that apply to our business. The purpose of the Code is to ensure that we maintain a high level of trust and integrity in accordance with the highest ethical standards. The Code addresses, among other things, compliance with laws, rules and regulations, conflicts of interest, corporate opportunities, protection and proper use of company assets, work environment, confidential and proprietary information, fraudulent activities, and integrity of records and compliance with accounting principles. The Code sets out procedures for reporting of violations and possible violations of the Code.

Our employees, officers and directors are required to report any violation or possible violation of the Code, or any other Company policy or legal requirement. Each employee, officer and director is required to provide an annual statement of compliance.

We have also adopted an ethics reporting policy (the "Ethics Reporting Policy") which sets out procedures for employees, officers and directors to report any activity or omission or suspected activity or omission that may constitute a violation of the Code, relating to the integrity of our financial reporting or which might otherwise be considered sensitive in preserving our reputation, or relating to workplace health and safety. The Audit Committee is responsible for reviewing the procedures set out in the Ethics Reporting Policy.

The Company has retained the services of an independent third party to provide a confidential, anonymous communication channel to report violations and possible violations of the Code. Through the third party, anonymous reporting may be reported online, through a toll-free number and by mail.

A copy of the Code can be found on our website at www.fcr.ca, under our SEDAR profile at www.sedar.com.

Supplier Code of Conduct and Ethics

Similar to the Code, the Company adopted a Supplier Code of Conduct and Ethics (the "Supplier Code") which was designed to ensure that suppliers have a clear understanding of how FCR expects to conduct its business with suppliers. The Supplier Code applies to all suppliers and contractors, subcontractors and their employees that supply goods and/or services to the Company and its subsidiaries. The Supplier Code expectations are aligned with the Company's values, principles and policies and cover such matters as the conduct of business at all times in an honest, fair and ethical manner; bribes, kickbacks and other forms of inappropriate payment; conflicts of interest; protection of confidential information; prevention of harassment and unlawful discrimination; and health and safety in the workplace.

The Supplier Code sets out procedures for reporting violations and possible violations of the Supplier Code. The Company has retained the services of an independent third party to provide a confidential, anonymous communication channel to enable suppliers to report any activity or omission or suspected activity or omission that may constitute a violation of the Supplier Code. Through the third party, anonymous reports may be submitted online, through a toll-free number and by mail.

A copy of the Supplier Code can be found on our website at www.fcr.ca.

Related Party Transactions and Conflicts of Interest

In the case of any transaction or agreement in respect of which a director or executive officer of the Company has a material interest, the director or officer is required to disclose his or her interest. Where applicable, he or she is also generally required to exclude him or herself from any deliberations or votes relating to such transaction or agreement.

The Compensation and Corporate Governance Committee reviews all proposed related party transactions and situations involving a potential conflict of interest that are not required to be dealt with by an "independent special committee" pursuant to applicable securities laws or that have not otherwise been considered by another committee of independent directors, such as the Audit Committee or independent directors acting without involvement of the "interested" member of the Board or management. Any member of the Compensation and Corporate Governance Committee who is a party to or has a potential conflict of interest in a proposed transaction, or who has a material interest in any related party transaction or in a party to a related party transaction, must abstain from any vote on that transaction.

Following the Meeting, this will be the responsibility of the Corporate Governance Committee.

Disclosure and Insider Trading Policy

The Board has adopted and periodically reviews and updates the Company's written Disclosure and Insider Trading Policy. This policy, among other things:

- establishes a process for the disclosure of material information;
- establishes a process for reviewing documents, including news releases and public oral statements that contain material information before they are issued or made by the Company;
- sets out the obligations of the Company's employees, officers and directors to preserve the confidentiality of undisclosed material information; and
- articulates the prohibitions applicable generally to the Company's subject employees, officers and directors with respect to illegal insider trading and tipping.

A copy of the Disclosure and Insider Trading Policy can be found on the Company's website at www.fcr.ca.

Shareholder/Investor Communications and Feedback

We have in place procedures to effectively communicate with our stakeholders, including our shareholders, employees and the general public. Our objective is to ensure an open, accessible and timely exchange of information with shareholders, employees and other stakeholders concerning the business, affairs and performance of the Company. We communicate with our shareholders in a number of ways, including through:

- quarterly conference calls open to investors, industry analysts and media representatives in conjunction with the release of the Company's financial results;
- regular presentations to or meetings with industry analysts and with institutional investors; and

- our corporate website through which shareholders and other stakeholders may access our most recent conference call recording and our most recent presentation made to the investment community.

We have in place procedures to ensure that inquiries or other communications from shareholders are answered by an appropriate person in the Company.

You may contact the independent directors as a group by writing to them c/o the Assistant Corporate Secretary of the Company at King Liberty Village, 85 Hanna Avenue, Suite 400, Toronto, Ontario, Canada M6K 3S3.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

We have liability insurance for our directors and officers to protect them against liabilities they may incur in their capacity as directors and officers of the Company. In aggregate, our directors' and officers' liability insurance provides coverage for liability of up to $60 million subject to a $100,000 deductible or, in the case of securities claims, a $250,000 deductible. The aggregate annualized premiums amount to approximately $140,000 in respect of the 2018-2019 policy year. This insurance does not provide coverage for losses arising from the breach of fiduciary responsibilities under statutory or common law.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than with respect to the Share Repurchase Transaction, management is not aware of any material interest in any matter to be acted upon or any material transaction, direct or indirect, of any director or senior officer of the Company, or any person beneficially owning, directly or indirectly, more than 10% of the Company's voting securities or any associate or affiliate thereof since the beginning of 2018. For further details regarding the Share Repurchase Transaction, see the Company's (i) material change report dated March 5, 2019; and (ii) management information circular dated March 11, 2019, each of which are available under our SEDAR profile at www.sedar.com.

ADDITIONAL INFORMATION

Our financial information is provided in our consolidated comparative financial statements and management's discussion and analysis for 2018. You may obtain copies of our financial statements and management's discussion and analysis by contacting the Assistant Corporate Secretary of the Company at King Liberty Village, 85 Hanna Avenue, Suite 400, Toronto, Ontario, Canada M6K 3S3. These documents, certain of our governance documents and additional information about FCR can also be found at www.fcr.ca.

Our other continuous disclosure documents are available on our website, www.fcr.ca, and on SEDAR at www.sedar.com.

DIRECTORS' APPROVAL

The contents and the delivery of this Circular have been approved by the Board of Directors.

By Order of the Board of Directors,

Adam Paul

Adam E. Paul
President and Chief Executive Officer

SCHEDULE A

First Capital Realty Inc.

Mandate of the Board of Directors

Adopted by the Board of Directors on November 10, 2005

Revised, March 8, 2007, March 6, 2008, March 2, 2011, November 9, 2016, April 3, 2017, November 7, 2017 and April 3, 2018

FIRST CAPITAL REALTY INC.

MANDATE OF THE BOARD OF DIRECTORS

1. GENERAL

The Board of Directors (the "Board") believes that sound corporate governance practices are essential to the well-being of the Corporation and the promotion and protection of its shareholders' interests. The Board oversees the functioning of the Corporation's governance system, in part through the work of the Compensation and Corporate Governance Committee.

The Board has adopted this Mandate, which reflects the Corporation's commitment to high standards of corporate governance, to assist the Board in supervising the management of the business and affairs of the Corporation as required under applicable law and stock exchange rules and requirements.

The fundamental responsibility of the Board is to supervise the management of the business and affairs of the Corporation with a view to sustainable value creation for all shareholders. As stated in the public disclosure documents of the Corporation, the Corporation's primary objective is the creation of value through long-term maximization of cash flow and capital appreciation from its growing shopping centre portfolio. The Corporation achieves this objective (a) through a focused and disciplined acquisition strategy, (b) by undertaking selective development and redevelopment activities, and (c) by pro-actively managing its existing shopping centre portfolio.

The Board promotes full, true and plain reporting, including financial reporting, to shareholders of the Corporation and other interested persons as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls. The Board believes that the Corporation is best served by a board of directors which functions independently of management and is informed and engaged.

The Compensation and Corporate Governance Committee will review this Mandate annually, or more often if warranted, and recommend to the Board such changes as it deems necessary and appropriate in light of the Corporation's needs and legal and regulatory developments.

2. BOARD COMPOSITION

(a) Board Membership Criteria

The Compensation and Corporate Governance Committee is responsible for establishing the competencies and skills that the Board, as a whole, should possess; the competencies and skills that each existing director should possess; and the competencies and skills each new candidate to be elected by shareholders should bring to the Board.

The Compensation and Corporate Governance Committee recommends candidates for initial Board membership and Board members for nomination. In making its recommendations, the Compensation and Corporate Governance Committee focuses on the competencies, skills, personal qualities, real estate or other business experience, as well as taking into account diversity considerations such as gender, age, background and other qualities of the candidates to enhance the Board's decision-making process and the overall management of the business and affairs of the Corporation.

Directors must have sufficient time to carry out their duties and not assume responsibilities which would materially interfere with or be incompatible with Board membership. Directors who change

their principal occupation are expected to advise the Compensation and Corporate Governance Committee and, if determined appropriate by the Compensation and Corporate Governance Committee, resign from the Board.

(b) Director Independence

The Board's composition and procedures are designed to permit it to function independently from management and to promote and protect the interests of all shareholders. The Board believes that, except during periods of temporary vacancies, a majority of its members should be "independent" ("Independent Directors") as defined in section 1.4 of National Instrument 52-110—*Audit Committees*, as the same may be amended from time to time ("NI 52-110"). The Board will determine whether a director is an Independent Director.

The Board will review the independence of all directors on an annual basis and will publish its determinations in the management information circular relating to the Corporation's annual meeting. To facilitate this review, directors will be asked to provide the Board with full information regarding their business and other relationships with the Corporation and its affiliates and with senior management and their affiliates. Directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships which may affect the Board's determination as to their independence.

(c) Board Size

The Board sets the size of the Board from time to time. The Board considers eight or nine directors to be an appropriate size for effective decision-making and committee work given the nature of the Corporation's operations and its current ownership.

(d) Term

All directors are elected at the annual meeting of shareholders of the Corporation for a term of one year. The Board does not believe it should establish term limits or mandatory retirement ages for its members as such limits may deprive the Corporation and its shareholders of the contributions of members who have been able to develop, over time, valuable insights into the Corporation, its strategy and business operations.

(e) Board Succession

The Compensation and Corporate Governance Committee is responsible for maintaining a Board succession plan that is responsive to the Corporation's needs and the interests of its shareholders.

(f) Service on Other Boards

The Board does not believe that its members should be prohibited from serving as a trustee, director or in a similar position for a government agency or an outside entity, so long as these commitments do not create a conflict of interest or interfere with their ability to fulfill their duties as members of the Board. Directors must be mindful of the number of other public company boards and committees of those boards on which they serve, taking into account potential attendance, participation and effectiveness on those boards and committees. Before accepting an appointment to the board or a committee of any entity, or accepting a chair appointment for an existing board, a director should obtain consent of the Chair of the Board and the Compensation and Corporate Governance Committee.

3. DIRECTORS' DUTIES AND RESPONSIBILITIES

Directors must act honestly and in good faith with a view to the best interests of the Corporation and its shareholders and in connection therewith must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In order to fulfill this responsibility, each director is expected to:

- approve multi-year strategic plans and annual business plans;
- develop and maintain a thorough understanding of the Corporation's operational and financial objectives, financial position and performance and also in the context of its principal competitors;
- diligently prepare for each meeting, including reviewing all meeting materials distributed in advance;
- actively and constructively participate in each meeting, including seeking clarification from management and outside advisors where necessary to fully understand the issues under consideration;
- engage in continuing education programs for directors, as appropriate; and
- diligently attend all meetings of the Board and any committee of which he or she is a member.

4. BOARD DUTIES AND RESPONSIBILITIES

In fulfilling its responsibilities, the Board is, among other matters, responsible for the following matters.

(a) Appointment and Supervision of Chief Executive Officer and Senior Management

The Board appoints and supervises the Chief Executive Officer, approves his or her compensation and, as permitted by applicable law, delegates to senior management responsibility for the day-to-day operations of the Corporation.

The Board will establish and maintain a position description for the Chief Executive Officer and Chief Financial Officer.

(b) Strategic Planning and Risk Management

The Board will approve a multi-year strategic plan and annual business plans with measurable performance indicators in accordance with the Corporation's public disclosure documents. In this regard, the Board will:

adopt a strategic planning process and review and approve on an annual basis a strategic plan developed by management which includes rigorous but realistic goals, takes into account, among other things, the opportunities and risks of the business and sets parameters within which management will operate in relation to capital expenditures, investment activities, risk management and other matters; set annual corporate and management performance targets consistent with the Corporation's strategic plan;

- confirm that a system is in place to identify the principal risks facing the Corporation and its business and that appropriate procedures are in place to monitor and mitigate such risks; and

- confirm that processes are in place to address and comply with applicable legal, regulatory, corporate, securities and other compliance matters.

(c) Financial Reporting and Management

The Board will:

- approve the Corporation's annual and interim financial statements and related management's discussion and analysis and review and oversee the integrity of the Corporation with respect to its compliance with applicable audit, accounting and financial reporting requirements;

- approve annual operating and capital budgets;

- confirm the integrity of the Corporation's internal controls over financial reporting and management information systems; and

- review operating and financial performance results relative to established strategies, plans, budgets and objectives.

(d) Disclosure, Communications and Insider Trading

The Board will satisfy itself that appropriate policies and procedures are in place regarding public disclosure, communications and restricted trading by insiders in order to:by director

- disclose all material information in compliance with the Corporation's timely disclosure obligations and to prevent selective disclosure of material information to analysts, institutional investors, market professionals and others;

- verify that news releases and corporate documents issued by the Corporation and public oral statements made by or on behalf of the Corporation are accurate and do not contain a misrepresentation;

- inform all directors, officers, and other employees of the Corporation about their obligation to preserve the confidentiality of undisclosed material information about the Corporation; and

- inform all directors, officers and other employees of the Corporation about prohibitions on illegal insider trading and tipping under applicable law and stock exchange rules.

(e) Corporate Governance

The Board will:

- establish an appropriate system of corporate governance including practices to facilitate the Board's independence;
- establish committees and approve their respective charters and the limits of authority delegated to each committee;
- establish appropriate processes for the regular evaluation of the effectiveness of the Board and its committees and the contributions of individual directors;
- approve the nomination of directors;
- review the adequacy and form of directors' compensation to confirm that it realistically reflects the responsibilities and risks involved in being a director; and
- provide an opportunity for Independent Directors to meet separately at every Board meeting.

(f) Approval of Certain Other Matters

Notwithstanding the delegation to management of the authority to manage the business of the Corporation, the Board must approve the following:

- any material departure from an established strategy, operating or capital budget or corporate policy approved by the Board;
- the entering into of any agreement or transaction, the performance of which could result in an actual or contingent liability that would be material to the Corporation;
- those matters which may not be delegated by the Board under applicable corporate law; and
- such other matters as the Board may, from time to time, determine require its approval.

(g) Delegation to Management

The Board delegates to the Corporate Secretary authority to make housekeeping and non-material changes to this Mandate, the charters for Board committees and Board policies. Before making such changes the Corporate Secretary shall obtain the consent of the Chair of the Compensation and Corporate Governance Committee. The Corporate Secretary shall report such changes to the next meeting of the Board and/or relevant committee.

5. ROLE OF MANAGEMENT

Management is responsible with input and approval from the Board, for developing strategy and implementing strategy. Management is also responsible for safeguarding the Corporation's assets and for creating wealth for shareholders. When management performance is inadequate, the Board has the responsibility to bring about appropriate change, and when management performance is effective, the Board will reward management accordingly.

The Corporation's governance policies are designed to create autonomy and effective decision-making of management, and to ensure appropriate oversight by the Board and its committees. Management of the Corporation is under the direction and control of the Chief Executive Officer. Senior management, through the Chief Executive Officer, reports to and is accountable to the Board.

Management is responsible for developing a multi-year strategic plan and an annual business plan, including an annual operating and capital budget, for review and approval by the Board. The Board's approval of the business plan provides a mandate for management to conduct the affairs of the Corporation. Material deviations from the plan must be reported to and considered by the Board. The Board, in consultation with the Compensation and Corporate Governance Committee, maintains a succession plan for the Chief Executive Officer and establishes objectives against which the Chief Executive Officer's performance is benchmarked. Compensation is assessed against objectives which are established. Similar reviews and assessments are undertaken for other members of senior management by the Chief Executive Officer with input from the Board.

6. CHAIR OF THE BOARD

(a) Appointment

The Board will in each year elect from among its members a Chair who, except under exceptional circumstances, is not the Chief Executive Officer or otherwise a member of management.

(b) General

The Chair is responsible for the management, development and effective performance of the Board, and for providing leadership to the directors in carrying out their collective responsibilities to supervise the management of the business and affairs of the Corporation.

(c) Specific Role and Responsibilities

The Chair will:

- confirm that appropriate procedures are in place to allow the Board to work effectively and efficiently and to function independently from management;
- confirm that the responsibilities of the Board are understood by both the directors and management and that the boundaries between the Board's and management's responsibilities are understood and respected;
- confirm that the functions delegated to Board committees are carried out by the committees and reported to the Board;
- maintain an effective relationship between the Board and management of the Corporation;
- provide direction and advice to management of the Corporation, including defining major issues, maintaining accountability to stakeholders and building relationships;

- confirm that the Board and its committees have the necessary resources to support their work (in particular, timely and relevant information);
- monitor compliance with the governance policies of the Corporation, including those regarding regularity and conduct of Board meetings, managing and reporting information and other policies relating to the Board's business;
- provide leadership to ensure that the Board works as a cohesive team;
- convene Board meetings as often as necessary for the directors to carry out their duties and responsibilities effectively;
- on an ongoing basis, work with the Chief Executive Officer to develop schedules of meetings of the Board and committees and, in consultation with other directors and the Chief Executive Officer, establish the agenda of the Board;
- chair meetings of the Board, including requiring appropriate briefing materials to be delivered in a timely fashion, stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decisions is reached and duly recorded;
- chair meetings of the shareholders of the Corporation;
- work closely with the Chief Executive Officer and the Chair of the Compensation and Corporate Governance Committee to further the creation of a healthy corporate governance culture within the Corporation;
- work closely with the Compensation and Corporate Governance Committee to develop strategic criteria for the recruitment of directors and succession planning;
- work closely with the Chief Executive Officer to facilitate effective relations with the Board and external stakeholders such as shareholders, the investment community, the media, governments and the public;
- actively participate in and oversee the administration of an annual evaluation of the performance and effectiveness of the Chief Executive Officer, the Board, its committees and all individual directors and committee chairs; and
- carry out other duties as requested by the directors, as needs and circumstances arise.

7. LEAD DIRECTOR

(a) Appointment

If in any year, the Chair is not an Independent Director, the Board will for that year, elect from among its members a Lead Director who is an Independent Director.

(b) General

The Lead Director is responsible for facilitating the functioning of the Board independently of management and ensuring that directors formally have an independent leadership contact.

(c) Specific Role and Responsibilities

The Lead Director will:

- in the absence of the Chair and Vice Chair of the Board, act as chair of meetings of the Board;
- chair all meetings of the Independent Directors;
- provide input to the Chair and management on agendas for Board meetings;
- promote, in conjunction with the Compensation and Corporate Governance Committee, the highest standards of corporate governance;
- ensure that the members of the Board understand the boundaries between board and management responsibilities;
- as may be required from time to time, consult and meet with any or all of the Independent Directors, at the discretion of either party and with or without the attendance of the Chair or any other director, and represent such directors in discussions with the Chair and management of the Company on Independent Director matters;
- meet periodically with the other directors to ensure that the Board and its committees are able to discharge their respective responsibilities independently of management;
- recommend, where necessary, the holding of special meetings of the Board;
- assist in the process of conducting director evaluations; and
- carry out other duties as requested by the Board or Independent Directors, as needs and circumstances arise.

8. SECRETARY

(a) Appointment

The Board will in each year elect from among its members or officers of the Corporation a Secretary who is not the Chief Executive Officer.

(b) General

The Secretary is responsible for assisting the Chair in managing the operations and affairs of the Board and for performing additional duties requested by the Chair or the Board or any of its committees.

(c) Specific Role and Responsibilities

With the assistance of the Assistant Secretary of the Corporation, the Secretary will:

- confirm that all notices and materials are delivered to shareholders and directors in a timely manner;

- confirm that all minutes of meetings of shareholders, the Board and its committees are duly recorded;
- confirm that copies of the minutes are circulated to each Board or committee member, as the case may be, on a timely basis (with the directors receiving copies of minutes of all committee meetings once approved by the applicable committee);
- facilitate communication among the directors and among the Board, its committees and senior management;
- administer the operations of the Board and its committees; and
- perform additional duties requested by the Chair or the Board or any of its committees.

9. BOARD COMMITTEES

(a) General

The Board carries out its responsibilities directly and through the Audit Committee, the Compensation and Corporate Governance Committee, the Investment Committee and such other committees as it may establish from time to time.

(b) Composition

The Audit Committee and the Compensation and Corporate Governance committee will be comprised solely of Independent Directors who are selected by the Board on the recommendation of the Compensation and Corporate Governance Committee. Members of the Audit Committee must be Independent Directors and meet the additional independence requirements prescribed by applicable securities laws. Each member of the Audit Committee will also be “financially literate” as defined in NI 52-110.

(c) Committee Chairs

The Audit Committee and the Compensation and Corporate Governance committee will each be chaired by an Independent Director who is selected by the Board on the recommendation of the Compensation and Corporate Governance Committee. The chair of each Board committee will:

- in consultation with the Chair of the Board, Chief Executive Officer, Chief Financial Officer and the committee members, as appropriate, determine the date, time and location of meetings of the committee;
- confirm that the committee’s activities are consistent with, and fulfill, the duties and responsibilities set forth in its charter;
- confirm that the duties and responsibilities of the committee, as set forth in its charter, are well understood by the committee members and executed as effectively as possible;
- convene meetings of the committee as often as necessary to carry out its responsibilities effectively;

- in consultation with the Chair of the Board, committee members, the Chief Executive Officer and the Chief Financial Officer, as appropriate, review meeting agendas to ensure that required business is brought before the committee to enable the committee to carry out its responsibilities;

- chair all meetings of the committee;

- communicate with appropriate members of senior management in fulfilling the duties and responsibilities set forth in the committee's charter;

- with the assistance of the Chief Executive Officer and Chief Financial Officer, ensure that agenda items for all committee meetings are ready for presentation and that adequate information is distributed to committee members in advance of such meetings in order that committee members may properly inform themselves on matters to be acted upon;

- ensure that minutes are kept of all committee meetings and sign minutes once approved by the committee;

- report to the Board at its next meeting following any decision or recommendation arising from any meeting of the committee or the signing of a written resolution evidencing a decision or recommendation of the committee, including reporting on the considerations that led to such decision or recommendation;

- provide leadership to enable the committee to act as an effective team in carrying out its responsibilities; and

- oversee the committee's annual evaluation of its effectiveness in fulfilling the duties and responsibilities set forth in its charter.

(d) Charters

Each committee has its own charter which sets forth its duties and responsibilities, qualifications for membership, procedures for committee member appointment and removal and reporting to the Board. On an annual basis, each committee's charter is reviewed by both the committee itself and the Compensation and Corporate Governance Committee and is also reviewed and approved by the Board. Copies of each charter are posted on the Corporation's website. Below is a brief description of the responsibilities of each Board committee:

- **Audit Committee**

  The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to: the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements related to financial reporting; the qualifications, independence and performance of the Corporation's auditor; the design and implementation of internal controls and disclosure controls; and any additional matters delegated to the Audit Committee by the Board.

- **Compensation and Corporate Governance Committee**

  The Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to: the selection and retention of senior management; the compensation of senior management; professional development for senior management; the management of benefit plans for employees; the Corporation's overall approach to corporate governance; the size, composition and structure of the Board and its committees; orientation and continuing education for directors; related party transactions and other matters involving conflicts of interest; and any additional matters delegated to the Compensation and Corporate Governance Committee by the Board.

- **Investment Committee**

  The Investment Committee consists of the Chair of the Board, the President and Chief Executive Officer of the Corporation and at least three "independent directors" as defined in section 1.4 of National Instrument 52-110 – Audit Committees, as amended from time to time. Three members will constitute a quorum for any meeting of the Investment Committee. The Chair of the Board serves as Chair of the Investment Committee.

  The Investment Committee has the authority to, on behalf of the Board and subject to certain monetary limits as determined by the Board:

  - approve investments in and divestitures of real property assets, including;
    - acquisitions and dispositions of property;
    - development budgets including the cost of land; and
    - acquisitions and dispositions of raw land;
  - approve investments in and divestitures of certain loan transactions whereby the Corporation is lender;
  - approve investments in and divestitures of marketable securities; and
  - approve entering into derivatives for hedging purposes only.

10. BOARD AND COMMITTEE MEETINGS

(a) Scheduling

Board meetings are scheduled in advance at appropriate intervals throughout the year. In addition to regularly scheduled Board meetings, additional Board meetings may be called upon proper notice at any time to address specific needs of the Corporation. The Board may also take action from time to time by unanimous written consent. A Board meeting may be called by the Chair, the Chief Executive Officer or any director.

Each committee meets as often as it determines is necessary to fulfill its responsibilities. A meeting of any committee may be called by the committee chair, the Chair, the Chief Executive Officer or any committee member.

(b) Agenda

The Chair establishes the agenda for each Board meeting in consultation with the other directors and the Chief Executive Officer and Chief Financial Officer, as appropriate. Any director may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

Committee chairs establish the agenda for each committee meeting. Any committee member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any committee meeting raise subjects that are not on the agenda for the meeting.

The Assistant Secretary of the Corporation distributes an agenda and meeting materials in advance of each Board or committee meeting to allow Board or committee members, as the case may be, sufficient time to review and consider the matters to be discussed.

(c) Meetings of Independent Directors

To provide open discussion among the Independent Directors, those directors meet separately at every Board meeting without management present and will meet at such other time as any Independent Director may request. These meetings are chaired by the Lead Director (if one is appointed) or in his or her absence, one of the Independent Directors, who informs senior management of the substance of these meetings to the extent that action is required by them.

(d) Distribution of Information

Information that is important to the Board's understanding of the business and its agenda is distributed to directors in advance of Board meetings. Sensitive subject matters may be discussed at a meeting without written materials being distributed in advance of or at the meeting.

(e) Preparation, Attendance and Participation

Each director is expected to be diligent in attending meetings of the Board and any committee of which he or she is a member. In addition, each director is expected to attend each annual meeting of shareholders. A director who is unable to attend a Board or committee meeting in person may participate by telephone or teleconference.

(f) Attendance of Non-Directors at Board Meetings

The Chief Financial Officer and Secretary are expected to attend Board meetings. The Chief Executive Officer, at his or her discretion, may invite other employees, advisors or consultants to attend Board meetings. The Chair, at his or her discretion, may also invite employees of the Corporation, consultants, advisors or others, as appropriate, to attend Board meetings.

(g) Procedures

Procedures for Board meetings are determined by the Chair unless otherwise determined by the by-laws of the Corporation or a resolution of the Board.

Procedures for committee meetings are determined by the chair of the committee unless otherwise determined by the by-laws of the Corporation or a resolution of the committee or the Board.

Procedures for meetings of Independent Directors are determined by the Lead Director (if one is appointed) or in his or her absence, the Independent Director who acts as chair of such meeting, unless otherwise determined by the by-laws of the Corporation or a resolution of the Board.

(h) Secretary

The Secretary acts as secretary to the Board and each of its committees. In the absence of the Secretary, the Board or a committee may appoint one of its members or any other person to act as secretary.

11. DIRECTOR COMPENSATION

The Compensation and Corporate Governance Committee has the responsibility for recommending to the Board compensation and benefits for service on the Board and on Board committees. In discharging this duty, the Compensation and Corporate Governance Committee will be guided by the following principles: compensation should fairly pay directors for work required in an issuer of the Corporation's size and scope; it should not exceed what is customary given the size and scope of the Corporation's business and operations; compensation should align directors' interests with the long-term interests of shareholders; and the structure of the compensation should be simple, transparent and easy for shareholders to understand. Not less often than annually, the Compensation and Corporate Governance Committee will review directors' compensation and recommend any changes to the Board.

12. SHARE OWNERSHIP REQUIREMENTS

Directors are subject to share ownership requirements prescribed in the Corporation's Policy on Director and Executive Leadership Team Share Ownership.

13. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

The Compensation and Corporate Governance Committee is responsible for confirming that procedures are in place and resources are made available to provide new directors with a proper orientation to both the Corporation and their duties and responsibilities as directors and to provide other directors with appropriate continuing education opportunities.

14. BOARD ACCESS TO MANAGEMENT, OUTSIDE COUNSEL AND ADVISORS

The Board has unrestricted access to members of senior management and the Corporation's outside counsel and advisors. The Board and its committees may invite any member of senior management, employee, outside advisor or other person to attend any of their meetings. On an as needed basis, the Independent Directors will meet privately with each member of senior management other than the Chief Executive Officer.

The Board and any of its committees may retain an outside advisor at the expense of the Corporation at any time and have the authority to determine the advisor's fees and other retention terms. Individual directors may retain an outside advisor at the expense of the Corporation with the approval of the Compensation and Corporate Governance Committee.

15. PERFORMANCE ASSESSMENT OF THE BOARD AND ITS COMMITTEES

The Compensation and Corporate Governance Committee, with the assistance of the Lead Director (if one is appointed), will annually review the effectiveness of the Board and its committees in fulfilling their duties and responsibilities.

In addition, the Compensation and Corporate Governance Committee, with the assistance of the Lead Director (if one is appointed), will evaluate individual directors to assess their suitability for nomination for re-election.

16. CODE OF BUSINESS CONDUCT AND ETHICS

The Board has adopted a Code of Business Conduct and Ethics. The purpose of the Code is to ensure that the Corporation maintains a high level of trust and integrity in accordance with the highest ethical standards.

17. FEEDBACK

The Board welcomes input and comments from shareholders of the Corporation. Input or comments for the Board, the Lead Director (if one is appointed) or its committees should be directed to the Corporate Secretary at:

Board of Directors of First Capital Realty Inc.
c/o Corporate Secretary
First Capital Realty Inc.
85 Hanna Avenue
Suite 400
Toronto, Ontario
M6K 3S3

OR

Corporate.Secretary@fcr.ca