



MANAGEMENT INFORMATION CIRCULAR &
NOTICE OF ANNUAL MEETING OF UNITHOLDERS
TO BE HELD ON JUNE 21, 2022

MAY 12, 2022



May 12, 2022

Dear Fellow Unitholder:

We are pleased to invite you to attend the 2022 Annual and Special Meeting of Unitholders of First Capital Real Estate Investment Trust on Tuesday, June 21, 2022 at 10:00 a.m. (Toronto time).

This year, out of an abundance of caution, due to the uncertainty of pandemic related restrictions for larger gatherings, we will hold our annual and special meeting in a virtual only format, which will be conducted via live webcast. At the virtual annual and special meeting, regardless of geographic location, unitholders will have an opportunity to listen, participate and vote through a web-based platform instead of attending the meeting in person. Inside this document, you will find important information and detailed instructions about how to participate at our virtual annual and special meeting.

The purpose of the meeting will be to conduct the business described in the Notice of 2022 Annual and Special Meeting of Unitholders.

Your vote is important. This Management Information Circular in respect of the meeting contains important information about voting, the nominated trustees, our governance practices and how we compensate our trustees and executives. You may vote by either attending the virtual meeting or by completing and sending in your proxy form. Voting by proxy (or voting instruction form, as applicable) is an easy way to vote – just follow the instructions for submitting your proxy by mail, internet or telephone.

You will be able to attend, participate and vote at the virtual meeting online at <https://web.lumiagm.com/403006301>. Additional information on how to attend the virtual meeting is enclosed. Any unitholder having questions or concerns with respect to voting their Trust Units after reviewing the accompanying Management Information Circular should contact First Capital REIT's strategic unitholder advisor and proxy solicitation agent, Kingsdale Advisors at 1-888-823-4343 (toll-free in North America) or 1-416-867-2272 (collect outside North America) or by email at contactus@kingsdaleadvisors.com.

On behalf of the Board of Trustees and the Executive Leadership Team, we thank you for your continued support and look forward to welcoming you on June 21st.

Yours truly,

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

Adam E. Paul
President and Chief Executive Officer



NOTICE OF 2022 ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

You are invited to the 2022 Annual and Special Meeting of Unitholders (the “Meeting”) of First Capital Real Estate Investment Trust (“First Capital REIT”):

When

Tuesday, June 21, 2022
10:00 a.m. (Toronto Time)

Where

Virtual Only Meeting via Live Webcast online at:

<https://web.lumiagm.com/403006301>

Username: **15-digit control number** located on the form of proxy

Password: **first2022**

Your Vote is Important

If you are a unitholder of record of trust units (“Trust Units”) or special voting units (“Special Voting Units”) of First Capital REIT at the close of business on May 10, 2022, you are entitled to receive notice of, attend and vote your Trust Units and Special Voting Units at the Meeting, or else at a reconvened meeting if the Meeting is postponed or adjourned. Please remember to vote your Trust Units and Special Voting Units. You can vote by proxy (or voting instruction form, as applicable) if you are unable to attend the Meeting.

This year, out of an abundance of caution, due to the uncertainty of pandemic related restrictions for larger gatherings, we will hold our annual and special meeting in a virtual only format, which will be conducted via live webcast. Unitholders will have an opportunity to participate at the virtual meeting in real time through a web-based platform instead of attending the meeting in person. Inside this document, you will find important information and detailed instructions about how to participate at our virtual annual and special meeting.

A unitholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (including a non-registered unitholder who wishes to appoint themselves to attend) must carefully follow the instructions in the management information circular and on their form of proxy or voting instruction form. **Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving a Control Number to vote at the Meeting and only being able to attend as a guest.**

Any unitholder having questions or concerns with respect to voting their Trust Units should contact Kingsdale Advisors at 1-888-823-4343 (toll-free in North America) or 1-416-867-2272 (collect outside North America) or by email at contactus@kingsdaleadvisors.com.

Technology required to access the virtual meeting

The Meeting will be entirely virtual and unitholders and proxyholders will not be able to attend in person. If you are a registered unitholder or a duly appointed proxyholder (including non-registered unitholders who have duly appointed themselves as proxyholder), you will be able to attend, vote and ask questions at the Meeting, all in real time. If you are a non-registered unitholder who does not appoint themselves

as proxyholder then you may attend the Meeting as a guest, but you will not be able to vote or ask questions at the Meeting.

You will be able to participate in the Meeting using an internet-connected device such as a laptop, computer, tablet or mobile phone. In order to run the meeting platform, you will need the latest version of Chrome, Safari, Edge or Firefox, that are running the most updated version of the applicable software plugins and that meet the minimum system requirements. If you have any doubt, you can check your system's compatibility by visiting <https://www.lumiglobal.com/faq> for additional information.

If you are accessing the Meeting you must remain connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. Note that if you lose connectivity once the Meeting has commenced, there may be insufficient time to resolve your issue before ballot voting is completed. Even if you plan to attend the Meeting, you should consider voting your units in advance so that your vote will be counted in case you later decide not to attend the Meeting or in the event that you experience any technical difficulties and are unable to access the Meeting and vote for any reason. Please note that you cannot vote if you access the Meeting by dialing in – voting at the Meeting can only be done through the Meeting portal. If you encounter technical difficulties, please contact Lumi at support@lumiglobal.com.

Asking questions at the virtual meeting

First Capital REIT believes that the ability to participate in the Meeting in a meaningful way remains important despite the decision to hold this year's meeting virtually. It is anticipated that registered unitholders and proxyholders (including non-registered unitholders who have appointed themselves as proxyholders) will have substantially the same opportunity to ask questions on matters of business before the Meeting as in past years when the annual unitholders' meeting was held in person.

Questions received from registered unitholders and proxyholders (including non-registered unitholders who have appointed themselves as proxyholders) which relate to the business of the Meeting or to the affairs of First Capital REIT are expected to be addressed in the question-and-answer section following the Meeting. Such questions will be read by the Chair of the Meeting or a designee of the Chair and responded to by a representative of First Capital REIT as they would be at a unitholders meeting that was being held in person. As at an in-person meeting, to ensure fairness for all attendees, the Chair of the Meeting will decide on the amount of time allocated to each question and will have the right to limit or consolidate questions and to reject questions that do not relate to the business of the Meeting or to the affairs of First Capital REIT or which are determined to be inappropriate or otherwise out of order.

Business of the Meeting

1. To receive the audited consolidated financial statements for the fiscal year ended December 31, 2021, together with the report of the auditors thereon (see *Business of the Meeting – Receiving the Financial Statements* in the Circular);
2. To elect the Board of Trustees for the ensuing year (see *Business of the Meeting – Election of Trustees* in the Circular);
3. To appoint auditors for the ensuing year and to authorize the Board of Trustees 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)
5. To consider, and if deemed advisable, pass an ordinary resolution, the full text of which is attached as Appendix A to the Management Information Circular which accompanies this Notice of 2022 Annual and Special Meeting, approving the amendment to the REIT's DTU Plan (as defined herein) to increase the number of trust units of the REIT available for issuance under the DTU Plan by an additional

300,000 trust units, as more particularly described in the accompanying Management Information Circular (see “*Business of the Meeting – Amendment to the DTU Plan*”);

6. To consider, and if deemed advisable, pass an ordinary resolution, the full text of which is attached as Appendix B to the Management Information Circular which accompanies this Notice of 2022 Annual and Special Meeting, approving the amendment to the REIT’s RTU Plan (as defined herein) to increase the number of trust units of the REIT available for issuance under the RTU Plan by an additional 1,250,000 trust units, as more particularly described in the accompanying Management Information Circular (see “*Business of the Meeting – Amendment to the RTU Plan*”); and
7. To consider other business that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Notice-and-Access

First Capital REIT is using the “notice-and-access” system adopted by the Canadian Securities Administrators for the delivery of the Circular and 2021 annual report, which includes the management’s discussion and analysis and annual audited consolidated financial statements for the fiscal year ended December 31, 2021 (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 are receiving 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.**

Unitholders with questions about notice-and-access can call Computershare at 1-866-964-0492.

Websites Where Meeting Materials are Posted

Our Meeting Materials can be viewed online on our website at <https://fcr.ca/investors/unitholders/> or under our issuer profile at www.sedar.com.

How to Obtain a Paper Copy of the Meeting Materials

Beneficial unitholders 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 June 7, 2022 (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.

Registered unitholders may request that paper copies of the Meeting Materials be mailed to you at no cost. Requests by registered unitholders may be made up to one year from the date that the Circular was filed on SEDAR by calling First Capital REIT at 1-866-404-4114. Requests should be received by June 7, 2022 (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.

By Order of the Board of Trustees,

A handwritten signature in black ink, appearing to read "Adam Paul", written in a cursive style.

Adam E. Paul
President and Chief Executive Officer

May 12, 2022
Toronto, Ontario

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MANAGEMENT INFORMATION CIRCULAR

Basis of Presentation

Effective December 30, 2019, pursuant to a court approved plan of arrangement (the “Arrangement”), First Capital Realty Inc. (the “Company”) completed its conversion to a real estate investment trust, known as First Capital Real Estate Investment Trust (“First Capital REIT”, the “Trust” or the “REIT”). Under the Arrangement, each outstanding common share of the Company was exchanged for one Trust Unit of First Capital REIT, unless a qualifying shareholder validly elected to receive Exchangeable LP Units of First Capital REIT Limited Partnership in exchange for their common shares of the Company. As the Arrangement became effective on December 30, 2019, information presented in this management information circular (“Circular”) for the period prior to December 30, 2019 is in respect of the Company and information provided on or after December 30, 2019 is in respect of First Capital REIT. Accordingly, references herein to the business and activities of First Capital REIT prior to December 30, 2019 refer to First Capital REIT’s predecessor, the Company.

We are sending you this Circular because you owned Trust Units or Special Voting Units of First Capital REIT as at the close of business on May 10, 2022 (the “Record Date”). As a unitholder of record, you are entitled to receive notice of our 2022 annual and special meeting of unitholders to be held on June 21, 2022 (the “Meeting”), attend the Meeting and vote your units.

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 trustees, our governance practices and how we compensate our trustees and executives.

In this document, *we, us, our*, the *REIT*, the *Trust* and *First Capital REIT* refer to First Capital REIT. *You* and *your* refer to the REIT’s unitholders.

The information in this management information circular is provided as of May 10, 2022, 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 this Circular and our annual report in respect of fiscal 2021, which includes management’s discussion and analysis and our annual audited consolidated financial statements for the fiscal year ended December 31, 2021 (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 20, 2022 to all unitholders of record of the REIT as of the close of business on May 10, 2022. The Notice provides instructions regarding the website availability of the Meeting Materials. Unitholders have the ability to access the Meeting Materials on our website at www.fcr.ca/investors/investor-resources and under our issuer 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. First Capital REIT has retained Kingsdale Advisors (“**Kingsdale**”) as its strategic unitholder advisor and proxy solicitation agent to assist in soliciting proxies. The REIT estimates fees for Kingsdale associated with this year’s proxy solicitation will be \$40,000 plus out-of-pocket expenses. The REIT 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 REIT 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.

Voting Information

Please carefully read this section, as it contains important information regarding how to vote your units. First Capital REIT has sent, or caused to be sent, forms of proxy to our registered unitholders and voting instruction forms to our non-registered unitholders.

Who can attend the Meeting and vote?

You have the right to vote on each matter put to a vote at the Meeting if you owned any Trust Units or Special Voting Units as of the close of business on May 10, 2022. Each Trust Unit or Special Voting Unit 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 unitholder.

What is the difference between a registered unitholder and a non-registered (beneficial) unitholder?

Most of our unitholders are beneficial unitholders.

You are a non-registered (or beneficial) unitholder if your bank, trust company, securities broker, trustee, other financial institution, depository, clearing agency (such as CDS Clearing and Depository Services Inc.) or other intermediary holds your units for you. This means you do not have a physical unit certificate and do not hold your units through the direct registration system (DRS) on the records of our transfer agent in electronic form, but instead, your units are recorded on your intermediary's electronic system. For example, you are a beneficial unitholder if you hold your units in a brokerage account of any type.

You are a registered unitholder if your units are registered directly in your name with our transfer agent, Computershare. You may hold your units in the form of a physical unit certificate or through DRS on the records of our transfer agent in electronic form.

What does it mean if I receive more than one Notice, form of proxy or voting instruction form?

If you receive more than one Notice, form of proxy or voting instruction form, it means that you have multiple accounts with brokers or other intermediaries or with the transfer agent, as applicable, through which you hold units. The voting process is different for registered unitholders and non-registered (beneficial) unitholders. Please follow the instructions carefully and vote or provide voting instructions for all of the units you own.

How do I vote?

First Capital REIT unitholders may vote by proxy before the Meeting or vote at the Meeting, as described below.

1. Voting by proxy before the Meeting

You may vote before the Meeting by completing your form of proxy or voting instruction form in accordance with the instructions provided therein. Non-registered unitholders should also carefully follow all instructions provided by their intermediary to ensure that their units are voted at the Meeting.

Voting by proxy is the easiest way to vote. It means you are giving someone else the authority to attend the Meeting and vote on your behalf (called your "proxyholder").

Bernard McDonnell, Chair of the Board, has agreed to act as the First Capital REIT proxyholder. Proxyholders must vote your units according to your instructions, including on any ballot that may be called. If there are changes to the items of business or new items properly come before the Meeting, a proxyholder can vote as he or she sees fit.

You can appoint someone else to be your proxyholder. This person does not need to be a unitholder. See “Appointment of a third party as proxy” below.

Registered Unitholders

There are three ways for registered unitholders to vote by proxy before the Meeting:

Telephone Voting	You may vote by calling the toll-free telephone number 1-866-732-VOTE (8683). You will be prompted to provide your control number printed on the form of proxy. You may not appoint a person as proxyholder other than the First Capital REIT proxyholders named in the form of proxy if you vote by telephone. Please follow the voice prompts that allow you to vote your units and confirm that your instructions have been properly recorded.
Internet Voting	You may vote by logging on to the website indicated on the form of proxy (www.investorvote.com). Please follow the website prompts that allow you to vote your units and confirm that your instructions have been properly recorded.
Return Your Form of Proxy by Mail	You may vote by completing, signing and returning the form of proxy in the postage-paid envelope provided to Computershare Trust Company of Canada, (“Computershare”), our transfer agent, either in person or by mail or courier, to 100 University Avenue, 8 th Floor, Toronto, Ontario, M5J 2Y1.

Proxies, whether submitted through the internet or by telephone or mail, as described above, must be deposited with our transfer agent, Computershare by no later than **10:00 am (Toronto time) on June 17, 2022**, or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. The time limit for the deposit of proxies may be waived or extended by the chair of the Meeting at his or her discretion.

If a unitholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such unitholder by completing an online ballot will be counted and the submitted proxy will be disregarded.

If you are a registered unitholder, contact Computershare, our transfer agent, at 1-800-564-6253 (toll free in North America) or 1-514-982-7555 (outside North America) for any voting questions.

Non-Registered (Beneficial) Unitholders

Beneficial unitholders will receive a Notice and voting instruction form indirectly through their broker or other intermediary for the number of units they hold. For your units 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 unitholders 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 unitholders must deliver completed forms of proxy.** You should contact your broker or intermediary for further details.

In some cases, beneficial unitholders 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 units beneficially owned but which is otherwise uncompleted. The form of proxy need not be signed by the unitholder. In this case, the beneficial unitholder who wishes to submit a form of proxy should properly complete the form of proxy and deposit it with Computershare, our transfer agent, as described above under *Registered Holders*.

First Capital REIT may utilize the Broadridge QuickVote™ service to assist non-registered Unitholders with voting their Trust Units over the telephone. Alternatively, Kingsdale may contact such non-registered Unitholders to assist them with conveniently voting their Trust Units directly over the phone. If you have any questions or need assistance completing your form of proxy or voting instruction form, please contact, Kingsdale, toll free in North America at 1-888-823-4343, or call collect from outside North America at 416-867-2272, or by email at contactus@kingsdaleadvisors.com.

2. Voting at the Meeting

Registered unitholders may vote at the Meeting by completing a ballot online during the Meeting, as further described below under “How do I attend and participate at the Meeting?”

Non-registered (beneficial) unitholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to participate as a guest. This is because the REIT and our transfer agent, Computershare, do not have a record of the non-registered unitholders of the REIT, and, as a result, will have no knowledge of your unitholdings or entitlement to vote unless you appoint yourself as proxyholder.

If you are a non-registered unitholder and wish to vote at the Meeting, you have to appoint yourself as proxyholder by inserting your own name in the space provided on the voting instruction form or form of proxy sent to you and must follow all of the applicable instructions, including the deadline, provided by your intermediary. See “Appointment of a third party as proxy” and “How do I attend and participate at the Meeting?” below.

Appointment of a third party as proxy

The following applies to unitholders who wish to appoint someone as their proxyholder other than the First Capital REIT proxyholders named in the form of proxy or voting instruction form. This includes non-registered unitholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Unitholders who wish to appoint someone other than the First Capital REIT proxyholders as their proxyholder to attend and participate at the Meeting as their proxy and vote their units MUST submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder AND register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Control Number that is required to vote at the Meeting.

- **Step 1: Submit your form of proxy or voting instruction form.** To appoint someone other than the First Capital REIT proxyholders as proxyholder, insert that person’s name in the blank space provided in the form of proxy or voting instruction form (if permitted by your intermediary) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form.

If you are a non-registered unitholder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. In some cases, your intermediary may send you additional documentation that must be completed in order

for you (or such other person) to vote at the Meeting. Please also see further instructions below under the heading “How do I attend and participate at the Meeting?”.

If you are a non-registered unitholder located in the United States and wish to vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described below under “How do I attend and participate at the Meeting?”, you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form and the voting information form sent to you or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from non-registered unitholders located in the United States that wish to vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail or by courier to: uslegalproxy@computershare.com (if by e-mail), or Computershare, Attention: Proxy Dept., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada (if by courier), and in both cases, must be labeled “Legal Proxy” and received no later than the voting deadline of 10:00 a.m. (Toronto Time) on June 17, 2022. Please note that you are required to register your appointment at <https://www.computershare.com/firstcapital>.

- **Step 2: Register your proxyholder.** To register a third-party proxyholder, unitholders must visit <https://www.computershare.com/firstcapital> by 10:00 a.m. (Toronto time) on June 17, 2022 and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a Control Number via email. Without a Control Number, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.

How do I attend and participate at the Meeting?

First Capital REIT is holding the Meeting in a virtual only format, which will be conducted via live webcast. Unitholders will not be able to attend the Meeting in person.

Attending the Meeting online enables registered unitholders and duly appointed proxyholders, including non-registered (beneficial) unitholders who have duly appointed themselves as a proxyholder, to participate at the Meeting and ask questions. If desired, registered unitholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

Guests, including non-registered beneficial unitholders who have not duly appointed themselves as proxyholder, can log into the Meeting as set out below. Guests can listen to the Meeting and ask questions but are not able to vote during the Meeting.

- Login online at <https://web.lumiagm.com/403006301>. We recommend that you login at least one hour before the Meeting starts.
- Click “Login” and then enter your 15-digit Control Number (see below) and Password “first2022” (case sensitive).
OR
- Click “Guest” and then complete the online form.

Registered unitholders: Your Control Number is the control number located on the form of proxy or in the email notification you received.

Duly appointed proxyholders: Computershare will provide each proxyholder with a Control Number by email after the proxy voting deadline has passed and the proxyholder has been duly appointed AND registered as described in “Appointment of a third party as proxy” above.

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when voting commences during the Meeting. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

How can I change or revoke my vote?

Registered Unitholders

If you are a registered unitholder and you voted by proxy, you may change a vote you made by proxy by voting again, 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 unitholder or by the unitholder's attorney authorized in writing:
 - (i) at First Capital REIT'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.

If you have followed the process for attending and voting at the Meeting online, voting at the Meeting online will revoke your previous proxy.

Non-Registered (Beneficial) Unitholders

If you are a beneficial unitholder, contact your broker or intermediary to find out how to change or revoke your voting instructions and the timing requirements, or for other voting questions. Intermediaries may set deadlines for the receipt of revocation notices that are farther in advance of the Meeting than those set out above and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or voting instruction form to ensure it is given effect at the Meeting.

What is the voting deadline?

If voting by proxy, your proxy must be received by 10:00 a.m. (Toronto time) on June 17, 2022, regardless of the voting method you choose. If the Meeting is postponed or adjourned, your instructions must be received **not later than 48 hours** (excluding, Saturdays, Sundays and statutory holidays) **before the time the Meeting is reconvened**. The time limit for the deposit of proxies may be waived or extended by the chair of the Meeting at his or her discretion without notice.

First Capital REIT reminds unitholders that only the most recently dated voting instructions will be counted and any dated instructions will be disregarded.

VOTING RECOMMENDATIONS

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

- **FOR** the election of each of the management nominees named in this Circular as trustees (see *Business of the Meeting – Election of Trustees*);
- **FOR** the reappointment of Ernst & Young LLP as the auditors of the Company and the authorization of the trustees to fix the remuneration to be paid to the auditors (see *Business of the Meeting – Appointment of Auditor*);
- **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*);
- **FOR** the amendment to the DTU Plan as disclosed in this Circular (see *Business of the Meeting – Amendment to the DTU Plan*); and
- **FOR** the amendment to the RTU Plan as disclosed in this Circular (see *Business of the Meeting – Amendment to the RTU Plan*).

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 First Capital REIT knows of no such amendments, variations or other matters.

VOTING OF UNITS

As of the close of business on May 10, 2022, First Capital REIT had outstanding 219,713,038 Trust Units and 103,223 Special Voting Units, representing an aggregate of 219,816,261 units entitled to vote at the Meeting. Each holder of Trust Units and Special Voting Units of record at the close of business on May 10, 2022 is entitled to vote on all matters proposed to come before the Meeting on the basis of one vote for each Trust Unit or Special Voting Unit held, respectively. 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 unitholders of record at the close of business on May 10, 2022 are entitled to vote at the Meeting.

SIGNIFICANT HOLDERS OF VOTING SECURITIES

To the knowledge of our trustees and officers, there is no person or company who beneficially owns, directly or indirectly, or exercises control or direction over, securities of the REIT carrying 10% or more of the voting rights attached to any class of outstanding voting securities as at the close of business on May 10, 2022, the record date for the Meeting.

BUSINESS OF THE MEETING

Receiving the Financial Statements

Our consolidated annual financial statements for the fiscal year ended December 31, 2021 and the auditors' report thereon are available on our website at www.fcr.ca, or our issuer profile at www.sedar.com.

Election of Trustees

Unitholders are asked to vote on the election of trustees to the Board of Trustees of First Capital REIT (the "Board of Trustees" or the "Board"). Nine trustees have been nominated, all of whom currently serve on our Board. All nine nominated trustees are eligible to serve as trustees and have expressed their willingness to do so.

The nominated trustees are:

Bernard McDonell	Paul C. Douglas
Adam E. Paul	Annalisa King
Leonard Abramsky	Aladin (Al) W. Mawani
Sheila Botting	Andrea Stephen
Ian Clarke	

*Management and the Board recommend that you vote **FOR** the nominated trustees.*

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

See *About the Nominated Trustees* for more information.

Majority Voting Policy

The Board believes that each of its members should carry the confidence and support of its unitholders. To this end, the Board has unanimously adopted an individual and majority voting policy that requires that unitholders be able to vote in favour of, or withhold from voting, separately for each nominee for trustee and that, in an uncontested election of trustees, any nominee for trustee who receives a greater number of votes

HIGHLIGHTS OF THE BOARD OF TRUSTEES

- Highly experienced Board of Trustees, with expertise in all key areas of the REIT's business.
- 8 of 9 trustees are independent (assuming re-election of nominees).
- Women represent 33% of the Board and 38% of the independent trustees of the Board (assuming re-election of nominees).
- Independent Chair of the Board.
- 6 new members in the last 5 years (assuming re-election of nominees).
- Individual and majority voting policy.
- All trustees in 2021 met or exceeded applicable equity 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 trustee recruitment process.
- Board of Trustees Conflicts of Interest Policy to ensure that any potential conflicts of interest are addressed and considered.

“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 Corporate Governance Committee (as defined below) if the affected trustee is such Chair. Any resignation received by the Chair of the Board shall be promptly referred to the Corporate Governance Committee for consideration. An “uncontested election” means an election where the number of nominees for trustees is equal to the number of trustees to be elected.

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

The Board shall act on the Corporate Governance Committee’s recommendation promptly following its receipt thereof and, in any event, within 90 days of the applicable unitholders’ meeting. The Board shall accept the Corporate Governance Committee’s recommendation absent exceptional circumstances. If a resignation is accepted, the Board may, subject to applicable law and the REIT’s declaration of trust, appoint a new trustee to fill any vacancy created by the resignation, reduce the size of the Board or call a meeting of unitholders to appoint a replacement. A resignation will be effective upon its acceptance by the Board. The REIT 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 three¹ standing committees:

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

The current members of these committees are indicated in *About the Nominated Trustees* below.


About the Nominated Trustees

The Board has determined that nine trustees are to be re-elected this year. Eight of the nine nominated trustees are independent of First Capital REIT as determined in accordance with applicable securities laws. Mr. McDonell is independent of First Capital REIT and is the Chair of the Board and was the Chair of the Investment Committee⁽¹⁾.

The following profiles present information about the nominated trustees, including their areas of expertise, their membership on other public entity boards and the number of REIT securities held as at the Record Date. Each trustee 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 – Equity Ownership Guidelines* for additional information regarding the equity ownership by the trustees.


The following profiles also provide the proxy voting results received by each current trustee of the REIT at the Company's 2021 annual meeting of unitholders held on June 22, 2021 (the “2021 Meeting”), where there were unitholders represented in person or by proxy holding 169,874,767 trust units of the REIT, representing 77.39% of the REIT's then issued and outstanding voting units.

(1) The Investment Committee was dissolved by the Board on February 8, 2022, with the full board overseeing all material investment decisions going forward.

	<p>BERNARD MCDONELL</p> <p>Age: 67</p> <p>Apple Hill, Ontario, Canada</p> <p>Chair of the Board since May 28, 2019</p> <p>Trustee of the REIT since May 24, 2007⁽¹⁾</p> <p>INDEPENDENT</p>	<p><u>Areas of Expertise:</u></p> <p>Strategic insight/leading growth</p> <p>Real estate</p> <p>Retail</p> <p>Board and governance</p> <p>Accounting and tax acumen</p> <p>Corporate finance and capital markets</p> <p>Legal</p> <p>Business leadership</p> <p>Human resource management</p> <p>ESG</p> <p>Public policy/corporate relations</p>			
<p>Principal Occupation</p>					
<p>Before becoming Chair of the Board, Mr. McDonell was the Lead Director of the Company from 2011 to 2019. Previously, he 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.</p> <p>Mr. McDonell was the Vice-Chairman and President of Provigo Inc. from 1999 to 2006, at which time it was Quebec’s grocery market unit 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.</p> <p>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.</p>					
<p>Other Public Board Memberships</p>		<p>Public Board Interlocks</p>			
<p>None</p>		<p>None</p>			
<p>Current Board/Committee Membership</p>		<p>2021 Attendance</p>		<p>2021 Attendance (Total)</p>	
<p>Chair of the Board</p>		<p>15/15</p>	<p>100%</p>	<p>19/19</p>	<p>100%</p>
<p>Member of the Compensation Committee</p>		<p>4/4</p>	<p>100%</p>		
<p>Chair of the Investment Committee⁽²⁾</p>		<p>N/A</p>	<p>N/A</p>		
<p>Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly</p>			<p>Equity Interest Requirements</p>		
<p>Year</p>	<p>Trust Units</p>	<p>Deferred Trust Units (“DTUs”)</p>	<p>Minimum Requirements</p>		<p>Meets Requirements</p>
<p>As at May 13, 2021</p>	<p>2,616</p>	<p>131,760</p>	<p>6 x annual retainer</p>		<p>Yes</p>
<p>As at May 10, 2022</p>	<p>2,616</p>	<p>141,872</p>			
<p>Voting Results of 2021 Annual Meeting</p>					
			<p>Proxy Votes For</p>	<p>Proxy Votes Withheld</p>	<p>Total Proxy Votes Cast</p>
<p># of Proxy Votes</p>			<p>162,162,963</p>	<p>7,669,771</p>	<p>169,832,734</p>
<p>% of Proxy Votes</p>			<p>95.48</p>	<p>4.52</p>	<p>100</p>

(1) Also includes time spent serving as a director of the Company.


(2) The Investment Committee did not meet in 2021.

	ADAM E. PAUL, C.P.A., C.A. Age: 47 Toronto, Ontario, Canada Trustee of the REIT since February 16, 2015 ⁽¹⁾ NOT INDEPENDENT (President and Chief Executive Officer of the REIT)	<u>Areas of Expertise:</u> 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 ESG Public policy/corporate relations					
Principal Occupation							
As President and Chief Executive Officer, Mr. Paul is responsible for the overall leadership, strategy, operations and performance of First Capital REIT. 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				2021 Attendance		2021 Attendance (Total)	
Member of the Board Member of the Investment Committee ⁽²⁾				15/15 N/A	100% N/A	15/15	100%
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽³⁾				Equity Interest Requirements			
Year	Trust Units	Restricted Trust Units (“RTUs”)	Performance Trust Units (“PTUs”)	Minimum Requirements		Meets Requirements	
As at May 13, 2021	283,325	85,360	238,309	6 x annual base salary		Yes	
As at May 10, 2022	283,325	171,323	282,050				
Voting Results of 2021 Annual Meeting							
				Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast	
# of Proxy Votes				167,341,419	2,491,315	169,832,734	
% of Proxy Votes				98.53	1.47	100	

(1) Also includes time spent serving as a director of the Company.


(2) The Investment Committee did not meet in 2021.

(3) In addition to the equity outlined above, Mr. Paul holds a total of 3,810,445 stock options with a weighted average exercise price of \$19.77.

	LEONARD ABRAMSKY Age: 59 Toronto, Ontario, Canada Trustee of the REIT since June 4, 2019 ⁽¹⁾ INDEPENDENT	Areas of Expertise: Strategic insight/leading growth Real estate Retail Board and governance Corporate finance and capital markets Business leadership Human resource management ESG Public policy/corporate relations
Principal Occupation		
<p>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.</p> <p>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.</p> <p>Mr. Abramsky is also a member of the board of a Dream Residential REIT. Mr. Abramsky presently serves as Chair and member of the Investment Committee of the Jewish Foundation of Greater Toronto. He is former Co-Chair of the 2020 Annual UJA Campaign.</p>		
Other Public Board Memberships		Public Board Interlocks
Dream Residential REIT		None
Current Board/Committee Membership	2021 Attendance	2021 Attendance (Total)
Member of the Board Member of the Compensation Committee Member of the Investment Committee ⁽²⁾	15/15 4/4 N/A	100% 100% N/A
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽³⁾		Equity Interest Requirements
Year	Trust Units	DTUs
As at May 13, 2021	53,162	8,393
As at May 10, 2022	53,162	14,158
Minimum Requirements		Meets Requirements
6 x annual retainer		Yes
Voting Results of 2021 Annual Meeting		
	Proxy Votes For	Proxy Votes Withheld
# of Proxy Votes	169,716,430	116,304
% of Proxy Votes	99.93	0.07
Total Proxy Votes Cast		169,832,734

(1) Also includes time spent serving as a director of the Company.


(2) The Investment Committee did not meet in 2021. Subject to his election at the Meeting, Mr. Abramsky will be appointed as a member of the Audit Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

	<p>SHEILA BOTTING</p> <p>Age: 63</p> <p>Burlington, Ontario, Canada</p> <p>Trustee of the REIT since June 21, 2021</p> <p>INDEPENDENT</p>	<p>Areas of Expertise:</p> <p>Strategic insight/leading growth Real estate Retail Board and governance Accounting and tax acumen Corporate finance and capital markets Business leadership Human resource management ESG Public policy/corporate relations</p>			
<p>Principal Occupation</p>					
<p>Ms. Botting is currently Principal and President, Americas at Avison Young where she leads the Americas professional services practice and is a member of the Avison Young’s global real estate executive.</p> <p>Prior to Avison Young, she was Senior Partner & Canadian Real Estate Leader with Deloitte, and a member of Deloitte global real estate executive. In this role, she led many substantive assignments around the globe across both public and private sectors working with occupiers, investors, operators, and industry participants including Deloitte’s own corporate workplace strategy and implementation program across Canada.</p> <p>Prior to Deloitte, Ms. Botting was Executive Managing Director of Cushman & Wakefield, a leading full services professional firm, and a global partner. She led the Canadian professional services operation including real estate valuation and advisory services for the industry’s largest investors, owners and corporate occupiers. Cushman & Wakefield acquired Royal LePage Commercial Inc. (a Brookfield entity) in 2006 where she worked for over 20 years and held executive positions.</p>					
<p>Other Public Board Memberships</p>			<p>Public Board Interlocks</p>		
<p>None</p>			<p>None</p>		
<p>Current Board/Committee Membership⁽¹⁾</p>			<p>2021 Attendance</p>		<p>2021 Attendance (Total)</p>
<p>Member of the Board Member of the Corporate Governance Committee</p>			<p>4/4 1/1</p>	<p>100% 100%</p>	<p>5/5 100%⁽³⁾</p>
<p>Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly</p>			<p>Equity Interest Requirements</p>		
<p>Year</p>	<p>Trust Units</p>	<p>DTUs</p>	<p>Minimum Requirements</p>		<p>Meets Requirements</p>
<p>As at May 13, 2021</p>	<p>-</p>	<p>N/A</p>	<p>6 x annual retainer</p>		<p>Yes, as applicable⁽²⁾</p>
<p>As at May 10, 2022</p>	<p>-</p>	<p>4,903</p>			
<p>Voting Results of 2021 Annual Meeting</p>					
			<p>Proxy Votes For</p>	<p>Proxy Votes Withheld</p>	<p>Total Proxy Votes Cast</p>
<p># of Proxy Votes</p>			<p>167,348,953</p>	<p>2,483,781</p>	<p>169,832,734</p>
<p>% of Proxy Votes</p>			<p>98.54</p>	<p>1.46</p>	<p>100</p>


(1) Subject to her election at the Meeting, Ms. Botting will be appointed as a member of the Compensation Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.

(2) Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant). See *Equity Ownership Guidelines* for more information.


(3) Meeting attendance has been pro-rated to reflect the date of Ms. Botting's election to the Board on June 22, 2021.

	IAN CLARKE, F.C.P.A., F.C.A., ICD.D Age: 61 Pickering, Ontario, Canada Trustee of the REIT since June 21, 2021 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					
<p>Mr. Clarke has been the Chief Financial Officer of the Greater Toronto Airports Authority (GTAA) since April 2017 and previously was a GTAA Board member for five years and Chaired the Audit Committee for two years. His responsibilities include commercial and business partnerships, new business development and corporate strategy.</p> <p>He is a financial professional with over 25 years of experience in the sports and entertainment industry ranging from finance, administration, taxation, new business development, government relations, regulatory filings, collective bargaining, bond and loan restructuring. Mr. Clarke was the Chief Financial Officer, Business Development at Maple Leaf Sports & Entertainment Ltd. (MLSE) for 12 years and held senior financial roles with MLSE for 14 years prior to being the CFO.</p> <p>Mr. Clarke received a Fellowship of Chartered Accountants from the Institute of Chartered Accountants of Ontario and holds the ICD.D designation from the Institute of Corporate Directors.</p> <p>Mr. Clarke is also member of the board of AGF Management Limited.</p>					
Other Public Board Memberships			Public Board Interlocks		
AGF Management Limited			None		
Current Board/Committee Membership⁽¹⁾			2021 Attendance		2021 Attendance (Total)
Member of the Board			4/4	100%	5/5 100% ⁽³⁾
Member of the Audit Committee			1/1	100%	
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Equity Interest Requirements		
Year	Trust Units	DTUs	Minimum Requirements		Meets Requirements
As at May 13, 2021	2,300	N/A	6 x annual retainer		Yes, as applicable ⁽²⁾
As at May 10, 2022	2,300	5,030			
Voting Results of 2021 Annual Meeting					
			Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes			167,351,330	2,481,404	169,832,734
% of Proxy Votes			98.54	1.46	100

- (1) Subject to his election at the Meeting, Mr. Clarke will be appointed as a member of the Corporate Governance Committee. See *Our Corporate Governance Practices – Committees of the Board* for more information.
- (2) Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant). See *Equity Ownership Guidelines* for more information.
- (3) Meeting attendance has been pro-rated to reflect the date of Mr. Clarke's election to the Board on June 22, 2021,.

	<p>PAUL C. DOUGLAS</p> <p>Age: 70</p> <p>Toronto, Ontario, Canada</p> <p>Trustee of the REIT since June 4, 2019⁽¹⁾</p> <p>INDEPENDENT</p>	<p>Areas of Expertise:</p> <p>Strategic insight/leading growth</p> <p>Real estate</p> <p>Board and governance</p> <p>Accounting and tax acumen</p> <p>Corporate finance and capital markets</p> <p>Business leadership</p> <p>Human resource management</p> <p>ESG</p> <p>Public policy/corporate relations</p>			
<p>Principal Occupation</p>					
<p>Mr. Douglas is 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.</p> <p>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.</p> <p>Mr. Douglas is also a member of the board of a privately held company, Minto Holdings Inc. He was former Chair of the board of governors of McMaster University. Mr. Douglas is also the former Chair of TD’s Diversity Leadership Council subcommittee on promoting and enhancing a supportive environment for LGBTQ2+ employees and clients.</p>					
Other Public Board Memberships			Public Board Interlocks		
None			None		
Current Board/Committee Membership			2021 Attendance		2021 Attendance (Total)
Member of the Board			15/15	100%	23/23
Member of the Audit Committee			4/4	100%	
Member of the Corporate Governance Committee			4/4	100%	
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Equity Interest Requirements		
Year	Trust Units	DTUs	Minimum Requirements		Meets Requirements
As at May 13, 2021	50,000	13,851	6 x annual retainer		Yes
As at May 10, 2022	60,000	23,736			
Voting Results of 2021 Annual Meeting					
			Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes			169,792,092	40,642	169,832,734
% of Proxy Votes			99.98	0.02	100

(1) Also includes time spent serving as a director of the Company.

	ANNALISA KING Age: 55 Vancouver, British Columbia, Canada Trustee of the REIT since November 9, 2016 ⁽¹⁾ 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 ESG Public policy/corporate relations				
Principal Occupation						
<p>Ms. King is a corporate director and the Chair of the board for the Vancouver Airport Authority. In addition to serving on the Board of First Capital REIT and the Vancouver Airport Authority, she is a director of Saputo Inc., The North West Company Inc. and McArthurGlen Designer Outlet Centre (a joint venture between McArthurGlen Group and the Vancouver Airport Authority).</p> <p>Ms. King was 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.</p>						
Other Public Board Memberships			Public Board Interlocks			
Saputo Inc. The Northwest Company Inc.			None			
Current Board/Committee Membership			2020 Attendance		2020 Attendance (Total)	
Member of the Board			15/15	100%	23/23	100%
Member of the Audit Committee			4/4	100%		
Chair of the Corporate Governance Committee			4/4	100%		
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Equity Interest Requirements			
Year	Trust Units	DTUs	Minimum Requirements		Meets Requirements	
As at May 13, 2021	5,161	31,653	6 x annual retainer		Yes	
As at May 10, 2022	17,661	42,530				
Voting Results of 2021 Annual Meeting						
			Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast	
# of Proxy Votes			167,024,154	2,808,580	169,832,734	
% of Proxy Votes			98.35	1.65	100	


(1) Also includes time spent serving as a director of the Company.

(2) Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant). See *Equity Ownership Guidelines* for more information.

	ALADIN (AL) W. MAWANI, C.P.A., C.A. Age: 70 Thornhill, Ontario, Canada Trustee of the REIT since May 29, 2018 ⁽¹⁾ 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. (“Extendicare”). He is a member of the audit committee of both boards, Chair of the investment committee and member of the human resources committee of the board of Extendicare Inc. He was Chair of the compensation, governance & nominating committee of the board of Granite from June 2017 to January 1, 2021. Previously, Mr. Mawani served as the independent lead trustee of Boardwalk Real Estate Investment Trust. He was also independent trustee of each of SmartCentres Real Estate Investment Trust, Slate Office Real Estate Investment Trust and IPC US Real Estate Investment Trust, and also served as an independent 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			2021 Attendance		2021 Attendance (Total)
Member of the Board Chair of the Audit Committee Member of the Compensation Committee			15/15 4/4 4/4	100% 100% 100%	23/23 100%
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Equity Interest Requirements		
Year	Trust Units	DTUs	Minimum Requirements		Meets Requirements
As at May 13, 2021	15,000	22,623	6 x annual retainer		Yes, as applicable ⁽²⁾
As at May 10, 2022	17,500	33,843			
Voting Results of 2021 Annual Meeting					
			Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes			166,389,626	3,443,108	169,832,734
% of Proxy Votes			97.97	2.03	100

(1) Also includes time spent serving as a director of the Company.

(2) Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant). See *Equity Ownership Guidelines* for more information.

	ANDREA STEPHEN, C.P.A., C.A. Age: 57 Toronto, Ontario, Canada Trustee of the REIT since January 9, 2012 ⁽¹⁾ 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 ESG Human resource management Public policy/corporate relations			
Principal Occupation					
Ms. Stephen is a corporate director. In addition to serving on the Board of First Capital REIT, she is currently Chair of the board of trustees of Slate Grocery REIT and a director of The Macerich Company. Previously, Ms. Stephen served as a trustee of Boardwalk Real Estate Investment Trust. She 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. Ms. Stephen executed over \$9 billion of transactions, including Cadillac Fairview’s first investments in the United Kingdom and Brazil. She was previously a director of Multiplan Empreendimentos Imobiliarios, 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). Ms. Stephen 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. She 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		
Slate Grocery Real Estate Investment Trust The Macerich Company			None		
Current Board/Committee Membership			2021 Attendance		2021 Attendance (Total)
Member of the Board			15/15	100%	23/23
Chair of the Compensation Committee			4/4	100%	
Member of the Corporate Governance Committee			4/4	100%	
Member of the Investment Committee ⁽²⁾			N/A	N/A	
Equity Beneficially Owned, Controlled or Directed, Directly or Indirectly			Equity Interest Requirements		
Year	Trust Units	DTUs	Minimum Requirements		Meets Requirements
As at May 13, 2021	22,123	56,124	6 x annual retainer		Yes
As at May 10, 2022	22,123	64,863			
Voting Results of 2021 Annual Meeting					
			Proxy Votes For	Proxy Votes Withheld	Total Proxy Votes Cast
# of Proxy Votes			166,259,594	3,573,140	169,832,734
% of Proxy Votes			97.90	2.10	100

(1) Also includes time spent serving as a director of the Company.

(2) The Investment Committee did not meet in 2021.

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 First Capital REIT.

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

ESG – Experience in and a thorough understanding of environmental liability, impacts and remediation requirements, and social and governance issues such as principles of governance, wellness, equity, diversity and inclusivity of employees, health and safety considerations, purpose and presence in the community at large, among others.

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 trustees. 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 Trustees* for additional information.

Ownership, Control or Direction over Trust Units by Trustees and Officers of First Capital REIT

As at May 10, 2022, the trustees and executive officers (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*) of the REIT, as a group, beneficially owned, or exercised control or direction over, an aggregate of 622,001 Trust Units representing approximately 0.28% of the aggregate issued and outstanding Trust Units and Special Voting Units and 4,009,088 vested stock options granted under the Stock Option Plan (trustees are not eligible to receive stock options). If all vested stock options beneficially owned by such persons were exercised, such persons would own an additional 4,009,088 Trust

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	ESG	Public Policy/ Corporate Relations
Bernard McDonell	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adam E. Paul	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leonard Abramsky	✓	✓	✓	✓		✓		✓	✓	✓	✓
Sheila Botting	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
Ian Clarke	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Paul C. Douglas	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
Annalisa King	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Al Mawani	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Andrea Stephen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Units and would hold approximately 1.82% of the aggregate issued and outstanding Trust Units and Special Voting Units as at May 10, 2022.

Additional Disclosure Relating to Trustees

Except as set forth below, as of the date hereof, to the knowledge of the REIT and based upon information provided to it by the nominees for election to the Board of Trustees which has not been independently verified by the REIT, no such nominee is or has been in the previous 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.

Appointment of Auditor

The auditor of the REIT 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 2021, the Audit Committee recommended to the Board that E&Y be reappointed as the auditor of the REIT for 2022 and the Board accepted such recommendation. Unitholders are being asked to approve the reappointment of E&Y as auditor of the REIT for the ensuing year and to authorize the trustees 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 unitholders and their remuneration for 2022 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 units in respect of which they are appointed by proxy in respect of the reappointment of E&Y as auditor of the REIT to hold office until the REIT’s next annual meeting of unitholders and the authorization of the trustees to fix the remuneration to be paid to the auditor in accordance with the instructions of the unitholder as indicated on the proxy (or voting instruction form, as applicable). **In the absence of such instructions, such units will be voted FOR the reappointment of E&Y as auditor of the REIT to hold office until the REIT’s next annual meeting of unitholders and the authorization of the trustees to fix the remuneration to be paid to the auditor.**

Say-on-Pay Non-Binding Advisory Vote

First Capital REIT’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 REIT’s executive officers with the long-term interests of unitholders. The Board also believes that unitholders 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 2021 can be found under the heading “Executive Compensation” below.

This non-binding, advisory vote, commonly known as “Say-on-Pay”, gives unitholders an opportunity to either endorse or not endorse the REIT’s approach to its executive compensation programs and policies. Unitholders 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 Trustees of the REIT, that the unitholders accept the approach to executive compensation disclosed in the Circular delivered in advance of the 2022 annual and special meeting of unitholders.”

The purpose of the Say-on-Pay Resolution is to provide appropriate trustee accountability to unitholders of First Capital REIT for the Board’s compensation decisions by giving unitholders 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 unitholders will provide their collective advisory vote, the trustees remain fully responsible for their compensation decision and are not relieved of these responsibilities by a positive advisory vote by unitholders.

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 unitholders of First Capital REIT on compensation and related matters. The REIT 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 Say-on-Pay Resolution does not receive sufficient support of at least 80% of the votes cast, the Board will consult with the unitholders, particularly those who are known to have voted against it, in order to better understand their concerns. The Compensation Committee will review the REIT's approach to compensation in the context of those concerns. Unitholders who have voted against the Say-on-Pay Resolution will be encouraged to contact the Compensation Committee to discuss their specific concerns.

Following the review by the Compensation Committee, the REIT will disclose to its unitholders as soon as is practicable, a summary of the significant comments relating to compensation received from unitholders 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 REIT 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 unitholders.

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 units 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 accordance with the instructions of the unitholder as indicated on the proxy (or voting instruction form, as applicable). **In the absence of such instructions, such units will be voted FOR the non-binding advisory resolution to accept the approach to executive compensation disclosed in this Circular.**

First Capital REIT and the Company have given the opportunity to its unitholders/shareholders to vote on Say-on-Pay since 2018 and the voting results on this matter have been included in the reports of voting results filed publicly under First Capital REIT's issuer profile at www.sedar.com.

Below are last year's Say-on-Pay voting results:

YEAR	Votes For	Percentage For	Votes Against	Percentage Against	Outcome
2021	141,031,435	83.03%	28,819,299	16.97%	Carried

In 2021, 83% of unitholders supported our executive compensation, which has increased by 10% from our 2020 say-on-pay resolution. Although more than 73% of our unitholders supported our 2020 executive compensation, this fell short of our expectations. In response, our Compensation Committee Chair reached out to a significant number of our largest unitholders, particularly those known to have voted against the say-on-pay resolution at our 2020 annual and special meeting, to better understand their concerns. The REIT's approach to compensation was reviewed in the context of those concerns and several changes have been made to its executive compensation policies and practices which are outlined in this Circular.

Amendment to the DTU Plan

The REIT is asking unitholders to consider and, if deemed advisable, to pass the ordinary resolution set forth in Appendix B (the "DTU Plan Resolution") and thereby approve the Board's amendment to the DTU Plan to increase the number of Trust Units available for issuance under the DTU Plan by a further 300,000 Trust Units. In order to be passed, the DTU Plan Resolution requires approval by more than 50% of the votes cast by unitholders, either present in person or represented by proxy, at the Meeting. The persons named in the form of proxy intend to vote FOR the amendment to the DTU Plan.

The increase of 300,000 Trust Units to the total number of Trust Units available for issuance under the DTU Plan requires unitholder approval pursuant to the amendment provisions of the DTU Plan and the requirements of the TSX. If the DTU Plan Resolution is passed, the total number of Trust Units available for issuance under the DTU Plan will increase from 815,000 Trust Units to 1,115,000 Trust Units.

The purpose of the DTU Plan is to promote a greater alignment of interests between trustees of the REIT and the unitholders of the REIT. An increase in the number of Trust Units available for issuance under the DTU Plan will allow the REIT to continue to grant awards under the DTU Plan to achieve that purpose. The Board continues to believe that the ability to grant awards under the DTU Plan is a key component of the REIT's total compensation program.

For a further description of the DTU Plan, see *"Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Annual Incentive Bonus – Equity Compensation Plans"*.

The full text of the amended and restated DTU Plan in the form approved by the Board is attached hereto as Appendix C.

Amendment to the RTU Plan

The REIT is asking unitholders to consider and, if deemed advisable, to pass the ordinary resolution set forth in Appendix C (the "RTU Plan Resolution") and thereby approve the Board's amendment to the RTU Plan to increase the number of Trust Units available for issuance under the RTU Plan by a further 1,250,000 Trust Units. In order to be passed, the RTU Plan Resolution requires approval by more than 50% of the votes cast by unitholders, either present in person or represented by proxy, at the Meeting. The persons named in the form of proxy intend to vote FOR the amendment to the RTU Plan.

The increase of 1,250,000 Trust Units to the total number of Trust Units available for issuance under the RTU Plan requires unitholder approval pursuant to the amendment provisions of the RTU Plan and the requirements of the TSX. If the RTU Plan Resolution is passed, the total number of Trust Units available for issuance under the RTU Plan will increase from 2,430,554 Trust Units to 3,680,554 Trust Units.

The purposes of the RTU Plan are to (i) foster long-term retention of key employees of the REIT and its affiliates by enabling them to participate in the growth and development of the REIT by providing such persons with the opportunity, through RTUs and/or PTUs (as defined herein), to build a meaningful personal investment in the REIT, and (ii) demonstrably align the long-term interests of key employees with the long-term interests of the REIT's unitholders. An increase in the number of Trust Units available for issuance under the RTU Plan will allow the REIT to continue to grant awards under the RTU Plan to achieve that purpose. The Board continues to believe that the ability to grant awards under the RTU Plan is a key component of the REIT's total compensation program.

For a further description of the RTU Plan, see *"Executive Compensation – Compensation Discussion and Analysis – Elements of Compensation – Annual Incentive Bonus – Equity Compensation Plans"*.

The full text of the amended and restated RTU Plan in the form approved by the Board is attached hereto as Appendix D.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Named Executive Officers in 2021

This section discusses our compensation program and the key compensation decisions for our *named executive officers* or *NEOs* in 2021. The titles listed below and throughout this section of the Circular apply to 2021 and, except as otherwise noted below, reflect the title the named executive officer held on December 31, 2021:

Adam E. Paul	President and Chief Executive Officer
Jordan Robins	Executive Vice President and Chief Operating Officer
Neil Downey	Executive Vice President, Enterprise Strategies and Chief Financial Officer <i>(effective January 4, 2021)</i>
Kay Brekken	Executive Vice President and Chief Financial Officer <i>(until February 28, 2021)</i>
Carmine Francella	Senior Vice President, Leasing
Alison Harnick	Senior Vice President, General Counsel and Corporate Secretary




HIGHLIGHTS OF EXECUTIVE COMPENSATION


- The objectives of First Capital REIT's executive compensation programs are to attract, retain and motivate outstanding executives who are committed to improving the REIT's performance and creating value for its unitholders.
- Structured to align executive compensation with the long-term financial performance of the REIT, with the long-term performance of its Trust Units and, ultimately, to align the long-term interests of the executives with those of our unitholders.
- The President and CEO, the members of the executive leadership team and all trustees are subject to equity ownership requirements.
- Equity 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 REIT has a compensation claw-back policy for the executive leadership team and trustees.
- Vesting timeframe of "at-risk" compensation is designed to expose a material portion of executive compensation to the risks associated with the REIT's business, including property development and stabilization timelines and financing strategy.
- Trustees are not eligible to participate in the Stock Option Plan.
- Stock Option Plan was terminated in 2021.
- PTUs have a performance factor multiplier from 0% to 200% of target.
- Bonus payment to the President and CEO and other NEOs is not guaranteed.
- Say-on-Pay vote.


Ms. Brekken is the former Executive Vice President and Chief Financial Officer of the REIT. She left the REIT on February 28, 2021. We have included all compensation information for Ms. Brekken as required by National Instrument 51-102 – *Continuous Disclosure Obligations* and we believe it is helpful in understanding our compensation practices.

Named Executive Officers

The following presents basic biographical information for each of the Company's (and now REIT's) Named Executive Officers.

	ADAM E. PAUL President and Chief Executive Officer	
<p>Toronto Ontario, Canada</p> <p>Service: 7 years</p> <p>Industry Experience: >15 years</p> <p>Age: 47</p>	<p>Mr. Paul joined the Company in 2015. As President and Chief Executive Officer, he is responsible for the overall leadership, strategy, operations and performance of First Capital REIT. 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).</p>	
	JORDAN ROBINS Executive Vice President and Chief Operating Officer	
<p>Toronto, Ontario, Canada</p> <p>Service: 6 years</p> <p>Industry Experience: >20 years</p> <p>Age: 51</p>	<p>Mr. Robins joined the Company in 2016. As Chief Operating Officer, he is responsible for overseeing various aspects of First Capital REIT'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 First Capital REIT including development, leasing and acquisitions.</p>	
	NEIL DOWNEY Executive Vice President, Enterprise Strategies and Chief Financial Officer	
<p>Toronto Ontario, Canada</p> <p>Service: 1.4 years</p> <p>Industry Experience: >25 years</p> <p>Age: 52</p>	<p>Mr. Downey joined the Company in 2021. As Executive Vice President, Enterprise Strategies and Chief Financial Officer, he is responsible for managing the REIT's financial reporting, accounting, treasury, taxation, investor relations, internal audit and information systems and technology. With 25 years of capital markets and real estate industry experience, Mr. Downey has significant breadth and depth of public company experience. Previously, he was Managing Director and Associate Director of Canadian Research at RBC Capital Markets. Mr. Downey is a Chartered Professional Accountant (CPA), Chartered Accountant (CPA, CA) and a Chartered Financial Analyst (CFA).</p>	

	CARMINE FRANCELLA Senior Vice President, Leasing	
	<p>Toronto, Ontario, Canada</p> <p>Service: 6 years</p> <p>Industry Experience: >25 years</p> <p>Age: 57</p>	<p>Mr. Francella joined the Company in 2016. As the Senior Vice President, Leasing, he is responsible for overseeing all leasing activities of the organization. Mr. Francella brings over 25 years of experience leading teams that focus on lease negotiations, store development, and lease audits. He was previously the global head of lease transactions in his role as Vice President, Leasing of Scotiabank. Prior to Scotiabank he was the head of real estate for Walmart Canada in the role of Senior Director, Real Estate & Development.</p>

	ALISON HARNICK Senior Vice President, General Counsel and Corporate Secretary	
	<p>Toronto Ontario, Canada</p> <p>Service: 5 years</p> <p>Industry Experience: 5 years</p> <p>Age: 42</p>	<p>Ms. Harnick joined the Company in 2017. As Senior Vice President, General Counsel and Corporate Secretary, she is responsible for overseeing all legal and regulatory aspects of the business including corporate matters, securities, leasing, litigation and intellectual property. She is also Co-Chair of the REIT's charitable foundation. Previously, Ms. Harnick practiced law at Torys LLP, with a focus on corporate and securities laws. She also has a broad range of experience in governance, shareholder engagement and compliance matters. Ms. Harnick serves as a director of Women General Counsel Canada.</p>

Compensation Program Changes and 2021 Compensation Outcomes

Compensation Program Changes

In the past two-years we made several changes to our executive pay program, which took into account feedback from unitholders following our 2020 say-on-pay vote. Although more than 73% of our unitholders supported our 2020 executive compensation, this fell short of the 80% and 90% favourable results we received in 2019 and 2018, respectively. In response, our Compensation Committee Chair reached out to a significant number of our largest unitholders, representing approximately 45% of the REIT's issued and outstanding units, particularly those known to have voted against the say-on-pay resolution at 2020 annual and special meeting, to better understand their concerns. Of these, unitholders representing approximately 10% of the REIT's issued and outstanding units responded and engaged in meaningful discussions with the Chair of the Compensation Committee. The feedback from unitholders was predominantly related to the desire to see an expanded range of the PTUs' performance multiplier to make PTUs fully "at-risk". Additionally, unitholders requested additional disclosure regarding the short-term compensation review process undertaken by the Compensation Committee. The Compensation Committee then reviewed the REIT's approach to compensation in the context of those concerns and, with input from its external compensation consultant, enhanced its disclosure of the Compensation Committees' assessment of NEO's performance and corresponding short term incentive awards, and made the following changes to the REIT's long-term executive compensation policies and practices. As a result, 83% of our unitholders supported our executive compensation at our 2021 annual meeting of unitholders.

Performance Trust Units ("PTUs")

- In 2021, PTUs' performance factor multiplier was expanded to 0% - 200% of target from 50% - 150%; the PTUs will now be fully "at-risk" from a performance conditioning perspective.
- Total unitholder return will be assessed relative to a custom peer group and the S&P/TSX Capped REIT Index on a range around median basis.
- Additional performance metrics assessed include (i) FFO, as adjusted for other gains, losses and expenses, and (ii) ESG progress, specifically focused on reducing greenhouse gas emissions.

Stock Option Plan Discontinued

- Stock options were discontinued after 2021 (no further grants were made after 2021).
- Prior to discontinuing the Stock Option Plan, it was amended to clarify that Trustees were not eligible to participate (they had not participated since 2014).

2021 Compensation Outcomes Summary

The performance of the REIT's NEOs is assessed based on predetermined criteria that is established in connection with budgeting and forecasting at the end of the prior the fiscal year and approved by the Compensation Committee in early 2021. In 2021, the Compensation Committee found that the management team performed exceptionally well despite the challenging environment created by the global pandemic. In fact, the REIT surpassed many of the financial goals set for the 2021 fiscal year on which NEOs short-term performance is assessed. Despite this measurable success, the REIT's unit price continued to be negatively impacted by the impact of the global pandemic and other macroeconomic factors.

The Compensation Committee reviewed NEO 2021 base salaries, target bonuses and annual LTIP grants with a view to creating further alignment with unitholders' interests, taking into account the impact of the pandemic on the REIT's results. As a result, the decision was made to freeze and not increase base salaries of the NEOs or other members of the executive leadership team for 2021. Additionally, the restricted trust units (RTUs) and performance trust units (PTUs) granted to NEOs in early 2022, 2021 and 2020 are tracking down relative to the grant date fair value disclosed in the summary compensation table, the 2019 PTUs vested at a rate of 50% because the total unitholder return metric was not achieved, and stock options

granted in 2020 and prior are all currently underwater, demonstrating strong alignment between the REIT's executive compensation realizable pay outcomes and unitholder returns.

Below is a summary of the 2021 compensation outcomes for each element of compensation. Further details, including specific performance criteria outcomes, can be found under the heading "*Elements of Compensation*".

Base Salary

Named Executive Officer	Base Salary		
	2020	2021	% change
Adam Paul	850,000	850,000	0%
Jordan Robins	510,000	510,000	0%
Neil Downey	N/A	500,000	N/A
Kay Brekken ⁽¹⁾	480,000	83,000	0%
Carmine Francella	350,000	350,000	0%
Alison Harnick	320,000	320,000	0%

- (1) Ms. Brekken, the REIT's former Executive Vice President and Chief Financial Officer, was paid a pro-rated base salary and bonus for the transition period of January – February 2021 consistent with the base salary paid in 2020. See *Executive Compensation — Termination and Change of Control Benefits –Transition Agreement*.

There were no changes to the base salaries of the NEOs or other members of the executive leadership team in 2021. The base salary freeze was 2021 implemented as a result of the global pandemic.

Short Term Incentives

The table below sets forth details regarding 2021 short-term incentives targets and the 2021 and 2020 total award for each NEO:

Name	Base Salary (\$) ⁽¹⁾	STIP Target as percentage of base salary (%) ⁽²⁾	2021 STIP Target before Stretch (\$)	2020 STIP Award		2021 STIP Award		
				Actual Bonus (\$)	Percentage of Target bonus ⁽³⁾ (%)	Actual Bonus (\$)	Percentage of Target bonus (%)	Percentage of Stretch bonus (%)
Adam Paul	850,000	125	1,062,500	717,000	67.0	1,162,900	109.4	94.4
Jordan Robins	510,000	100	510,000	382,500	75.0	547,700	107.4	97.6
Neil Downey	500,000	100	500,000	N/A	N/A	542,000	108.4	98.5
Kay Brekken ⁽⁴⁾	83,000	N/A	N/A	360,000	N/A	205,000	N/A	N/A
Carmine Francella	350,000	75	262,500	131,250	75.0	279,300	106.4	95.3
Alison Harnick	320,000	50	160,000	120,000	75.0	173,400	108.4	98.5

- (1) Base salary is the base salary paid to each NEO in 2021.
- (2) Target is based on the business plan approved by the Board in Q4 2020 and does not incorporate annual stretch goals which, if achieved, results in an annual incentive bonus awarded in excess of the target as a percentage of base salary. See – *Short Term Incentives – Annual Incentive Cash Bonuses – Approach to Annual Incentive Cash Bonuses*.
- (3) Percentage of target bonus represented by 2020 STIP awards were calculated using the actual base salaries for each NEO from 2020. See – *Base Salary*.
- (4) The REIT's former Executive Vice President and Chief Financial Officer was paid a pro-rated base salary and bonus for the transition period of January – February 2021. See *Executive Compensation — Termination and Change of Control Benefits –Transition Agreement*.

The Compensation Committee followed a well-established and thorough vetting process whereby NEOs were assessed according to predetermined corporate and individual goals. For 2021, the Compensation Committee introduced stretch goals for certain financial metrics that surpassed targets budgeted at the

beginning of the fiscal year. As several of these stretch goals were achieved, short-term incentive bonuses exceeded target bonuses. *See Elements of Compensation – Short Term Incentives.*

Long-Term Incentives

The REIT updated its Long-Term Incentive Plan (“LTIP”) in 2021. The REIT’s long-term incentives were awarded in the form of PTUs, RTUs and stock options in the first quarter of 2021. These awards were made consistent with past practice: 50% as PTU grants, 25% as RTU grants and 25% as option grants. Stock option grants were discontinued in 2022. *See Elements of Compensation – Long-Term Incentives.*

2021 RTU and PTU Grants

The following table outlines the RTUs and PTUs granted during fiscal 2021 to each of the Company’s NEOs:

Name	Annual Grant of RTUs ⁽¹⁾	PTUs Granted	Unit-Based Awards (\$) ⁽²⁾	Vesting Date
Adam E. Paul	42,585	85,169	1,950,000	March 1, 2024
Jordan Robins	13,922	27,844	637,500	March 1, 2024
Neil Downey	54,348	N/A	750,000	March 1, 2024
Carmine Francella	5,323	10,646	243,750	March 1, 2024
Alison Harnick	4,504	9,008	206,250	March 1, 2024

(1) *Neil Downey received \$750,000 in RTUs in 2021 as part of his negotiated employment contract.*

(2) The amount represents the dollar value of RTUs and PTUs granted, based on the weighted average closing price of the Trust Units on the TSX for the ten trading days ending on the trading day immediately prior to the date of grant. *See Summary Compensation Table for NEOs.*

2021 Stock Option Grants

The following table outlines the stock options granted during fiscal 2021 for each of the Company’s NEOs:

Stock Options				
Name	Units Underlying Stock Options (#)	Option Exercise Price (\$)	Option-Based Awards (\$) ⁽¹⁾	Option Expiration Date
Adam E. Paul	375,614	15.53	650,000	March 1, 2031
Jordan Robins	122,797	15.53	212,500	March 1, 2031
Neil Downey	N/A	N/A	N/A	N/A
Carmine Francella	46,952	15.53	81,250	March 1, 2031
Alison Harnick	39,728	15.53	68,750	March 1, 2031

(1) The value of the option-based awards represents the compensation value of stock options granted on March 1, 2021 in respect of 2021 grants. *See Summary Compensation Table for NEOs.*

Compensation Governance

Composition and Mandate of the Compensation Committee

The mandate of the Compensation Committee is described under *Our Corporate Governance Practices — Committees of the Board — Compensation Committee*.

The Compensation Committee is directly responsible for reviewing and approving the corporate and individual 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 Committee reviews and provides input to the President and Chief Executive Officer regarding the compensation of the executives who report directly to him based on specific objectives relevant to each executive and achievement of corporate objectives.

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

Andrea Stephen has been the Chair of the Compensation Committee since June 2019 and a member of the former Compensation and Corporate Governance Committee since May 2014. This committee split into two committees in 2019, the Compensation Committee and the Corporate Governance Committee. Currently, she is also Chair of the compensation committee of The Macerich Company and Chair of the board of Slate Grocery Real Estate Investment Trust. Previously, Ms. Stephen was Executive Vice President, Investments for The Cadillac Fairview Corporation where she led the investment team on sourcing and executing many significant global investments.

Ms. Stephen served as a member of the board of Multiplan Empreendimentos Imobiliarios, 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.

As an industry executive, she participated in the creation of new executive compensation plans and has had significant experience in developing corporate goals and objectives and incorporating those into compensation programs. Ms. Stephen is a Chartered Professional Accountant, Chartered Accountant.

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 Vice Chair and member of the Investment Committee of the Jewish Foundation of Greater Toronto. He is former Co-Chair of the 2020 Annual UJA Campaign.

Members:

- Andrea Stephen (Chair)
- Leonard Abramsky
- Al Mawani
- Bernard McDonell

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 REIT or its affiliates or is (or will be) eligible to participate in its executive compensation programs.

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. (“Extendicare”). He is a member of the audit committee of both boards, Chair of the investment committee and member of the human resources committee of the board of Extendicare Inc. He was Chair of the compensation, governance & nominating committee of the board of Granite from June 2017 to January 1, 2021.

Previously, Mr. Mawani served as the independent lead trustee of Boardwalk Real Estate Investment Trust. He was also independent trustee of each of SmartCentres Real Estate Investment Trust, Slate Office Real Estate Investment Trust and IPC US Real Estate Investment Trust, and also served as independent 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. He has also attended various executive compensation seminars and education sessions.

Mr. McDonell was the Chair of the former Compensation and Corporate Governance Committee from May 2014 to June 2019 and a member of that committee since 2010. He is currently the Chair of the Board of Trustees of First Capital REIT. Before becoming Chair of the Board, Mr. McDonell was the Lead Director of the Company from 2011 to 2019. Previously, he was the Chairman of Old PSG Wind-down Ltd. (formerly Performance Sports Group Ltd.), a director of The Commonwealth 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 unit leader and a Top 10 employer with 24,000 employees in the Province. In addition to his executive compensation related experience with the Company and the REIT, he was 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.

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 unitholders.

Four core principles underlie our executive compensation programs:

1. Pay for Performance
2. Competitive Compensation
3. Alignment with Long-term Unitholder 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 Trust Units. A significant portion of executive compensation is in the form of at-risk pay and the REIT’s leadership team receives PTUs that are subject to the REIT’s relative performance (see *Elements of Compensation – RTU Plan - PTUs*). 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 unitholder 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		Total At-Risk Compensation (%)
	Base Salary & Other Compensation	Annual Incentive Bonus	Equity Compensation	
Adam E. Paul				
2021	19%	25%	56%	81%
2020	20%	16%	64%	80%
2019	20%	22%	58%	80%
Jordan Robins				
2021	29%	28%	43%	71%
2020	29%	20%	51%	71%
2019	31%	28%	41%	69%
Neil Downey ⁽¹⁾				
2021	30%	29%	41%	70%
2020	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
Carmine Francella				
2021	40%	28%	32%	60%
2020	45%	15%	40%	55%
2019	45%	18%	37%	55%
Alison Harnick				
2021	45%	21%	34%	55%
2020	42%	14%	44%	58%
2019	44%	19%	37%	56%

(1) Mr. Downey succeeded Ms. Brekken in the position of Executive Vice President, Enterprise Strategies and Chief Financial Officer effective January 4, 2021. No portion of Ms. Brekken's compensation remains "at-risk" with the exception of the PTUs that continue to vest in accordance with her employment agreement as though she continued to be an employee of the REIT, which will be adjusted based on the same performance factor applied for current NEOs. For more information, see *Executive Compensation — Termination and Change of Control Benefits — Transition Agreement*.

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 Unitholder Interests

We structure our executive compensation programs to align the interests of our executives with those of our unitholders. 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 unitholder 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 unitholder value.

Safeguards to Mitigate Compensation Risks

The Board and the Compensation 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 First Capital REIT. Risk mitigation is a core principle of our compensation and corporate governance practices and the Compensation 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 Committee is made up of entirely independent trustees and the committee regularly holds in-camera sessions where management is not present.
- Risk oversight function involves the Board and its committees.
- Short-term incentive compensation (annual incentive cash bonus) is capped as a percentage of base salary (145% for the President and Chief Executive Officer, 100% for the Executive Vice President and Chief Operating Officer, 110% for the Executive Vice President and Chief Financial Officer, 84% for the Senior Vice President, Leasing and 55% for the Senior Vice President, General Counsel and Corporate Secretary), in each case inclusive of stretch goals which vary year to year in accordance with the Compensation Committee's analysis and oversight of annual performance metrics.
- 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 unitholders 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 trustees, the President and Chief Executive Officer and all other NEOs are subject to equity ownership requirements, which serve to further align their interests with our unitholders.
- The President and Chief Executive Officer continues to be subject to the applicable equity ownership requirements for one year following him ceasing to hold the office of President and Chief Executive Officer of the REIT for any reason, subject to certain exceptions, as described below and under *Our Corporate Governance Practices – Equity Ownership Guidelines*. This serves to align the longer-term interests of the President and Chief Executive Officer with the longer-term interests of our unitholders.
- An annual review of our compensation practices and targets is undertaken by the Compensation Committee to ensure continued appropriateness.
- Adjustments can be made by the Compensation 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 trustees 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 trustees, officers and employees.

Other elements of our executive compensation plans and practices which the Board and the Compensation 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 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 unitholder value appreciation.

As a result of these and other practices, the Board and the Compensation 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 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 Claw-Back Policy

Our compensation claw-back policy provides that the Compensation Committee will require members of the executive leadership team, including NEOs, and trustees 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 trustee and to forfeit any non-vested equity-based awards previously granted to the executive or trustee (collectively, “Incentive Compensation”) if:

- (d) 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;
- (e) the executive or trustee engaged in intentional misconduct that caused or partially caused the need for the restatement or caused or partially caused the material error; and
- (f) the amount of the Incentive Compensation that would have been awarded to the executive or trustee, had the financial results been properly reported, would have been lower than the amount actually awarded.

Compensation Consultant and Executive Compensation-Related Fees

In establishing appropriate compensation policies, practices and levels, the Compensation 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 Committee in fulfilling its duties, the committee periodically retains the services of independent compensation consultants. In December 2019, the Compensation Committee retained Hugessen Consulting (“Hugessen”) to provide ongoing independent executive compensation advice to the Compensation Committee. Pursuant to Hugessen’s engagement, Hugessen has provided reports, analysis

and recommendations in respect of our long-term incentive programs, trustee compensation, Chief Executive Officer compensation, and comparator groups for each of trustee and executive officer compensation purposes. In addition, Hugessen also provided compensation advice in light of the negative impact of COVID-19. In 2021 and 2020, Hugessen received aggregate fees of \$130,000 and \$41,000 respectively for services performed relating to determining compensation for the REIT's trustees and executive officers. Hugessen did not provide any services to the REIT or any of its trustees, other than in addition to compensation services for in respect of the trustees and executive officers. Prior to the engagement of Hugessen, the former Compensation and Corporate Governance Committee, retained Willis Towers Watson in 2016.

Executive Compensation Benchmarking

Consistent with previous years, the Compensation Committee, with input from its external compensation consultant, approved peer groups, as described below. The "Compensation Peer Group" is referenced by the Committee to assist in setting executive and trustee compensation and the "Performance Peer Group" is referenced to determine relative total unitholder return in connection with the REIT's long-term, performance-based compensation program.

2021 Compensation Peer Group

The Compensation Peer Group was determined in consultation with the REIT's external compensation consultant based on several factors, including annual revenues, total assets, market capitalization, enterprise value, funds from operations, characteristics of assets, geography of operations and corporate ownership structure. Specifically scoping criteria of 0.5x to 2x total enterprise value was applied.

The Compensation Peer Group consists of a broad group of similar-sized organizations across a related industry scope. A subset of that group, comprised of Canadian publicly traded REITs, was then further analyzed. The subgroup is consistent with our 2020 pay peer group. In addition to the Canadian peers, the Compensation Committee also referenced a subgroup of US REITs with similar business model characteristics for additional context given the limited number of comparable Canadian REITs. The Compensation Peer Group did not change for 2022. The Compensation Peer Group for 2021 is set out below:

2021 Compensation Peer Group	
Allied Properties REIT ⁽¹⁾	FirstService Corporation
Canadian Apartment REIT ⁽¹⁾	H&R REIT ⁽¹⁾
Chartwell Retirement Residences ⁽¹⁾⁽²⁾	IGM Financial Inc.
Choice Properties REIT ⁽¹⁾	Metro Inc.
CI Financial Corp.	RioCan REIT ⁽¹⁾
Colliers International Group Inc.	SmartCentres REIT ⁽¹⁾
Dollarama Inc.	Stantec Inc.
Empire Company Limited	WSP Global Inc.

(1) Canadian REIT Subgroup.

(2) Additional REIT peer vs. 2020 peer group.

To ensure that executive pay programs are competitive, the REIT assesses compensation levels compared to the marketplace on an annual basis. The Compensation Committee reviewed benchmarking reports with respect to 2021 compensation where the executive compensation for the REIT was compared with the Compensation Peer Group. The comparator group and other market analysis were used to ensure that executive compensation was substantially in line. The REIT generally establishes target total direct compensation at the median of the Compensation Peer Group, consistent with its compensation philosophy. Compensation for an executive may be set above or below median to reflect the strategic importance of the role within the REIT, market conditions, as well as individual performance and potential.

Although market data is considered when making compensation decisions, the Compensation Committee also relies on its own experience, information and deliberations to determine individual compensation arrangements.

2021 Performance Peer Group

Pursuant to the Amended and Restated RTU Plan, the REIT's PTUs are subject to performance vesting conditions, one of which is relative total unitholder return (TUR), weighted at 75%. TUR over the applicable period is assessed relative to (i) 50% a custom peer group of Canadian publicly traded, primarily retail, REITs (the "Performance Peer Group") and (ii) 50% the S&P/TSX Capped REIT Index. The Performance Peer Group shares similar investment characteristics (e.g., competitors for investor capital) and generally respond similarly to external conditions, such that true "outperformance" can be more easily defined.

The Compensation Committee, with input from its external compensation consultant, approved the following Performance Peer Group for 2021 PTU grants. Equity compensation grants made in early 2021 were made pursuant to the REIT's amended RTU Plan.

The 2021 Performance Peer Group is set out below:

2021 Performance Peer Group	
Allied Properties REIT Choice Properties REIT Crombie REIT	CT REIT RioCan REIT SmartCentres REIT

Elements of Compensation

Our executive compensation program is comprised of salary, short-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 long-term compensation program is comprised of RTUs, PTUs and stock options. Beginning in 2022, stock options were longer part of the REIT's equity compensation program and that portion of compensation was replaced with grants of RTUs.

The Compensation Committee reviews the executive compensation program annually with the mix of compensation components generally determined in reference to:

- the Compensation Peer Group;
- the NEO's skillset and alternative earning opportunities available to them;
- the impact and influence the NEO has on the REIT's performance; and
- alignment with long term growth for unitholders.

In determining the mix and relative weighting of cash incentives (base salary, bonus and other performance-based cash incentives) versus equity-based incentives, the Compensation Committee considers the appropriate proportion of compensation that should be at-risk based on the executive officer's ability to affect and influence the REIT's short and long-term results and advance the interests of unitholders as well as the compensation mix for similar positions in other real estate investment trusts or companies of comparable size engaged in similar businesses in Canada. In general, the proportion of total pay delivered through "at-risk" performance-based compensation increases directly with the executive officer's level of responsibility. Similarly, the proportion of equity-based compensation also increases directly with the executive officer's level within the REIT. The Compensation Committee believes that this ensures that the executive leadership team is held most accountable for achievement of critical strategic and operating

performance goals and for changes in unitholder value. In addition, the Compensation Committee believes that this mix and weighting aligns the interests of executive officers with those of the unitholder, provides significant incentives for superior performance and assists in keeping REIT competitive in the market for high-quality executives. For excellent performance (i.e., excelling at individual and corporate performance goals), executives have the ability to receive total compensation at the same levels as for comparable performance of their peers.

The following table provides a summary description of the key objective and purpose of each component of executive compensation for 2021. A more detailed description of each element of compensation can be found below the table, including 2021 compensation decisions.

Compensation Component & Form	Summary of Program Objectives
Fixed Compensation	
1. Base Salary	
Cash, paid bi-weekly	<ul style="list-style-type: none"> To 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, paid in March of the following year (if awarded based on measurable criteria)	<ul style="list-style-type: none"> To motivate and reward individual executives for the direct contribution they make to First Capital REIT and to the overall achievement of the REIT's annual business plan To retain key talent Entirely at-risk – there is no assurance that a bonus will be paid For more information, see <i>Executive Compensation – Short-term Incentives</i>.
3. Long-Term Incentives	
Restricted Trust Units RTUs awarded in Q1 with three-year vesting criteria	<ul style="list-style-type: none"> An equity-based incentive to foster retention of key executives and long-term accumulation of Trust Units To align long-term unitholder interests with key executives To assist in recruitment of key executives
Performance Trust Units PTUs awarded in Q1 with pre-set performance-based vesting criteria	<ul style="list-style-type: none"> An equity-based incentive to foster retention of key executives and long-term accumulation of Trust Units To provide a forward-looking performance-based component to executive compensation To align long-term unitholder interests with key executives To assist in recruitment of key executives
Stock Options⁽¹⁾ Options granted in Q1 with pre-set term and vesting criteria	<ul style="list-style-type: none"> An equity-based incentive to foster retention of key executives and long-term accumulation of Trust Units To provide a performance-based component to executive compensation To align long-term unitholder interests with key executives To assist in recruitment of key executives
Other Compensation	
4. Other Benefits	
Medical and Dental Benefits Fully funded by the REIT; executives responsible for co-payments. REIT also contributes to RRSPs for members of executive leadership team	<ul style="list-style-type: none"> To provide competitive benefits to protect the well-being of key executives To attract and retain executives

Compensation Component & Form	Summary of Program Objectives
Indirect Compensation Wellness expense benefit; life insurance coverage and car allowance	<ul style="list-style-type: none"> To provide competitive benefits to support the well-being of key executives To attract and retain executives

(1) 25% of the long-term incentive portion of compensation in 2021 was comprised of stock options. Stock options were no longer part of the compensation mix as of January 1, 2022 and there will be no further grants of stock options.

Base Salary

The Compensation 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. The table below shows the base salary for each NEO for 2020 and 2021.

Named Executive Officer	Base Salary		
	2020	2021	% change
Adam Paul	850,000	850,000	0%
Jordan Robins	510,000	510,000	0%
Kay Brekken	480,000	83,000 ⁽¹⁾	0%
Neil Downey	N/A	500,000	N/A
Carmine Francella	350,000	350,000	0%
Alison Harnick	320,000	320,000	0%

Executive Compensation is determined relative to positions with relatively equivalent responsibilities and scope within a peer comparator group. As a result of the global pandemic, the Compensation Committee made the decision to implement a base salary freeze NEOs for 2021. Accordingly, there were no changes to the base salaries of the NEOs or other members of the executive leadership team in 2021.

(1) The REIT's former Executive Vice President and Chief Financial Officer was paid a base salary for the transition period of January – February 2021. See *Executive Compensation — Termination and Change of Control Benefits –Transition Agreement*.

Short-Term Incentives

Annual Incentive Cash Bonus

Approach to Annual Incentive Cash Bonus

Annual incentive cash bonus awards are calculated by the Compensation Committee as a percentage of the NEO's base salary based on a scorecard approach. The Compensation Committee assesses the REIT's performance and each NEO's performance against scorecard objectives and considers all relevant factors, both positive and negative. The allocation between the individual and corporate performance goals is weighted each year for each NEO. An NEO's individual goals are based on that NEO's ability to impact the outcome of that metric and its overall importance to the achievement of the REIT's business plan. Award opportunities vary based on the individual's position and contributions to the REIT's overall performance.

Annual cash bonus awards are calculated by the Compensation Committee as a percentage of the NEO's base salary in reference to the achievement of a predetermined threshold, mid or target objective for each goal on the scorecard. Actual bonus awards can range from 0% of base salary for performance outcomes that fall below the predetermined performance

EXECUTIVE COMPENSATION PROCESS REVIEW HIGHLIGHTS

Setting Objectives (Q4)

- Board strategy session and approval of the REIT's annual business plan for the following year
- Management strategy session to establish corporate and individual performance goals for each NEO for the upcoming year based on annual business plan
- Management recommends corporate and individual performance goals for each NEO to the Compensation Committee for approval early the following fiscal year

threshold to the maximum target percentage set out below for excelling in relation to corporate and individual performance goals.

For 2021, the bonus levels for Named Executive Officers and the weightings were as follows:

Position	Annual Cash Bonus as % of Base Salary (Threshold/Target/Stretch) ⁽¹⁾	Allocation %
President & CEO	62.5 / 125 / 145	70 corporate / 30 individual
Executive Vice President & COO	50 / 100 / 110	40 corporate / 60 individual
Executive Vice President & CFO	50 / 100 / 110	40 corporate / 60 individual
Senior Vice President Leasing	25 / 75 / 84	40 corporate / 60 individual
Senior Vice President, General Counsel	25 / 50 / 55	40 corporate / 60 individual

⁽¹⁾ The award of a bonus is based on the achievement of corporate and individual performance goals and, as such, it is possible to get zero if performance outcomes fall below the predetermined threshold.

Setting Annual Objectives

The Board holds a meeting in the fourth quarter of every year to review, discuss and approve the REIT's annual business plan for the following year. Early in the following fiscal year, annual corporate and individual NEO performance targets are approved by the Compensation Committee, on the recommendation of management, based on the REIT's annual business plan. Annual performance objectives for the REIT's executives are specific, measurable goals designed to align the interest of executives with the REIT's business objectives as well as each executive's ability to attain these objectives. The annual incentive cash bonus awards are based on actual achievements relative to these established performance measurement targets, as reviewed and approved by the Compensation Committee. In 2020, the Compensation Committee determined that stretch goals should be added to annual performance measurement. These stretch goals are intentionally set above budgeted targets to attract rewards exceeding the targeted bonus level if achieved. While these goals are not expected to be achieved, they are viewed as important sources of motivation and achievement.

Assessing Annual Performance

The Compensation Committee's review follows a well established and thorough vetting process. The CEO presents an assessment of each NEO's annual achievements (excluding the CEO's) to the Committee and makes a recommendation as to whether an annual incentive cash bonus should be paid, and if so, the amount earned based on the NEO's scorecard. Prior to the CEO's review, each NEO's individual scorecard and the corporate scorecard results are verified through an internal auditing process and it is determined whether the NEO achieved the threshold, target or stretch goal for each objective. The CEO also meets with

EXECUTIVE COMPENSATION PROCESS REVIEW HIGHLIGHTS

Assessing Annual Achievements (Q1)

- Corporate and NEO performance for the prior year is reviewed, internally audited and measured against predetermined performance goals
- NEOs (other than CEO) meet with CEO to assess their annual achievements against individual performance goals
- CEO presents NEO and corporate annual assessments to the Compensation Committee
- CEO recommends the award of annual cash incentive bonuses for NEOs (other than the CEO) for the prior year based on assessments presented to the Compensation Committee
- CEO meets with Compensation Committee to assess his achievements against his predetermined individual performance goals and corporate goals
- Based on the assessments, the Compensation Committee considers the performance of each NEO
- If the Compensation Committee determines that a bonus is warranted, it approves an annual cash incentive bonus award for each NEO

Compensation Committee to assess his achievements against his individual predetermined performance goals and corporate goals. The Compensation Committee then reviews the assessments and considers the CEO's recommendations based on each NEO's accomplishments. If the Compensation Committee determines that a bonus is warranted, it approves the annual cash incentive bonus awards for each of the NEOs.

2021 Annual Performance and Incentive Bonus Compensation Outcomes

The following table below sets forth details regarding the annual incentive bonus target and 2021 and 2020 total award for each NEO:

Name	Base Salary (\$) ⁽¹⁾	STIP Target as percentage of base salary (%) ⁽²⁾	2021 STIP Target before Stretch (\$)	2020 STIP Award		2021 STIP Award		
				Actual Bonus (\$)	Percentage of Target bonus ⁽³⁾ (%)	Actual Bonus (\$)	Percentage of Target bonus (%)	Percentage of Stretch bonus (%)
Adam Paul	850,000	125	1,062,500	717,000	67.0	1,162,900	109.4	94.4
Jordan Robins	510,000	100	510,000	382,500	75.0	547,700	107.4	97.6
Neil Downey	500,000	100	500,000	N/A	N/A	542,000	108.4	98.5
Carmine Francella	350,000	75	262,500	131,250	75.0	279,300	106.4	95.3
Alison Harnick	320,000	50	160,000	120,000	75.0	173,400	108.4	98.5

(1) Base salary is the base salary paid to each NEO in 2021.

(2) Target is based on the business plan approved by the Board in Q4 2020 and does not incorporate annual stretch goals which, if achieved, results in an annual incentive bonus awarded in excess of the target as a percentage of base salary. See – *Short Term Incentives – Annual Incentive Cash Bonuses – Approach to Annual Incentive Cash Bonuses*.

(3) Percentage of target bonus represented by 2020 STIP awards were calculated using the actual base salaries for each NEO from 2020. See – *Base Salary*.

The REIT's former Executive Vice President and Chief Financial Officer received a pro-rated bonus at target for the transition period of January – February 2021. See *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

Annual Incentive Bonus – Corporate Performance Goals

The corporate goals for 2021 were comprised of: (i) performance goals for financial growth; (ii) performance goals for ESG initiatives and (iii) performance goals for specific strategic initiatives. For the purposes of the 2021 scorecard, the corporate goals were weighted 35%, 35% and 30% respectively.

The following is a summary of the annual corporate goals for 2021 and the analysis of the achievement of those goals. No adjustments were made to the substance of the short-term corporate goals or their weighting for 2021 as a result of the pandemic. The achievement of the corporate stretch goals with respect to financial growth metrics reflected the strong performance of the REIT despite pandemic-related governmental restrictions imposed for much of the first half of the fiscal year in the REIT's largest markets.

(i) **Performance Goals for Financial Growth (35% of corporate goals)**

Performance Goal	Weight	Outcome & Analysis	Bonus
Achieve target FFO ⁽¹⁾ \$ per unit threshold of \$1.02, target of \$1.04; stretch of \$1.06 ⁽²⁾	5%	\$1.074 per unit (exceeded stretch)	7.5%
Achieve increase in NAV ⁽¹⁾ \$ per unit from \$22.44 at Q4 2020 by threshold of \$0.81; target of \$1.06; stretch of \$1.31	5%	\$1.84 (exceeded stretch)	7.5%
Total SP NOI ⁽¹⁾ growth (excl. LTFs) threshold of 4.5%; target of 4.75%; stretch of 5.0%	10%	5.6% (exceeded stretch)	15%
Achieve lease renewal lift threshold of 7.5%; target of 8.0%; stretch of 8.5%	10%	8.6% lift (exceeded stretch)	15%
Achieve year end occupancy threshold of 95.5%; target 95.7%; stretch 95.9%	5%	96.1% (exceeded stretch)	7.5%

Bonus Achievement Subtotal: 52.5% out of 35%

(1) FFO, NAV 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 REIT's management discussion and analysis for the three months and year ended December 31, 2021. Since these non-IFRS measures do not have standard meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers and should not be considered as an alternative to net income, cash flow from operating activities or any other measure prescribed under IFRS.

(2) Certain corporate metrics included a predetermined stretch category that was applied to results that exceeded target (as noted).

(ii) **Performance Goals for ESG Initiatives (35% of corporate goals)**

Performance Goal	Weight	Analysis	Bonus
Achieve GRESB 2021 score of threshold 80%, mid 83%, target 5-Star Rating	5%	Final Score: 81% Development Sector Leader (between threshold and mid)	2.9%
Achieve FCR 2021 carbon reduction target of threshold 7%, mid 8% and target 9%	5%	9.6% reduction achieved (target achieved)	5.0%
Create a sustainable development framework by year-end	5%	Completed by year-end (target achieved)	5.0%
Employee participation in FCR Thriving Neighbourhoods Foundation of threshold 60%, mid 75% and target 90%	7.5%	91% employee participation (target achieved)	7.5%
Establish ED&I 3-Year Roadmap	5%	Completed by year-end (target achieved)	5.0%
Develop multi-year TCFD disclosure alignment plan by threshold year-end, mid end of Q2 and target early Q2 (for circular disclosure)	5%	Completed by early Q2 (target achieved)	5.0%
Develop ESG Procurement Plan	2.5%	Partially developed ESG screening criteria for key construction and operating vendors	1.3%

Bonus Achievement Subtotal: 31.7% out of 35%

(iii) **Performance Goals for Specific Strategic Initiatives (30% of corporate goals)**

Performance Goal	Weight	Analysis	Bonus
Realization of density values (density \$ sold at or above IFRS value) of threshold \$100M, mid \$150M and target \$175M	7.5%	\$210M density sold above IFRS value (exceeded target)	7.5%
Secure strategic partner at former Christie Cookie site	7.5%	Partnership with Pemberton	7.5%
Average rental rate of threshold \$22.25, mid \$22.50 and target \$22.75	5%	\$22.42 (between threshold and mid)	3.4%
Debt to EBITDA threshold of 11.3x; target of 11.0x; stretch of 10.7x	5%	11.2x (between threshold and target)	3.4%
Debt to assets threshold of 45.1%; target of 44.8%, stretch of 44.5%	5%	43.9% (exceeded stretch)	7.5%
Bonus Achievement Subtotal: 29.3% out of 30%			
CORPORATE SCORECARD COMPONENT TOTAL: 113.5% out of 100%			

(1) Certain corporate metrics included a predetermined stretch category that was applied to results that exceeded target (as noted).

Annual Incentive Bonus – Individual Performance Goals

In administering the annual incentive bonus plan, the Compensation Committee may, in its judgment, vary incentive awards payable to executives if the application of the REIT's incentive formula has unintended results. For 2021, there were no adjustments made to incentive awards. For 2020, to more closely align the NEOs with unitholders, management recommended, and the Compensation Committee agreed, to apply a downward adjustment to aggregate annual incentive bonuses for NEOs. These adjustments resulted in a maximum level of "mid" (or 75%) of the NEOs' bonus eligibility (excluding the CEO whose bonus was adjusted downwards to 67% of his bonus eligibility) instead of the stated individual achievement levels, which for certain NEOs was materially higher. No adjustments were made to the substance of the individual performance goals for 2021 or 2020 as a result of the pandemic and the Committee did not vary the threshold, mid, target or stretch levels or weightings applicable to such goals.

In 2020 and 2021, the Compensation Committee determined that stretch goals should be added to annual performance measurement. These stretch goals are intentionally set above budgeted targets to attract rewards exceeding the targeted bonus level if achieved. While these goals are not expected to be achieved, they are viewed as important sources of motivation and achievement.

The individual achievement metrics for NEOs are specific and measurable objectives, with each assigned a specific weighting at the beginning of the fiscal year. However, to protect sensitive competitive information, in certain cases these metrics are described generally rather than in the detailed format in which they are approved and referenced by the Compensation Committee when it determines the annual bonus incentive outcome for each NEO.

Adam Paul, President & Chief Executive Officer
(individual objectives weighted 30%)

Performance Goal	2021 Analysis
<ul style="list-style-type: none"> ▪ Pursue strategic opportunities with a view to achieving the REIT's 2021 business plan through specific projects identified ▪ Drive culture and employee engagement internally and effectively communicate the REIT's strategy externally, including investor relations outreach. ▪ Support ESG initiatives to ensure achievement of FCR's roadmap ▪ Pursue and oversee key investment activities with a view to achieving the REIT's strategic objectives ▪ Mitigate impact of the pandemic on business objectives, culture and employee engagement 	<p>Target performance was achieved on four identified specified initiatives</p> <p>Target based on employee engagement survey results, successful return to office and meetings with over 100 investors, select media interviews and conference panels</p> <p>Target based on support of ESG metrics including, carbon reduction, TCFD alignment, ED&I participation, Foundation initiatives and ensuring departmental resources</p> <p>Target based on significant NAV creation through investment activity, including 2150 Lakeshore, dispositions above IFRS value, monetization of density, development investing and zoning approvals</p> <p>Target based on successful return to office/pandemic policies, employee engagement survey results, execution of disposition program, robust leasing activity with significant lift, leasing volume, renewal lifts, high rent collection</p>

INDIVIDUAL SCORECARD ACHIEVEMENT: 30% out of 30%
TOTAL SCORECARD ACHIEVEMENT (including Corporate Scorecard weighted at 70%): 109.5%

The Compensation Committee was of the view that Mr. Paul demonstrated exceptional leadership in 2021, leading to the achievement of many corporate stretch goals especially considering the significant challenges posed by government restrictions in the first half of the year and achieving target on his individual goals. As a result of the achievements of pre-determined performance metrics, Mr. Paul received 94.4% of his eligible stretch bonus which is the equivalent of 109.5% of his eligible target bonus. In the prior year, he received 50% of his eligible stretch bonus which was the equivalent of 67% of his eligible target bonus.

Jordan Robins, Executive Vice President & Chief Operating Officer
(individual objectives weighted 60%)

Performance Goal	2021 Analysis
Financial Growth <ul style="list-style-type: none"> Total property occupancy, lease renewal lift, national accounts receivable debit balance 	Exceeded stretch based on predetermined goals
Investments and asset strategy <ul style="list-style-type: none"> Continue to successfully execute the REIT's disposition program, monetization of density above IFRS value and partnerships program, asset strategy resourcing 	Target based on sales above IFRS and key strategic partnerships
Construction & Development <ul style="list-style-type: none"> Entitlement submissions and secured entitlements Facilitate successful post-closing development transitions Secured required development approvals and begin construction on key site 	Target based on predetermined entitlement submission goals and development goals at specific properties
Leasing <ul style="list-style-type: none"> Achieve specific milestones on key leasing assignments 	Between mid and target based on predetermined leasing goals
CEO assessment as to overall performance	Target

INDIVIDUAL SCORECARD ACHEIVEMENT: 62% out of 60%

TOTAL SCORECARD ACHEIVEMENT (including Corporate Scorecard weighted at 40%): 107.4%

Mr. Robins received 97.6% of his eligible stretch bonus which is the equivalent to 107.4% of his eligible target bonus. In the prior year, he received 70% of his eligible stretch bonus which was the equivalent of 75% of his eligible target bonus.

Neil Downey, Executive Vice President, Enterprise Strategies & Chief Financial Officer
(individual objectives weighted 60%)

Performance Goal	2021 Analysis
Financial Growth <ul style="list-style-type: none"> ACFO (less distributions) target of \$120 million Execute enhanced communications plan supporting gross and net asset value disclosures NAV \$ per unit target of \$23.50 and stretch of \$23.75 	Exceeded target Target Exceeded stretch
Employee Engagement <ul style="list-style-type: none"> Execute specified departmental engagement initiatives to support career development and knowledge sharing 	Target based on successful implementation of initiatives
Investor Relations and Financial Management <ul style="list-style-type: none"> Enhance MD&A and IR presentation Achieve milestones with respect to investor meetings Maintain appropriate capital structure and access to capital Establish Green Financing Framework 	Target based on predetermined milestones with respect to each category identified
CEO assessment as to overall performance	Target

INDIVIDUAL SCORECARD ACHEIVEMENT: 63% out of 60%

TOTAL SCORECARD ACHEIVEMENT (including Corporate Scorecard weighted at 40%): 108.4%

Mr. Downey received 98.5% of his eligible stretch bonus which is the equivalent to 108.4% of his eligible target bonus.

Carmine Francella, Senior Vice President, Leasing
(individual objectives weighted 60%)

Performance Goal	2021 Analysis
Financial Growth <ul style="list-style-type: none"> Occupancy Renewal Lift National accounts receivable debt balance 	Exceeded predetermined stretch goals for occupancy, renewal lift and national a/r
Innovation <ul style="list-style-type: none"> Deal cycle and enhancements to software platform Property capsule training 	Between mid and target for predetermined goals relating to deal cycle timelines, enhancements to platform and training on new systems
Deals and Possession Dates <ul style="list-style-type: none"> Total deals National tenant review Possession Dates 	Exceeded stretch for total deals (over 700) Achieved target for national tenant review Achieved target for possession dates
Project Leasing (Top 10 Files)	Between mid and target based on successful leasing of predetermined spaces
COO assessment as to overall performance	Target

INDIVIDUAL SCORECARD ACHEIVEMENT: 61% out of 60%

TOTAL SCORECARD ACHEIVEMENT (including Corporate Scorecard weighted at 40%): 106.4%

Mr. Francella received 95.3% of his eligible stretch bonus which is the equivalent to 106.4% of his eligible target bonus. In the prior year, he received 72% of his eligible stretch bonus which was the equivalent of 75% of his eligible target bonus.

***Alison Harnick, Senior Vice President, General Counsel & Corporate Secretary
(individual objectives weighted 60%)***

Performance Goal	2021 Analysis
Leasing, Property Management & Construction Support	
▪ Occupancy	Stretch
▪ Possession dates	Target
▪ National accounts receivable debit balance	Stretch
▪ Lease renewal lift	Stretch
▪ Deal cycle	Mid
▪ Total deals	Stretch
ESG Initiatives	
▪ Disclosure updates CD&A, carbon reduction, TCFD, Foundation	Target
Strategic Initiatives and Team Alignment	
▪ Planning and execution of specific special projects and transactions	Target
Culture	
▪ Leverage Technology - lease automation software pilot program	Target
▪ Thriving Neighbourhoods Foundation initiatives/employee participation	Target

INDIVIDUAL SCORECARD ACHEIVEMENT: 63% out of 60%

TOTAL SCORECARD ACHEIVEMENT (including Corporate Scorecard weighted at 40%): 108.4%

Ms. Harnick received 98.5% of her eligible stretch bonus which is the equivalent to 108.4% of her eligible target bonus. In the prior year, she received 72% of her eligible stretch bonus which was the equivalent of 75% of her eligible target bonus.

Long-Term Incentives

For our executive leadership team, including NEOs, a substantial portion of compensation is variable, with a heavier weighting on long-term opportunities, consistent with market practice and to mitigate risks relating to compensation practices. Our equity-based compensation plans are designed to foster the long-term retention of key employees of First Capital REIT and to demonstrably align the long-term interests of key employees with the long-term interests of its unitholders. Allocations under these plans are intended to provide strong incentives for superior long-term performance.

All grants are reviewed and approved by the Compensation Committee as part of its regular review of compensation. Generally, the Compensation Committee makes option, RTU and PTU grants with a view to providing competitive total target compensation packages. For 2021, the REIT awarded NEOs long-term incentives in the form of RTUs, PTUs and stock options, the values of which are directly linked to the market value of the Trust Units. Beginning in 2022, stock options are no longer be part of the REIT's equity compensation program and that portion of compensation was replaced with grants of RTUs. LTIP grants are generally made in the first quarter during the open trading window, following the announcement of the REIT's year-end financial results in accordance with the REIT's Disclosure and Insider Trading Policy.

In administering the equity compensation plans, the Compensation Committee may, in its judgment, vary incentive awards payable to executives if the application of the REIT's formula has unintended results, to reward exceptional performance or for other reasons determined by the Compensation Committee. There were no adjustments made to any incentive awards payable in 2021.

Equity Compensation Plans

The Compensation Committee administers our equity compensation plans. These plans have two components, (i) PTUs; and (ii) RTUs granted pursuant to our Amended and Restated Restricted Trust Unit Plan (the "RTU Plan"), and stock options granted pursuant to our Stock Option Plan (until it was discontinued in 2022), each of which reward management based on increases in the value of the Trust Units. The equity compensation grants made to NEOs in 2021 were awarded based on a mix of 50% PTUs, 25% RTUs and 25% stock options.

EXECUTIVE COMPENSATION PROCESS REVIEW HIGHLIGHTS

Determining Pay Mix, LTIP Awards (Q1)

- A summary of competitive market data for comparable positions among the Compensation Peer Group is prepared and reviewed
- Periodically, the Compensation Committee engages a compensation consultant to advise on pay mix, executive and trustee compensation, composition of, and comparability with, the Compensation Peer Group
- CEO makes a recommendation to the Compensation Committee for the award of long-term incentives for NEOs (other than the CEO) with reference to the long term performance of the REIT in the prior fiscal year as well as pay mix and base salary for the current year based on each NEO's assessment and competitive market data
- Compensation Committee considers pay mix, base salary and bonus eligibility for the current year as well as long-term incentive awards, taking into account various factors for each element of pay, including competitive market data and the advice of compensation consultants
- Compensation Committee approves compensation for the fiscal year (retroactive to January 1st) for each NEO as well as long-term incentive awards which are generally granted in Q1
- For more information see *Elements of Compensation – Base Salary; – Short Term Incentives; and – Long-Term Incentives*

RTU Plan Recent Amendments

In 2016, the REIT created and began to issue PSUs (now Performance Trust Units or “PTUs”) to the members of the executive leadership team as an alternative to time-based RSUs (now RTUs) pursuant to an amended RSU (now RTU) Plan. PTUs are adjusted by a performance factor at the time of vesting that is based on the relative performance of the Trust Units against the S&P/TSX Capped REIT Index and the Performance Peer Group (see – *Performance Trust Units*) as well as three-year FFO targets and greenhouse gas emissions reduction targets. As a result, PTUs more deeply align the long-term interests of the REIT’s key executives with the long-term interests of its unitholders.

On December 30, 2019, pursuant to the Arrangement effecting the REIT conversion, the former restricted share unit plan (“RSU Plan”) was replaced by the RTU Plan to provide for the issuance of Trust Units (among other housekeeping changes) and in connection therewith, each outstanding restricted share unit (“RSU”) and performance share unit (“PSU”) was exchanged for one RTU and PTU, respectively, and each such RSU and PSU was cancelled. The material terms and conditions of the replacement RTUs and PTUs are substantially the same as the RSUs or PSUs for which they were exchanged and such RTUs and PTUs will be governed by the terms of the RTU Plan.

On March 1, 2021, the RTU Plan was amended (to make housekeeping changes) and the 2021 PTU grant for NEOs included updated performance vesting conditions. These updates were made in accordance with LTIP design amendments recommended to the Board by the Compensation Committee based on advice from its external compensation consultant as well as the feedback of our unitholders. The first grants of PTUs pursuant to the updated performance vesting were made on March 1, 2021. The full text of the recently Amended and Restated RTU Plan was publicly filed on March 4, 2021 and is available on SEDAR under First Capital REIT’s issuer profile at www.sedar.com.

Subject to unitholders passing the RTU Plan Resolution at the Meeting, the maximum number of Trust Units approved for issuance under the RTU Plan will increase from 2,430,554 to 3,430,554 Trust Units, which represents approximately 1.6% of the issued and outstanding Trust Units as of the date hereof.

Consistent with its ordinary granting practices, the REIT granted an aggregate of 457,626 RTUs and PTUs on May 9, 2022, 353,474 of which were granted to officers and 102,956 of which were granted to other employees. The REIT also expects to grant approximately 3,000 additional RTUs as distribution equivalents in connection with the REIT’s regular monthly distributions in May and June of this year. Consequently, approximately 179,683 Trust Units underlying these grants (the “Excess RTU and PTU Awards”) will be in excess of the RTU Plan’s current Trust Unit reserve of 2,430,554 Trust Units. Pursuant to the rules of the TSX, the Excess RTU and PTU Awards cannot be settled in Trust Units until such time that unitholders of the REIT have approved and ratified the grants. Should unitholders fail to approve the grants of the Excess RTU and PTU Awards pursuant to the RTU Plan Resolution, these awards may not be settled in treasury issued Trust Units.

Below is a summary of the REIT’s new performance vesting criteria, which are applicable to the 2021 PTU grants:

Updated PTU Performance Vesting Conditions	
Payout Range for PTUs	<ul style="list-style-type: none">• PTUs will vest based on a Performance Adjustment Factor ranging from 0% - 200% (and will be fully at-risk)
Performance Measurement Criteria	<ul style="list-style-type: none">• Total unitholder return (TUR) assessed relative to (i) the Performance Peer Group and (ii) the S&P/TSX Capped REIT Index, each being weighted equally (“Relative TUR Multiplier”), on a range around the median basis (+/- 5% for each one year period and +/- 15% for the three year period); and• (i) FFO, as adjusted for one-time gains, losses and expenses based on pre-determined 3-year compound annual growth rate, and (ii) accomplishment of the REIT’s predetermined greenhouse gas (GHG) emissions reduction targets

	over a three-year period ("Supplemental Metrics Multiplier"). The previously disclosed ESG metric for PTU performance assessment, the achievement of the REIT's ESG roadmap, was further refined to GHG emissions reduction targets given the quantitative measurability of this metric.
Performance Adjustment Factor Calculation	<ul style="list-style-type: none"> On the applicable vesting date, a minimum of 0% and a maximum of 200% performance adjustment factor will be applied to the PTUs granted. The Adjustment Factor shall be expressed as a percentage and calculated as follows: Performance Adjustment Factor (%) = $(0.75 \times \text{Relative TUR Multiplier}) + (0.25 \times \text{Supplemental Metrics Multiplier})$
Relative TUR Performance Measurement Period	<ul style="list-style-type: none"> The Relative TUR Multiplier will be calculated over a three-year performance period with reference to both the annual Relative TUR and a three-year cumulative Relative TUR, on a combined basis as follows, based on a 20-day VWAP at the beginning and end of the period: <ul style="list-style-type: none"> 15% annual Relative TUR for year 1 of the performance period; 15% annual Relative TUR for year 2 of the performance period; 15% annual Relative TUR for year 3 of the performance period; and 55% three-year cumulative Relative TUR for the performance period.

Stock Option Plan Recent Amendments

The Stock Option Plan was amended on March 1, 2021 to remove trustees as eligible participants. Trustees had not been granted stock options since 2014. Starting in 2022, stock options are no longer part of the REIT's equity-based compensation. The last grant of stock options was on March 1, 2021. For a summary of the amendments to the LTIP design see *Long-Term Incentives – Equity Compensation Plans* above. The full text of the recently Amended and Restated Stock Option Plan was publicly filed on March 4, 2021 and is available on SEDAR under First Capital REIT's issuer profile at www.sedar.com.

None of the amendments to the RTU Plan and Stock Option Plan required unitholder approval.

Equity Compensation Key Features

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 Trust Units whereby each stock option represents the right to purchase from the REIT one Trust Unit in consideration for payment of the exercise price described below.
Who participates	The Stock Option Plan provides that officers, employees or consultants of First Capital REIT or any affiliate may be eligible participants. However, it is the intention of the Compensation Committee to grant stock options primarily to members of the executive leadership team. Trustees are not eligible participants.
Administration	The Board has delegated to the Compensation 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	Stock options typically vest in equal annual amounts over a five-year period commencing on the first anniversary of the grant date. The Compensation Committee determines the time at which stock options vest when making a grant. Subsequent to the time of granting stock options, the Compensation Committee may, in its discretion, permit an option holder to exercise any or all of such holder's unvested stock options then outstanding.

Exercise Price	The exercise price of an option may not be lower than the closing price of the Trust Units 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 Trust Unit 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 Trust Units, minus (i) the aggregate exercise price of options being surrendered, and (ii) any applicable withholding taxes (together, the "Net Surrender Consideration"). The REIT shall satisfy the payment of such Net Surrender Consideration by issuing to the option holder such number of Trust Units with an aggregate market value equal to the Net Surrender Consideration.
Cessation of Employment	Unless otherwise determined by the Compensation Committee or set forth in an option holder's employment agreement, stock options cease to be exercisable if an option holder ceases to be an officer, employee or consultant of the REIT or one of its affiliates. At the time of granting stock options, the Compensation 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 service of an option holder.
Assignment	Stock 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 unitholders 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 Committee and any applicable regulatory approval.
Change of Control	All issued and outstanding stock options vest immediately upon a change of control in accordance with the terms of the Stock Option Plan.

2021 Stock Option Grants

The following table outlines the stock options granted during fiscal 2021 for each of the Company's NEOs:

Stock Options				
Name	Units Underlying Stock Options (#)	Option Exercise Price (\$)	Option-Based Awards (\$) ⁽¹⁾	Option Expiration Date
Adam E. Paul	375,614	15.53	650,000	March 1, 2031
Jordan Robins	122,797	15.53	212,500	March 1, 2031
Neil Downey	N/A	N/A	N/A	N/A
Carmine Francella	46,952	15.53	81,250	March 1, 2031
Alison Harnick	39,728	15.53	68,750	March 1, 2031

(1) The value of the option-based awards represents the compensation value of stock options granted on March 1, 2021 in respect of 2021 grants. See *Summary Compensation Table for NEOs*.

The REIT's former Executive Vice President and Chief Financial Officer was not eligible to receive stock option grants for the transition period of January – February 2021. See *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

Limits

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

- (i) any one participant is 5% of the then issued and outstanding Trust Units; and
- (ii) insiders of the REIT is 10% of the then issued and outstanding Trust Units.

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

The following table sets out the number of Trust Units previously issued under the Stock Option Plan

As at December 31, 2021	Number of Trust Units	
	Number	As % of Outstanding
Maximum number of Trust Units approved for issuance under the Stock Option Plan	19,740,000	8.99%
Number of stock options previously granted under the Stock Option Plan but not yet exercised ⁽¹⁾	6,337,274	2.89%
Number of Trust Units that remain available for future grants of stock options under the Stock Option Plan	6,636,137	3.02%

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

Annual Burn Rate under the Stock Option Plan as of December 31, 2021

Year	Number of Stock Options Granted	Burn rate (as % of weighted average number of Trust Units outstanding during the applicable fiscal year)	Weighted average number of Trust Units outstanding during the applicable fiscal year
2021	643,600	0.29%	219,547,298
2020	1,803,548	0.82%	219,419,356
2019	1,201,000	0.52%	229,399,779

Amending, Suspending or Terminating the Stock Option Plan

The Compensation 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 unitholder or regulatory approval, as long as it obtains the participant's consent to any material adverse change to such participant's outstanding stock options.

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

- increasing the number of Trust Units that can be issued under the Stock Option Plan, including an increase to a fixed number of Trust Units or a change from a fixed maximum number of Trust Units 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, cancelling or reissuing an option;
- permitting the transfer of an option, except by testate or intestate succession;
- broadening or increasing insider participation in the Stock Option Plan;
- any amendments permitting transfer or assignment of an option other than for normal estate settlement purposes;
- the addition of a deferred or restricted unit which results in optionees receiving Trust Units while no cash consideration is received by the REIT;

- increasing the participation of non-employee trustees in the Stock Option Plan on a discretionary basis;
- changing the provisions for amending, suspending or terminating the Stock Option Plan; and
- any amendment required to be approved by unitholders under applicable law.

Stock options will not be part of executive or trustee compensation in 2022 and thereafter. The intention of the Compensation Committee is that the 2021 grants of stock options will be the last granted under the plan.

Restricted Trust Unit Plan⁽¹⁾

Restricted Trust Units (RTUs)	
Form of award	Each RTU represents the right of a participant to receive, on a deferred basis and at the option of the REIT, an award of one Trust Unit issued from treasury or purchased on the open market, or the equivalent cash value, or a combination thereof.
Who participates	The RTU Plan provides that any employee of First Capital REIT or its affiliates and the Chair of the Board may be an eligible participant. RTUs are typically granted to the REIT's senior management level employees and certain other high performing employees.
Administration	The Board has delegated to the Compensation Committee responsibility for administering the RTU Plan and approving all RTUs granted thereunder, including the entitlement, vesting, and all other matters relating to the RTU Plan.
Determination of RTU Grants	The number of RTUs 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 is subject to discretionary adjustments based on merit and performance criteria similar to those used in establishing annual cash incentive bonuses. When cash distributions are paid on Trust Units, additional RTUs are credited to a participant in respect of the RTUs credited to the participant's account as of the record date for payment of distributions. The number of additional RTUs (including fractional RTUs) to be credited to the participant on a distribution payment date is determined by multiplying the aggregate number of RTUs held on the applicable distribution record date by the amount of distributions paid by the REIT on each Trust Unit, and dividing the result by the market price per Trust Unit on the distribution payment date.
Vesting	RTUs vest on the third anniversary following the date on which such RTUs were granted or such other date that the Compensation Committee may determine from time to time. A distribution RTU vests on the same day as the RTU in respect of which the distribution was granted and is redeemed by the REIT on such vesting date.
Payout	<p>The REIT may elect to settle vested RTUs by delivering Trust Units issued from treasury, cash or Trust Units purchased in the open market. If the REIT elects to settle RTUs with Trust Units purchased in the open market, it will provide funds to an independent custodian to purchase Trust Units in the open market. These open market Trust Units will be held in an employee benefit plan trust and will be delivered to participants in settlement of vested RTUs.</p> <p>If the REIT elects to settle RTUs by delivering cash, the amount of cash will be equal to the volume weighted average trading price ("VWAP") of the Trust Units on the TSX for the ten trading days ending on the last trading day preceding the vesting date multiplied by the number of RTUs being settled (changed from VWAP for the five trading days ending on the last trading day preceding the vesting date).</p>
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 RTUs which have not vested on or prior to the participant's termination date, unless otherwise set forth in the participant's RTU grant agreement or employment agreement, or unless otherwise expressly determined by the Compensation Committee in writing.
Assignment	RTUs are not assignable or transferable other than by will or the laws of descent and distribution.

Performance Trust Units (PTUs)	
Form of award	Each PTU granted under the RTU Plan represents the right of a participant to receive, on a deferred basis and at the option of the REIT, an award of one Trust Unit issued from treasury or purchased on the open market, or the equivalent cash value or a combination thereof, subject to a performance adjustment factor.
Who participates	PTUs may be awarded to any employee of First Capital REIT or its affiliates and the Chair of the Board. It is the intention of the Compensation Committee that only the REIT's executive leadership team will receive PTU grants. New participants may be eligible to participate at the time of hire or promotion subject to the approval of the Compensation Committee.
Administration	The Board has delegated to the Compensation Committee responsibility for administering the RTU Plan (under which the PTUs are granted) and approving all PTUs granted thereunder, including the entitlement, vesting, and all other matters relating to the RTU Plan.
Determination of PTU Grants	The number of PTUs granted to a participant will be established at the sole discretion of the Compensation Committee. Grants will generally be considered on an annual basis. A grant of PTUs with specific terms and conditions attached will be evidenced by a grant agreement, signed on behalf of the REIT and acknowledged (signed) by the participant. The terms and conditions of the grant agreement will set out the applicable performance adjustment factor. When cash distributions are paid on Trust Units, additional PTUs are credited to a participant in respect of the PTUs credited to the participant's account as of the record date for payment of distributions. The number of additional PTUs (including fractional PTUs) to be credited to the participant on a distribution payment date is determined by multiplying the aggregate number of PTUs held on the applicable distribution record date by the amount of distributions paid by the REIT on each Trust Unit, and dividing the result by the market price per Trust Unit on the distribution payment date. Such additional PTUs will also be subject to the performance adjustment factor on vesting.
Performance Adjustment Factor	The performance adjustment factor used to determine PTU vesting is dependent on the REIT'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 Committee. For PTUs granted up to and including 2020, the performance adjustment factor is from a minimum of 50% to a maximum of 150%. For PTUs granted beginning in 2021, new performance adjustment criteria will be applied with a performance adjustment factor from a minimum of 0% to a maximum of 200%. See – <i>Equity Compensation Plans – Updated PTU Performance Vesting Conditions</i> .
Performance Period	PTUs are subject to a performance period over which performance is measured to determine the number of PTUs which will vest and may reflect: (i) a three-year period beginning with the start of the REIT's fiscal year in the year of the grant; or (ii) such other time period that the Compensation Committee may determine.
Vesting Period	PTUs vest on the date that is: (i) the third anniversary following the date on which the PTUs were granted; or (ii) such other date that the Compensation Committee may determine from time to time, provided that such other date shall be expressly set forth in an award agreement. The number of PTUs vesting will equal the number of PTUs granted (plus distribution equivalents) multiplied by the performance adjustment factor.
Payout	<p>The REIT may elect to settle vested PTUs by delivering Trust Units issued from treasury, cash or Trust Units purchased in the open market. The redemption date may not be later than December 31 of the third calendar year following the year in respect of which the PTUs were granted.</p> <p>If the REIT elects to settle PTUs with Trust Units purchased in the open market, it will provide funds to an independent custodian to purchase Trust Units in the open market. These open market Trust Units will be held in an employee benefit plan trust and will be delivered to participants in settlement of vested PTUs.</p>

	If the REIT elects to settle PTUs by delivering cash, the amount of cash will be equal to the weighted average trading price of the Trust Units on the TSX for the ten trading days ending on the last trading day preceding the vesting date multiplied by the number of PTUs being settled.		
Cessation of Employment	If the employment of a participant ceases for any other reason or if the Chair of the Board ceases to be a trustee of the REIT, the participant will forfeit all rights, title and interest with respect to all PTUs which have not vested on or prior to the participant's termination date, unless otherwise set forth in the participant's PTU grant agreement or employment agreement, or unless otherwise expressly determined by the Compensation Committee in writing.		
Assignment	PTUs are not assignable or transferable other than by will or the laws of descent and distribution.		
2021 PTU Grants – Performance Adjustment Criteria			
Payout Range for PTUs	PTUs will vest based on a Performance Adjustment Factor ranging from 0% - 200% (and will be fully at-risk)		
Performance Measurement Criteria	<ul style="list-style-type: none"> Total unitholder return (TUR) assessed relative to (i) the Performance Peer Group and (ii) the S&P/TSX Capped REIT Index, each being weighted equally ("Relative TUR Multiplier"), on a range around the median basis (+/- 5% for each one year period and +/- 15% for the three year period); and FFO, as adjusted for one-time gains, losses and expenses based on pre-determined 3-year compound annual growth rate, and (ii) accomplishment of the REIT's predetermined greenhouse gas emissions reduction targets over a three-year period ("Supplemental Metrics Multiplier") 		
Performance Adjustment Factor Calculation	<ul style="list-style-type: none"> On the applicable vesting date, a minimum of 0% and a maximum of 200% performance adjustment factor will be applied to the PTUs granted. The Adjustment Factor shall be expressed as a percentage and calculated as follows: <p>Performance Adjustment Factor (%) = $(0.75 \times \text{Relative TUR Multiplier}) + (0.25 \times \text{Supplemental Metrics Multiplier})$</p>		
Relative TUR Performance Measurement Period	<ul style="list-style-type: none"> The Relative TUR Multiplier will be calculated over a three-year performance period with reference to both the annual Relative TUR and a three-year cumulative Relative TUR, on a combined basis as follows, based on a 20-day VWAP at the beginning and end of the period: <ul style="list-style-type: none"> 15% annual Relative TUR for year 1 of the performance period; 15% annual Relative TUR for year 2 of the performance period; 15% annual Relative TUR for year 3 of the performance period; and <p>55% three-year cumulative Relative TUR for the performance period.</p>		
2019 and 2020 PTU Grants – Performance Adjustment Criteria			
Payout Range for PTUs	<p>PTUs will vest based on a Performance Adjustment Factor ranging from 50% - 150%.</p> <p>The RTU Plan was amended in 2021 and the 2021 PTU grants are subject to a payout adjustment factor ranging between 0% - 200% of the grant and are fully at-risk. See above – 2021 Grants.</p>		
Performance Measurement Criteria	<p>The type, number and weighting of performance measures used for the PTUs will be determined at the sole discretion of the Compensation Committee.</p> <p>The 2019 and 2020 PTU grants were made on the following basis:</p> <table border="1" data-bbox="555 1776 1276 1887"> <tr> <td>Three-year Performance of Trust Units Relative to S&P/TSX Capped REIT Index⁽¹⁾</td><td>Performance Adjustment Factor (% of Grant)</td></tr> </table>	Three-year Performance of Trust Units Relative to S&P/TSX Capped REIT Index⁽¹⁾	Performance Adjustment Factor (% of Grant)
Three-year Performance of Trust Units Relative to S&P/TSX Capped REIT Index⁽¹⁾	Performance Adjustment Factor (% of Grant)		

		At or below 25 th percentile	50%
		At 50 th percentile	100%
		At or above 75 th percentile	150%
		<p>(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.</p> <p>On the applicable vesting date, a minimum of 50% and a maximum of 150% performance adjustment factor will be applied to the PTUs granted in 2019 and 2020 (a performance adjustment factor below 50% or above 150% is not applicable).</p> <p>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 Committee may apply additional adjustments to the adjustment factor in circumstances where the outcome is inconsistent with the intent of the RTU Plan.</p> <p>The Committee may apply additional adjustments to the Adjustment Factor in circumstances where the outcome is inconsistent with the intent of the Plan.</p>	

2021 RTU and PTU Grants

The following table outlines the RTUs and PTUs granted during fiscal 2021 to each of the Company's NEOs:

Name	Annual Grant of RTUs	PTUs Granted	Vesting Date
Adam E. Paul	42,585	85,169	March 1, 2024
Jordan Robins	13,922	27,844	March 1, 2024
Neil Downey	54,348	N/A	March 1, 2024
Carmine Francella	5,323	10,646	March 1, 2024
Alison Harnick	4,504	9,008	March 1, 2024

The REIT's former Executive Vice President and Chief Financial Officer was not eligible to receive RTU and PTU grants for the transition period of January – February 2021. See *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

2019 PTU Results and Payout

The 2019 PTU grants vested on March 6, 2022 for the performance period of January 1, 2019 to December 31, 2021. During this period, the threshold TUR performance was not achieved, resulting in a payout of 50% in accordance with the terms of the RTU Plan. Accordingly, the number of PTUs representing the 50% not earned were lost. The difference between grant value and realized value on vesting demonstrates strong alignment between the REIT's long-term executive compensation and unitholder returns which were negatively impacted in 2021 due to the global pandemic. These PTUs were settled in units issued from treasury.

2019 PTU RESULTS AND PAYOUT								
Named Executive Officer	PTUs Granted March 6, 2019 #	Value of PTUs at Time of Grant \$(¹)	PTUs Held on Vesting Date (dividends / distributions reinvested) #	Performance Factor %	PTUs Forfeited #	PTUs Redeemed #	Payout Value Realized \$(²)	Change in Value Since Grant (\$)
Adam E. Paul	79,273	1,666,666	10,082	50%	44,678	44,678	815,308	(851,358)
Kay Brekken	21,404	450,000	2,722	50%	12,063	12,063	220,133	(229,867)
Jordan Robins	22,355	470,000	2,843	50%	12,599	12,599	229,917	(240,083)
Neil Downey	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carmine Francella	7,610	160,000	968	50%	4,289	4,289	78,270	(81,730)
Alison Harnick	6,500	136,666	827	50%	3,664	3,664	66,855	(69,811)

(1) Market price at time of grant was \$21.02.

(2) Market price at time of redemption was \$18.25.

Limits

Subject to the overall limit on the number of Trust Units issuable under the RTU Plan, the maximum number of Trust Units available for issuance under the RTU Plan to:

- (i) any one participant is 5% of the then issued and outstanding Trust Units; and
- (ii) insiders of the REIT is 10% of the then issued and outstanding Trust Units.

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

The following table sets out the number of Trust Units previously issued and available for future issuance under the RTU Plan.

As at December 31, 2021	Number of Trust Units	
	Number	As % of Outstanding
Maximum number of Trust Units approved for issuance under the RTU Plan	2,430,554	1.11%
Number of RTUs and PTUs previously granted under the RTU Plan but not yet redeemed ⁽¹⁾	879,087	0.40%
Number of Trust Units that remain available for future grants of RTUs and PTUs under the RTU Plan	280,943	0.13%

(1) Excludes RTUs and PTUs which have been forfeited.

Annual Burn Rate under the RTU Plan as of December 31, 2021

<i>Fiscal Year</i>	Number of RTUs and PTUs⁽¹⁾ Granted	Burn rate (as % of weighted average number of Trust Units outstanding during the applicable fiscal year)	Weighted average number of Trust Units outstanding during the applicable fiscal year
2021	354,670	0.16%	219,547,298
2020	295,208	0.13%	219,419,356
2019	244,172	0.11%	229,399,779

(1) 145,934 PTUs were granted in 2021, 130,568 PTUs were granted in 2020 and 153,790 PTUs were granted in 2019. The performance adjustment factor for the 2020 and 2019 grants PTUs was between 50% and 150%. The performance adjustment factor for PTUs granted in 2021 is between 0% and 200%.

Amending, Suspending or Terminating the RTU Plan

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

Unitholder approval is required to make the following changes to the RTU Plan:

- increasing the number of Trust Units that can be issued under the RTU Plan, including an increase to a fixed number of Trust Units or a change from a fixed maximum number of Trust Units 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 Trust Unit, except by testate or intestate succession;
- any amendment to remove or exceed the insider participation limit;
- changing the provisions for amending, suspending or terminating the RTU Plan; and
- any amendment required to be approved by unitholders under applicable law.

We do not require unitholder approval to make other amendments to the RTU 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 RTU Plan.

Employee Unit Purchase Plan

The former Employee Share Purchase Plan of the Company was implemented in 2016 in order to attract, retain and motivate employees of 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. The Company converted into a REIT effective December 30, 2019 and, as a result, a new Employee Unit Purchase Plan for the REIT (the “EUPP”) was approved effective the same date, which replaced the Employee Share Purchase Plan. There have been no amendments made to the EUPP to date.

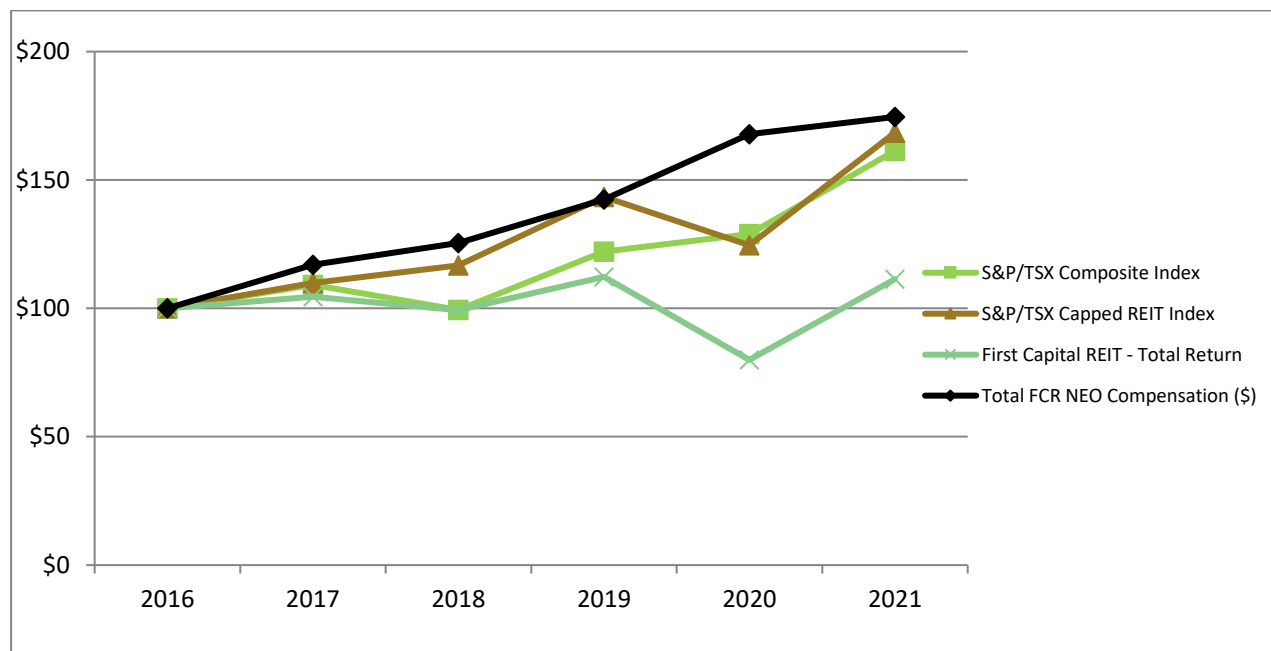
Form of award	The REIT contributes one hundred percent of the participant’s contributions, up to a maximum contribution for each participant for each calendar year of \$1,500.
Who participates	All regular permanent full-time employees of the REIT or an affiliate having completed at least three months of continuous service are eligible participants, excluding any member of the REIT’s executive leadership team.
Administration	The EUPP is administered by the REIT. The REIT may, from time to time, establish, amend or repeal administrative rules and regulations relating to the operation of the EUPP as it may deem necessary. An independent third party has been appointed by the REIT as a trustee to maintain employee accounts and to acquire, hold and sell Trust Units for and on behalf of all participants.
Determination of Trust Unit 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 REIT 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	Trust Units purchased using REIT contributions (“FCR Units”) are subject to a 12-month vesting period.
Payout	After expiry of the vesting period applicable to FCR Units, and at any time with respect to other Trust Units, a participant may elect to withdraw or sell all or any portion of his/her Trust Units held in the EUPP.
Cessation of Employment	In the event a participant ceases to be employed by the REIT or a participating affiliate 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 Trust Units other than the unvested Trust Units. Unvested FCR Units 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 EUPP is not assignable either by voluntary assignment or by operation of law except upon death or upon mental incompetency.
Change of Control	All unvested FCR Units credited to a participant’s account vest at the effective time of a change of control of the REIT in accordance with the terms of the EUPP.

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 wellness expense benefit. The benefit program is fully funded by the REIT with executives responsible for co-payments under the benefits plan. The REIT 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 REIT's cumulative total unitholder return on a \$100 investment in Common Shares of the Company on December 31, 2016, assuming reinvestment of dividends/distributions 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 REIT'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)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
FCR – Total Return	\$100	\$105	\$99	\$112	\$80	\$111
S&P/TSX Capped REIT Index®	\$100	\$110	\$117	\$143	\$125	\$168
S&P/TSX Composite Index®	\$100	\$109	\$99	\$122	\$129	\$161
Total FCR NEO Compensation	\$100	\$117	\$125	\$142	\$168	\$175

Sources: TSX; Bloomberg

Based on the timing and structure of the REIT's compensation plans and review process, executive compensation levels are determined when the actual performance of the REIT in the prior year is known. As a result, REIT 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 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 our 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, RTUs and PTUs that have a value that is directly tied to the trading price of the Trust Units and fluctuates with unitholder returns. See *Executive Compensation – Compensation Discussion and Analysis* for a discussion of the factors considered in the determination of the REIT's executive compensation levels and see *CEO Compensation Look-Back Table* below for an illustration of the REIT's strong pay for performance alignment resulting from the value of long-term incentive compensation upon vesting.

Analysis of the total compensation trend for the REIT's NEOs from time to time, for the five years ended December 31, 2021, demonstrates that the total compensation for these individuals as a group: (i) increased in 2017 at a faster pace than the positive total return of the Common Shares of the Company 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; (ii) increased in 2018 despite the slightly negative total return of the Common Shares of the Company 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; (iii) increased in 2019 at a faster pace than the positive total return of the Common Shares of the Company and of the Trust Units of the REIT in 2019, reflecting the REIT's overall performance relative to its performance measurement targets for 2019 and primarily due to the lower level of total compensation in 2018 which augmented the relative amount of the total compensation increase in 2018; and (iv) increased in 2020 at a faster pace than the total return of the Trust Units of the REIT partly due to the additional RTUs awarded as in recognition of additional work related to the REIT conversion in 2019 which amounted to 7% of additional LTIP value for the CEO provided prior to the global pandemic and partly due to the decline in stock price in 2020 as a result of the negative impact of the pandemic and (v) increased in 2021, but at a slower pace than the total return of the Trust Units of the REIT in 2021, as the Trust Units rebounded in 2021.

Mr. Paul's original compensation package was determined at the time of his hire in 2015 and was initially set below the then current market median for comparable roles at peer companies given that Mr. Paul was new to this role and to the Company and given the structure of the Company's senior management team. His compensation package was originally set with the understanding that his total compensation opportunity would increase over time to reflect the market median in the Company's compensation comparator group. Mr. Paul's increase in total compensation reflects this gradual alignment with the market median as well as his performance over time. In 2021, Mr. Paul and the executive team did not receive a merit salary increase. The decision was made primarily because of the ongoing pandemic and its negative impact on the business.

Cost of Management Ratio

The following information is for the REIT's NEOs from time to time and represents the total compensation as presented in the Summary Compensation Table in each year for the five-year period from January 1, 2017 through December 31, 2021, presented as a percentage of each of FFO and revenues.

	2017	2018	2019	2020 ⁽¹⁾	2021
Total NEO compensation (\$millions)⁽²⁾	7.9	8.4	9.4	9.9	10.6
FFO (\$millions)	284	303	285	222	251
As a % of FFO	2.8%	2.8%	3.3%	4.4%	4.2%
Revenues (\$millions)	704	738	756	680	684
As a % of revenues	1.12%	1.14%	1.24%	1.45%	1.55%

(1) Total NEO compensation for 2017, 2018, 2019 and 2020 includes the compensation of Mr. Segal, the former Chair of the Board who was not an executive officer, but a NEO in those years.

(2) 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 over the last five years. See also *Executive Compensation – Summary Compensation Table for NEOs* below.

Name	2017 (\$)	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)
Adam E. Paul President and Chief Executive Officer					
Salary	800,000	800,000	800,000	850,000	850,000
Unit Based Awards ⁽¹⁾	1,066,666	1,300,000	1,666,666	2,150,000	1,950,000
Option Based Awards ⁽²⁾	533,333	650,000	833,333	650,000	650,000
Annual Incentive Plan	973,000	926,000	972,000	717,000	1,162,900
All Other Compensation	48,100	48,800	55,600	49,500	57,700
Total Compensation	3,421,099	3,724,800	4,327,599	4,416,500	4,670,600

- (1) The amount represents the dollar value of PTUs and RTUs granted, based on the weighted average closing price of the Trust Units on the TSX for the five trading days ending on the trading day immediately prior to the date of grant (which was \$20.14 for 2017, \$19.98 for 2018, \$21.02 for 2019, \$21.02 for 2020 for the annual grants of PTUs and RTUs) and for the for the ten trading days ending on the trading day immediately prior to the date of grant for 2021 (which was \$15.26 for the annual grant of PTUs and RTUs). In 2017, 2018 and 2019 all unit-based awards were made in the form of PTUs for Mr. Paul. In 2020 the unit-based awards were 50% in PTUs (value of \$1,300,000) and 25% in RTUs (value of \$650,000). The remaining 25% of his equity-based awards in 2020 was in stock options. In 2020 additional RTUs were awarded as in recognition of additional work related to the REIT conversion in 2019 which amounted to 7% of additional LTIP value for the CEO. The allocation of equity-based awards in 2021 was the same as in 2020 (50% in PTUs, 25% in RTUs and 25% in stock options) and there were no special grants. Stock options will not be granted in 2022 and allocation will be 50% in PTUs and 50% in RTUs.
- (2) The value of the option-based awards represents the compensation value of stock options granted on March 17, 2017 in respect of 2017 grant, March 2, 2018 in respect of 2018 grant, March 6, 2019 in respect of 2019 grant, February 28, 2020 in respect of the 2020 grant and March 1, 2021 in respect of the 2021 grant. The 2017, 2018, 2019 and 2021 option grant values are based on the closing price of the Trust Units on the TSX on the day immediately preceding the date of grant being \$20.07 for the 2017 grant, \$20.03 for the 2018 grant, \$21.14 for the 2019 grant \$21.24 for the 2020 grant and \$15.53 for the 2021 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 stock options as well as assumptions for volatility, risk-free interest rate and dividend/distribution yield. 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 unit price volatility of 15%, expected option life of 6 years, and dividend/distribution 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 unit price volatility of 13.50%, expected option life of 5.5 years, and dividend/distribution yield of 4.33%. The weighted average assumptions used to determine the Black-Scholes value of \$1.35 per option for 2019 were as follows: risk-free interest rate of 1.71%, expected unit price volatility of 14.00%, expected option life of 5.8 years, and distribution yield of 4.08%. The weighted average assumptions used to determine the Black-Scholes value of \$0.76 per option for 2020 were as follows: risk-free interest rate of 1.08%, expected unit price volatility of 13.70%, expected option life of 6.6 years, and distribution yield of 4.30%. The weighted average assumptions used to determine the Black-Scholes value of \$1.73 per option for 2021 were as follows: risk-free interest rate of 1.10%, expected unit price volatility of 22.00%, expected option life of 7.3 years, and distribution yield of 4.70%.

The following table compares Mr. Paul's target compensation for the last five years to his compensation as reported in the Summary Compensation Table and the realized/realizable compensation value. The table illustrates the REIT's track record of aligning CEO's pay to the REIT's performance. Over the previous five-year period, the current value of \$100 invested by a shareholder of the Company or a unitholder of the REIT was significantly greater than the current value of \$100 in compensation awarded to the CEO. See also *Executive Compensation – Summary Compensation Table for NEOs* below.

Year	Total Target Compensation ⁽¹⁾ (\$)	Total Compensation as Reported in the Summary Compensation Table ⁽²⁾ (\$)	Realized Compensation Value ^{(3) (4) (5)} (\$)	Realizable Compensation Value ⁽⁶⁾ (\$)	Period	Value of \$100 for the CEO (realized and realizable compensation) ⁽⁷⁾ (\$)	Value of \$100 for the Unitholders ⁽⁸⁾ (\$)
2017	3,448,100	3,421,099	2,691,328	-	12/31/16 to 12/31/21	79	111
2018	3,789,800	3,724,800	2,350,771	-	12/31/17 to 12/31/21	63	107
2019	4,355,599	4,327,599	1,827,600	837,655	12/31/18 to 12/31/20	62	112
2020	4,712,000	4,416,500	1,616,500	1,445,871	12/31/19 to 12/31/21	69	99
2021	4,732,500	4,670,600	2,070,600	1,439,305	12/31/20 to 12/31/21	75	143
Average						\$70	\$114

- (1) Total target compensation includes salary, target bonus, grant value of unit-based awards and option-based awards and all other compensation. For 2021, total target compensation incorporates stretch metrics.
- (2) Total compensation as reported in the Summary Compensation Table includes salary, bonus paid, grant value of unit-based awards and option-based awards and all other compensation.
- (3) Realized compensation includes salary, bonus paid, crystalized value of unit-based awards in the year of grant, gains realized from exercise of stock options and all other compensation.
- (4) The unit based awards amounts for the years 2017 and 2018 (included in realized compensation value) represent the dollar value of PTUs redeemed upon vesting on February 25, 2020 and March 2, 2021 based on the five-day VWAP for the PTUs redeemed on February 25, 2020 and the ten-day VWAP for the PTUs redeemed on March 2, 2021 (which was \$21.84 on February 25, 2020 and \$15.41 on March 2, 2021), including re-invested dividends/distributions up to the date of redemption multiplied by the PSUs/PTUs performance factor which was 87.40% for the PSUs redeemed on March 25, 2019, 66.60% for the PTUs redeemed on February 25, 2020 and 50% for the PTUs redeemed on March 2, 2021. None of the unit-based awards granted in 2019, 2020 and 2021 were vested as at December 31, 2021.
- (5) As at December 31, 2021, none of the stock options were in-the-money. Mr. Paul has not exercised any stock options since he joined the Company in 2015.
- (6) Realizable compensation is equal to the current value of unvested unit-based awards. The current value for the unvested PTUs and RTUs granted in 2019, 2020 and 2021 (included in realizable compensation value) has been calculated based on the closing price on December 31, 2021 (\$18.86) and applying a performance factor of 50% for PTUs granted in 2019 (as this was the performance factor applied upon vesting on March 7, 2022), 50% for PTUs granted in 2020 and 38% for PTUs granted in 2021 (where the performance adjustment factor was tracking at December 31, 2021). Distributions up to December 31, 2021 have been added to the number of PTUs and RTUs granted in accordance with the RTU Plan.
- (7) Represents the actual value realized and realizable as at December 31, 2021 for each \$100 awarded to the CEO in total direct compensation during the respective fiscal year.
- (8) Represents the cumulative value as at December 31, 2021 of a \$100 investment made in Common Shares of the Company or Units of the REIT on the first day of the period indicated, assuming reinvestment of dividends/distributions.

Summary Compensation Table for NEOs

The following table provides a summary of compensation earned by our NEOs in respect of 2021, 2020 and 2019, as determined in accordance with applicable securities laws.

Name and Principal Position	Year	Salary (\$)	Unit-Based Awards ⁽¹⁾ (\$)	Option-Based Awards ^(1) 2) (\$)	Non-Equity Incentive Plan Compensation (\$)			Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans ⁽³⁾	All Other Compensation ⁽⁴⁾ (\$)	
Adam E. Paul President and Chief Executive Officer	2021	850,000	1,950,000	650,000	1,162,900	N/A	57,700	4,670,600
	2020	850,000	2,150,000	650,000	717,000	N/A	49,500	4,416,500
	2019	800,000	1,666,666	833,333	972,000	N/A	55,600	4,327,599
Jordan Robins Executive Vice President and Chief Operating Officer	2021	510,000	637,500	212,500	547,700	N/A	51,800	1,959,500
	2020	510,000	762,500	212,500	382,500	N/A	43,700	1,911,200
	2019	500,000	470,000	235,000	456,000	N/A	49,100	1,710,100
Neil Downey Executive Vice President, Enterprise Strategies and Chief Financial Officer	2021	500,000	750,000	N/A	542,000	N/A	50,600	1,842,600
	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kay Brekken ⁽⁵⁾ Former Executive Vice President and Chief Financial Officer	2021	83,000	N/A	N/A	205,000	N/A	31,700	319,700
	2020	480,000	737,500	187,500	360,000	N/A	43,900	1,808,900
	2019	465,000	450,000	225,000	447,795	N/A	48,700	1,636,495
Carmine Francella Senior Vice President, Leasing	2021	350,000	243,750	81,250	279,300	N/A	51,600	1,005,900
	2020	350,000	268,750	81,250	131,250	N/A	43,700	875,000
	2019	340,000	243,750	81,250	155,210	N/A	49,250	869,460
Alison Harnick Senior Vice President, General Counsel and Corporate Secretary	2021	320,000	206,250	68,750	173,400	N/A	51,300	819,700
	2020	320,000	306,250	68,750	120,000	N/A	43,500	858,600
	2019	290,000	206,250	68,750	140,650	N/A	49,050	760,700

- (1) The amount represents the dollar value of RTUs and PTUs granted, based on the weighted average closing price of the Trust Units on the TSX for the five trading days ending on the trading day immediately prior to the date of grant (which was \$21.02 for 2019, \$21.02 for 2020) and for the ten trading days ending on the trading day immediately prior to the date of the grant (which was \$15.26 for 2021) for all NEOs multiplied by the number of RTUs or PTUs granted. In 2019 and 2020 all NEOs received unit-based awards in the form of PTUs. In 2021, the unit-based awards were 50% in PTUs (value of \$1,300,000 for Mr. Paul, \$425,000 for Mr. Robins, \$162,500 for Mr. Francella and \$137,500 for Ms. Harnick) and 25% in RTUs (value of \$650,000 for Mr. Paul, \$750,000 for Mr. Downey (as part of his negotiated employment agreement), \$212,500 for Mr. Robins, \$81,250 for Mr. Francella and \$68,750 for Ms. Harnick). The remaining 25% of the equity-based awards in 2020 was in stock options. In 2020 additional RTUs were awarded as in recognition of additional work related to the REIT conversion in 2019 which amounted to 7% of additional LTIP value for the CEO and between 7% and 18% for the other NEOs. There have been no other special grants. Stock options were not granted in 2022 and allocation of equity-based awards were 50% in PTUs and 50% in RTUs.

- (2) The value of the option-based awards represents the compensation value of stock options granted on March 6, 2019 in respect of 2019 grants February 28, 2020 in respect of 2020 grants and March 1, 2021 in respect of 2021 grants. The 2019, 2020 and 2021 option grant values are based on the closing price of the Trust Units on the TSX on the day immediately preceding the date of grant being \$21.14 for the 2019 grants, \$21.24 for the 2020 grants and \$15.53 for the 2021 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 stock options as well as assumptions for volatility, risk-free interest rate and dividend/distribution yield. The weighted average assumptions used to determine the Black-Scholes value of \$1.35 per option for 2019 were as follows: risk-free interest rate of 1.71%, expected unit price volatility of 14.00%, expected option life of 5.8 years, and distribution yield of 4.30%. The weighted average assumptions used to determine the Black-Scholes value of \$0.76 per option for 2020 were as follows: risk-free interest rate of 1.08%, expected unit price volatility of 13.70%, expected option life of 6.6 years, and distribution yield of 4.08%. The weighted average assumptions used to determine the Black-Scholes value of \$1.73 per option for 2021 were as follows: risk-free interest rate of 1.10%, expected unit price volatility of 22.00%, expected option life of 7.3 years, and distribution yield of 4.70%.
- (3) The REIT does not provide non-equity long-term incentives to its executives.
- (4) These amounts represent REIT contributions to RRSPs on behalf of the NEOs, car allowances, group life insurance and other benefits.
- (5) Ms. Brekken retired on February 28, 2021. Mr. Neil Downey is currently the Executive Vice President, Enterprise Strategies and Chief Financial Officer of the REIT. Ms. Brekken's compensation for the year-ended December 31, 2021 was in respect of her employment during the course of the transition period from January 1, 2021 to February 28, 2021. See *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

Outstanding Unit-Based Awards and Option-Based Awards

The following table sets forth information concerning stock options, RTUs and PTUs outstanding under each of the Stock Option Plan and RTU Plan, as applicable, held by the NEOs of the Company as at December 31, 2021.

Name	Option-Based Awards				Unit-Based Awards (RTUs and PTUs)		
	Number of Securities Underlying Unexercised Stock Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Stock Options (\$) ⁽¹⁾	Number of Units or Units of Units That Have Not Vested (#) ⁽²⁾	Market or Payout Value of Unit-Based Awards That Have Not Vested (\$) ⁽³⁾	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed (\$)
Adam E. Paul	240,000 285,000 467,000 411,872 557,748 619,072 854,139 375,614	18.41 18.40 19.60 20.07 20.03 21.14 21.24 15.53	November 3, 2024 June 8, 2025 February 19, 2026 March 17, 2027 March 2, 2028 March 6, 2029 February 28, 2030 March 1, 2031	1,489,895	328,868	6,202,447	N/A
Jordan Robins	145,000 128,967 150,163 174,578 279,238 122,797	20.24 20.07 20.03 21.14 21.24 15.53	April 11, 2026 March 17, 2027 March 2, 2028 March 6, 2029 February 28, 2030 March 1, 2031	408,914	106,528	2,009,116	N/A
Neil Downey	N/A	N/A	N/A	N/A	55,595	1,048,518	N/A
Kay Brekken ⁽⁴⁾	N/A	N/A	N/A	N/A	61,613	1,162,018	N/A
Carmine Francella	47,000 42,474 68,646 59,431 106,767 46,952	19.60 20.07 20.03 21.14 21.24 15.53	February 19, 2026 March 17, 2027 March 2, 2028 March 6, 2029 February 28, 2030 March 1, 2031	156,349	38,532	726,722	N/A
Alison Harnick	25,742 50,764 90,342 39,728	20.03 21.14 21.24 15.53	March 2, 2028 March 6, 2029 February 28, 2030 March 1, 2031	132,296	36,646	691,135	N/A

- (1) Value represents the difference between the closing price of the Trust Units on the TSX on December 31, 2021, \$18.86 and the exercise price of the applicable option, multiplied by the number of such stock options.

- (2) The RTUs and PTUs held by the NEOs will vest according to the following schedule, subject to the terms of the RTU Plan, including any performance vesting conditions in respect of the PTUs, described under *Executive Compensation – Elements of Compensation – Long-Term Incentives – Equity Compensation Plans – RTU Plan*. In 2019, 2020 and 2021, all NEOs received unit-based awards in the form of PTUs and RTUs.

NEO	2022		2023		2024	
	RTUs	PTUs	RTUs	PTUs	RTUs	PTUs
Adam E. Paul	-	88,829	43,370	66,586	43,361	86,722
Jordan Robins	-	25,050	17,183	21,768	14,176	28,351
Neil Downey	N/A	N/A	N/A	N/A	55,595	-
Kay Brekken	-	23,984	18,422	19,207	N/A	N/A
Carmine Francella	-	8,528	5,421	8,323	5,420	10,840
Alison Harnick	-	7,284	8,560	7,043	4,586	9,173
Total	-	153,675	92,956	122,927	123,138	135,086

- (3) Value represents the number of unit-based awards that have not vested multiplied by the closing price of the Trust Units on the TSX on December 31, 2021, \$18.86. In the case of PTUs, the performance adjustment factor of 100% is applied in order to determine the value of the award.
- (4) Mr. Downey succeeded Ms. Brekken in the role of Executive Vice President, Enterprise Strategies and Chief Financial Officer after a two-month transition period from January 1, 2021-February 28, 2021 when Ms. Brekken retired. In accordance with the terms of Ms. Brekken's Transition Agreement and previous employment agreement: (i) Ms. Brekken was eligible to exercise her vested stock options prior to the earlier of (a) the option expiry date; or (b) the close of business on May 31, 2021 and unvested stock options were forfeited, (ii) Ms. Brekken's RTUs and PTUs shall vest on the scheduled vesting dates as if Ms. Brekken continued to be actively employed until each respective vesting date and paid out at the same performance adjustment level as other members of the executive leadership team. For more information, see *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

Incentive Plan Awards – Value Vested, Realized or Earned During 2021

The following table sets forth information concerning the value of option-based awards and unit-based awards of the NEOs that vested or was realized upon exercise or redemption (as applicable) during 2021, as well as the value of non-equity incentive plan compensation earned during 2021.

Name	Option-Based Awards – Value Vested During 2021 ⁽¹⁾ (\$)	Option-Based Awards – Value Realized Upon Exercise During 2021 ⁽²⁾ (\$)	Unit-Based Awards – Value Vested During 2021 ⁽³⁾ RTUs (\$)	Unit-Based Awards – Value Vested During 2021 ⁽³⁾ PTUs (\$)	Non-Equity Incentive Plan Compensation – Value Earned During 2021 (\$)
Adam E. Paul	-	-	-	576,000	1,162,900
Jordan Robins	-	-	-	155,100	547,700
Neil Downey	N/A	N/A	-	-	542,000
Kay Brekken ⁽⁴⁾	-	-	-	155,100	205,000
Carmine Francella	-	-	-	70,900	279,300
Alison Harnick	-	-	-	26,600	173,400

- (1) Value represents the difference between the closing price of the Trust Units 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 stock options that vested in 2021.
- (2) Value represents the difference between the closing price of the Trust Units 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. As at December 31, 2021, none of the stock options were in-the-money.
- (3) Value represents the number of unit-based awards that vested in 2021 multiplied by the Market Price (as defined in the RTU Plan) on the trading day immediately prior to the applicable vesting date.
- (4) Ms. Brekken was paid non-equity incentive compensation in accordance with her Transition Agreement. For more information, see *Executive Compensation – Termination and Change of Control Benefits – Transition Agreement*.

Termination and Change of Control Benefits

Mr. Paul, the President and Chief Executive Officer of First Capital REIT, has an employment contract with the REIT pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the REIT's annual incentive cash bonus plan and is eligible to participate in the REIT's long-term incentive programs based on his performance and commensurate with awards to other members of the REIT's executive leadership team as determined by the Compensation 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 RTUs, PTUs (performance adjustment factor determined in the sole and absolute discretion of the Compensation Committee for PTUs) and stock options vest immediately with RTUs and PTUs being redeemed immediately and stock 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 in respect of employees obligations and a confidentiality obligation. If he breaches any of these obligations, the REIT 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 REIT; (b) any action by the REIT 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 REIT to make any payments to Mr. Paul when due; (d) any breach by the REIT 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 trustee of the REIT; (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 trustees of the REIT 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.

Mr. Robins, the Executive Vice President and Chief Operating Officer of First Capital REIT, has an employment contract with the REIT pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the REIT's annual incentive cash bonus plan and is eligible to participate in the REIT's long-term incentive programs based on his performance and commensurate with awards to other members of the REIT's executive leadership team as determined by the Compensation 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 RTUs, PTUs (performance adjustment factor determined in the sole and absolute discretion of the Compensation Committee for PTUs) and stock options vest immediately with RTUs and PTUs being redeemed immediately and stock 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 one year post-termination non-competition and non-solicitation in respect of employees obligations and a confidentiality obligation. If he breaches any of these obligations, the REIT is entitled to injunctive relief and any further legal relief as may be applicable.

Mr. Downey, the Executive Vice President, Enterprise Strategies and Chief Financial Officer of First Capital REIT, has an employment contract with the REIT pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the REIT's annual incentive cash bonus plan and is eligible to participate in the REIT's long-term incentive programs based on his performance and commensurate with awards to other members of the REIT's executive leadership team as determined by the Compensation 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 two year's base salary, bonus, benefits and perquisites and all RTUs, PTUs (performance adjustment factor determined in the sole and absolute discretion of the Compensation Committee for PTUs)

vest immediately with RTUs and PTUs being redeemed immediately. Mr. Downey is subject to two-year post-termination non-competition and non-solicitation in respect of employees obligations and a confidentiality obligation. If he breaches any of these obligations, the REIT is entitled to injunctive relief and any further legal relief as may be applicable.

Mr. Francella, the Senior Vice President, Leasing of First Capital REIT, has an employment contract with the REIT pursuant to which he is paid an annual base salary, is entitled to receive a bonus under the REIT's annual incentive cash bonus plan and is eligible to participate in the REIT's long-term incentive programs based on his performance and commensurate with awards to other members of the REIT's executive leadership team as determined by the Compensation 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 RTUs, PTUs (performance adjustment factor determined in the sole and absolute discretion of the Compensation Committee for PTUs) and stock options vest immediately with RTUs and PTUs being redeemed immediately and stock options being exercisable until the earlier of: (a) 60 days after her date of termination; and (b) the original expiry of the awards. Mr. Francella is subject to one year post-termination non-competition and non-solicitation in respect of employees obligations and a confidentiality obligation. If she breaches any of these obligations, the REIT is entitled to injunctive relief and any further legal relief as may be applicable.

Ms. Harnick, the Senior Vice President, General Counsel and Corporate Secretary of First Capital REIT, has an employment contract with the REIT pursuant to which she is paid an annual base salary, is entitled to receive a bonus under the REIT's annual incentive cash bonus plan and is eligible to participate in the REIT's long-term incentive programs based on her performance and commensurate with awards to other members of the REIT's executive leadership team as determined by the Compensation Committee. Her employment contract also provides that if her employment is terminated without cause, or if she resigns for "good reason" (defined below) within 12 months following a change of control, she will be paid an amount equivalent to one year's base salary, bonus, benefits and perquisites and all RTUs, PTUs (performance adjustment factor determined in the sole and absolute discretion of the Compensation Committee for PTUs) and stock options vest immediately with RTUs and PTUs being redeemed immediately and stock options being exercisable until the earlier of: (a) 60 days after her date of termination; and (b) the original expiry of the awards. Ms. Harnick is subject to one year post-termination non-competition and non-solicitation in respect of employees obligations and a confidentiality obligation. If she breaches any of these obligations, the REIT is entitled to injunctive relief and any further legal relief as may be applicable.

Under the terms of Messrs. Robins', Downey's, Francella's and Ms. Harnick's employment contracts, "good reason" means: (a) a reduction of his or her salary by the REIT; (b) any action by the REIT 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 in which the NEO participates; (c) any failure by the REIT to make any payments to the NEO when due; (d) any breach by the REIT of any of its material obligations under the NEO's employment contract; (e) the relocation of the principal office at which the NEO's services are performed by more than 50 kilometres; (f) a material adverse change in the NEO's role, responsibilities or reporting relationship; and (g) any other reason which would be considered to constitute constructive dismissal by a court of competent jurisdiction.

Transition Agreement

On December 17, 2020, the REIT entered into a transition agreement with Ms. Brekken, our former Executive Vice President and Chief Financial Officer, that set out the terms for her continued employment for the period from January 1, 2020 to February 28, 2021 (the "Transition Period") and for the transition of duties and responsibilities to the new Executive Vice President, Enterprise Strategies and Chief Financial

Officer. Under the terms of the transition agreement, Ms. Brekken received: (a) salary continuance (at the same base salary as 2020) and vacation pay accrued to the end of the Transition Period; (b) \$80,000, which is an amount equal to Ms. Brekken's target short term incentive bonus for 2020, prorated for the Transition Period; (c) \$125,000, which is an amount equal to Ms. Brekken's long-term incentive bonus for 2020, prorated for the Transition Period and (d) other compensation of \$31,700, which includes Ms. Brekken's car allowance, RRSP contribution and benefits prorated for the Transition Period. Upon her retirement at the end of the Transition Period, Ms. Brekken was eligible to exercise her vested options prior to the earlier of (i) the option expiry date; or (ii) the close of business on May 31, 2021. Unvested options were forfeited. Pursuant to her employment agreement, Ms. Brekken's PTUs and RTUs will continue to vest on the scheduled vesting dates as if she continued to be actively employed until each respective vesting date and paid out at the same performance adjustment level as other members of the executive leadership team. As at December 31, 2021 Ms. Brekken's unvested PTUs and RTUs had a value of \$1,162,018 (assuming a performance adjustment factor for the PTUs of 100%).

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, 2021. 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, 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	<p>\$11,148,541 comprised of:</p> <ul style="list-style-type: none"> \$1,700,000 (2 x base salary) \$1,879,900 (2 x average bonus paid to employee for two most recently completed fiscal years) \$23,800 (2 x annual cost of benefit plans premiums for employee) \$91,600 (cost of perquisites for 24 months, including RRSP contributions and car allowance) \$6,202,447 (dollar value of all accelerated PTUs – all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment) \$1,250,795 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021) 	\$1,250,795 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021)	<p>In case of death \$6,202,447 (dollar value of accelerated PTUs – all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of death).</p> <p>In case of retirement, PTUs granted continue to vest in accordance with the terms of the RTU Plan as if Mr. Paul continued to be actively employed by First Capital REIT.</p>

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

Jordan Robins

Name	Termination Without Cause, 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	<p>\$3,444,930 comprised of:</p> <ul style="list-style-type: none"> \$510,000 (1 x base salary) 	\$408,914 (the in the money amount as at December 31, 2021 of all stock options which	In case of death \$2,009,116 (dollar value of accelerated PTUs – all PTUs (and related distribution units) are accelerated and vest

Name	Termination Without Cause, Resignation for Good Reason ⁽¹⁾ within 12 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Chief Operating Officer	<ul style="list-style-type: none"> \$465,100 (1 x average bonus paid to employee for two most recently completed fiscal years) \$12,000 (cost of benefit plans premiums for 12 months) \$39,800 (cost of perquisites for 12 months, including RRSP contributions and car allowance) \$2,009,116 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment) \$408,914 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021) 	were unvested on December 31, 2021)	<p>immediately prior to the date of termination of employment).</p> <p>In case of retirement, PTUs granted continue to vest in accordance with the terms of the RTU Plan as if Mr. Robins continued to be actively employed by First Capital REIT.</p>

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

Neil Downey⁽¹⁾

Name	Termination Without Cause, Resignation for Good Reason ⁽²⁾ within 12 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Neil Downey, Executive Vice President, Enterprise Strategies and Chief Financial Officer	<p>\$3,233,718 comprised of:</p> <ul style="list-style-type: none"> \$1,000,000 (2 x base salary) \$1,084,000 (2 x average bonus paid to employee for two most recently completed fiscal years) \$21,600 (cost of benefit plans premiums for 24 months) \$79,600 (cost of perquisites for 24 months, including RRSP contributions and car allowance) \$1,048,518 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment) 	\$0	<p>In case of death \$1,048,518 (dollar value of accelerated PTUs – all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment).</p> <p>In case of retirement, PTUs granted continue to vest in accordance with the terms of the RTU Plan as if Mr. Downey continued to be actively employed by First Capital REIT.</p>

(1) Mr. Downey’s employment did not begin until January 1, 2021 and Ms. Brekken, the REIT’s former Executive Vice President and Chief Executive Officer entered into a Transition Agreement with the REIT on December 17, 2020. Therefore, the details reflect Mr. Downey’s termination and change of control payments as of March 31, 2021.

(2) See *Executive Compensation – Termination and Change of Control Benefits* for the definition of “good reason”.

Carmine Francella

Name	Termination Without Cause, Resignation for Good Reason⁽¹⁾ within 12 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Carmine Francella, Senior Vice President, Leasing	<p>\$1,450,171 comprised of:</p> <ul style="list-style-type: none"> • \$350,000 (1 x base salary) • \$205,300 (1 x bonus paid to employee for the most recently completed fiscal year) • \$11,800 (cost of benefit plans premiums for 12 months) • \$39,800 (cost of perquisites for 12 months, including RRSP contributions and car allowance) • \$726,722 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment) • \$156,349 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021) 	\$156,349 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021)	<p>In case of death \$726,722 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment).</p> <p>In case of retirement, PTUs granted continue to vest in accordance with the terms of the RTU Plan as if Mr. Francella continued to be actively employed by First Capital REIT.</p>

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

Alison Harnick

Name	Termination Without Cause, Resignation for Good Reason⁽¹⁾ within 12 months following a Change of Control, or Disability	Change of Control	Death or Retirement
Alison Harnick, Senior Vice President, General Counsel and Corporate Secretary	<p>\$1,301,631 comprised of:</p> <ul style="list-style-type: none"> • \$320,000 (1 x base salary) • \$146,700 (1 x bonus paid to employee for the most recently completed fiscal year) • \$11,500 (cost of benefit plans premiums for 12 months) • \$39,800 (cost of perquisites for 12 months, including RRSP contributions and car allowance) • \$691,135 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment) • \$132,296 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021) 	\$132,296 (the in the money amount as at December 31, 2021 of all stock options which were unvested on December 31, 2021)	<p>In case of death \$691,135 (dollar value of accelerated PTUs - all PTUs (and related distribution units) are accelerated and vest immediately prior to the date of termination of employment).</p> <p>In case of retirement, PTUs granted continue to vest in accordance with the terms of the RTU Plan as if Ms. Harnick continued to be actively employed by First Capital REIT.</p>

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

TRUSTEE COMPENSATION AND MEETING INFORMATION

Compensation Discussion and Analysis

Trustee Compensation

First Capital REIT's trustee compensation philosophy integrates the following objectives:

1. to align the interests of the trustees with the interests of the REIT's unitholders;
2. to attract, retain and motivate trustees who will contribute to the success of the REIT;
3. to provide fair and competitive compensation that takes into account the time commitment, risks and responsibilities of trustees; and
4. to provide the types of compensation and the amounts paid to trustees of comparable publicly-traded Canadian entities.

HIGHLIGHTS OF TRUSTEE COMPENSATION

- 73% of fees were paid in DTUs.
- All trustees in 2021 met or exceeded equity ownership requirements, as applicable.
- The REIT has a compensation claw-back policy for senior management and trustees.
- Fixed annual retainer structure for trustee compensation.
- Trustees are not eligible participants in the Stock Option Plan.

We review our trustee compensation program regularly to ensure we stay competitive and can attract quality trustees to our Board. For the purposes of the trustee compensation program structure, the last change 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. There are additional retainer amounts for the Chair, chairs of Board committees 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 as we believe this structure of trustee compensation is best practice. The last change to compensation level was made effective January 1, 2021.

The Compensation Committee annually reviews the adequacy and form of trustees' compensation. In 2021, trustee compensation was comprised of the following components:

- An annual retainer for outside trustees (all trustees other than Mr. Paul) consisting of a fixed amount of cash and DTUs; and
- Additional annual retainer amounts for committee chairs (other than the Investment Committee Chair) and trustees that are members of two or more committees.

2021 Compensation Peer Group

The Compensation Committee considers the compensation of trustees of a group of peer REITs when reviewing the adequacy and form of our trustees' compensation. The REITs in the comparator group for trustee compensation are set out in the table below. This is the same as the executive compensation comparator group which was determined in consultation with the REIT's external compensation consultant based on several factors, including annual revenues, total assets, market capitalization, enterprise value, funds from operations, characteristics of assets, geography of operations and corporate ownership structure. Specifically scoping criteria of 0.5x to 2x total enterprise value was applied.

The Compensation Peer Group consists of a broad group of similar-sized organizations across a related industry scope. A subset of that group, comprised of Canadian publicly traded REITs, was then further analyzed. The subgroup is the same as our 2020 pay peer group and did not change for 2022. The Compensation Peer Group for 2021 is set out below:

2021 Compensation Peer Group	
Allied Properties REIT ⁽¹⁾	FirstService Corporation
Canadian Apartment REIT ⁽¹⁾	H&R REIT ⁽¹⁾
Chartwell Retirement Residences ⁽¹⁾⁽²⁾	IGM Financial Inc.
Choice Properties REIT ⁽¹⁾	Metro Inc.
CI Financial Corp.	RioCan REIT ⁽¹⁾
Colliers International Group Inc.	SmartCentres REIT ⁽¹⁾
Dollarama Inc.	Stantec Inc.
Empire Company Limited	WSP Global Inc.

(1) Canadian REIT Subgroup.

(2) Additional REIT peer vs. 2020 peer group.

To ensure that trustee pay programs are competitive, the REIT assesses compensation levels compared to the marketplace on an annual basis. The Compensation Committee reviewed benchmarking reports with respect to 2021 compensation where the trustee compensation for the REIT was compared with the Compensation Peer Group. As a result of this review, in February 2020, with input from the REIT's external compensation consultant, the Compensation Committee approved an increased compensation for trustees which was more aligned with the REIT's peers. However, due to the negative impact of COVID-19 on the REIT's business starting in March 2020, the Compensation Committee decided to delay the implementation of this increase until 2021.

The following table sets out the fees our outside trustees (i.e., all trustees other than Mr. Paul) were entitled to receive in 2021. For a summary of the compensation earned by Mr. Paul for the year ended December 31, 2021, see *Executive Compensation – Summary Compensation Table for NEOs*.

TRUSTEE FEES	FEE AMOUNT
Annual Retainer – Board Chair	\$275,000
Annual Retainer – Outside Trustees	Total of \$165,000 - 40% in cash and 60% in DTUs
Annual Retainer if serving on two or more committees of the Board	\$5,000 (\$5,000 less if serving on less than two committees of the Board)
Annual Retainer – Audit Committee Chair	\$25,000
Annual Retainer – Compensation Committee Chair	\$15,000
Annual Retainer – Corporate Governance Committee Chair	\$15,000

Trustee Compensation Table

The table below shows fees earned by each outside trustee of the REIT and former directors of the Company (i.e., all trustees and former directors other than Mr. Paul) in 2021, based on the fee schedule. Of total compensation payable to outside trustees in 2021, 73% was paid in the form of DTUs. For a summary of the compensation earned by Mr. Paul for the year ended December 31, 2021, see *Executive Compensation – Summary Compensation Table for NEOs*.

OUTSIDE TRUSTEE ⁽¹⁾	ANNUAL CASH RETAINER (\$)	ANNUAL DTU RETAINER (\$)	COMMITTEE CHAIR FEES (\$)	COMMITTEE MEMBER FEES (\$)	TOTAL COMPENSATION (\$)	PERCENTAGE OF TOTAL COMPENSATION	
						CASH	DTUs ⁽²⁾
Leonard Abramsky	66,000	99,000	-	5,000	170,000	42%	58%
Sheila Botting	33,582	50,374			83,956	40%	60%
Ian Clarke	33,582	50,374			83,956	40%	60%
Paul Douglas	66,000	99,000	-	5,000	170,000	0%	100%

Jon Hagan	31,549	97,324	-	2,390	131,263	26%	74%
Annalisa King	66,000	99,000	15,000	-	180,000	0%	100%
Al Mawani	66,000	99,000	25,000	-	190,000	0%	100%
Bernard McDonell	151,724	123,276	-	-	275,000	55%	45%
Dori Segal	30,593	45,890	-	-	76,483	40%	60%
Andrea Stephen	66,000	99,000	15,000	-	180,000	27%	73%
Total	611,030	862,238	55,000	12,390	1,540,658	27%	73%

(1) Messrs. Hagan and Segal did not stand for re-election at the 2021 Annual General Meeting of Unitholders.

(2) In 2021, trustees were entitled to elect to receive any portion (up to all) of their fees in the form of DTUs. The minimum amount of fees that was to be paid in the form of DTUs was \$65,000 per year, but the majority of the trustees had elected to receive more than the minimum requirement. Ms. King and Messrs. Mawani and Douglas had elected to receive 100% of their compensation in DTUs. Their election continued in 2022 and will continue until they advise otherwise or retire from the Board.

Board Meetings Held and Attendance

The table below provides a summary of the attendance of trustees at Board and committee meetings held during the year ended December 31, 2021. Attendance is a critical element for trustees to perform their duties and responsibilities. Trustees 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												
TRUSTEE	BOARD MEETINGS		AUDIT COMMITTEE MEETINGS		COMPENSATION COMMITTEE MEETINGS		CORPORATE GOVERNANCE COMMITTEE MEETINGS		INVESTMENT COMMITTEE MEETINGS ⁽¹⁾		OVERALL	
Bernard McDonell	15/15	100%	N/A	N/A	4/4	100%	N/A	N/A	N/A	N/A	19/19	100%
Adam E. Paul	15/15	100%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15/15	100%
Leonard Abramsky	15/15	100%	N/A	N/A	4/4	100%	N/A	N/A	N/A	N/A	19/19	100%
Sheila Botting ⁽²⁾	4/4	100%	N/A	100%	N/A	N/A	1/1	100%	N/A	N/A	5/5	100%
Ian Clarke ⁽²⁾	4/4	100%	1/1	100%	N/A	N/A	N/A	100%	N/A	N/A	5/5	100%
Paul Douglas	15/15	100%	4/4	100%	N/A	N/A	4/4	100%	N/A	N/A	23/23	100%
Annalisa King	15/15	100%	4/4	100%	N/A	N/A	4/4	100%	N/A	N/A	23/23	100%
Al Mawani	15/15	100%	4/4	100%	4/4	100%	N/A	N/A	N/A	N/A	23/23	100%
Andrea Stephen	15/15	100%	N/A	N/A	4/4	100%	4/4	100%	N/A	N/A	23/23	100%
OVERALL ATTENDANCE RECORD	100%		100%		100%		100%		100%		100%	

(1) The Investment Committee did not meet in 2021 and handled all transactions by way of written resolution within its approval threshold for consideration (\$30 million to \$90 million for income producing properties and \$10 million to \$30 million for vacant land).

(2) The number of meetings has been prorated to reflect the period in which Ms. Botting and Mr. Clarke were members of the Board (following the 2021 annual general meeting on June 20, 2021).

Trustees' Deferred Trust Unit Plan

Pursuant to the Arrangement, the former deferred share unit plan ("DSU Plan") was replaced by the Deferred Trust Unit Plan ("DTU Plan"), effective December 30, 2019, to provide for the issuance of Trust Units (among other housekeeping changes) and in connection therewith, each outstanding deferred share unit ("DSU") was exchanged for one deferred trust unit ("DTU") and each DSU was cancelled. The material terms and conditions of the replacement DTUs are substantially the same as the DSUs for which they were exchanged, except that DTUs must always be settled in Trust Units issued from treasury, and such DTUs will

be governed by the terms of the DTU Plan. References herein to DTUs granted prior to December 30, 2019 refer to DSUs.

The Board has delegated to the Compensation Committee responsibility for administering the DTU Plan. The DTU Plan was implemented in order to align the long-term interests of the trustees with the long-term interests of the REIT's unitholders.

Form of award	<p>A portion of all non-employee trustees' annual retainer is paid in the form of DTUs, and they may elect to receive up to 100% of their other trustees' compensation in the form of DTUs. Each DTU represents the right of the eligible trustee to receive, on a deferred basis, an award of one Trust Unit issued from treasury.</p> <p>DTUs are granted on the business day immediately following the last day of each fiscal quarter. The number of DTUs granted to each non-employee trustee who elects to receive DTUs is determined by dividing the amount of the trustee's quarterly remuneration to be provided in DTUs by the weighted average trading price of the Trust Units on the TSX for the ten trading days ending on the trading day immediately preceding the date of grant of the DTUs. When a distribution is paid on the Trust Units, each non-employee trustee is allocated additional DTUs equal in value to the distribution paid on an equivalent number of Trust Units. DTUs are fully vested on the date of grant.</p>
Who participates	All non-employee trustees.
Cessation as an Outside Trustee	<p>If a non-employee trustee ceases, for any reason except as a result of death, to be a trustee of the REIT or any subsidiary of the REIT, the DTUs held by such non-employee trustee will be credited upon the earlier of (i) the REIT's receipt of notice by the trustee of an intention to redeem such DTUs and (ii) December 15 of the first calendar year commencing after the date that the non-employee trustee retires from or otherwise ceases to hold such positions. Such credited DTUs shall be redeemed within seven days of the date the DTUs are credited. In the event of death of a non-employee trustee, the REIT will redeem all DTUs held by the non-employee trustee within 90 days of the death.</p>
Payout	Each DTU will be redeemed for one Trust Unit. Non-employee trustees pay a nil purchase price for Trust Units acquired on the redemption of DTUs. When a non-employee trustee ceases to be a member of the Board, DTUs can be redeemed.
Assignment	DTUs are not assignable or transferable other than by will or the laws of descent and distribution.

The DTU Plan was recently amended on March 1, 2021 to change the definition of "market price" from five-day VWAP to ten day VWAP to minimize the impact of market volatility and for consistency with the RTU Plan. The full text of the recently Amended and Restated DTU Plan was publicly filed on March 19, 2021 and is available on SEDAR under First Capital REIT's issuer profile at www.sedar.com.

Subject to unitholders passing the DTU Plan Resolution at the Meeting, the maximum number of Trust Units approved for issuance under the DTU Plan will increase from 815,000 to 1,115,000 Trust Units, representing less than 1% of the issued and outstanding Trust Units as of the date hereof.

The REIT granted an aggregate of 64,654 DTUs on March 31, June 22, June 30, September 30, and December 31, 2021, to its trustees in respect of their quarterly remuneration to be provided in DTUs. The REIT also expects to grant approximately 1,500 additional DTUs as distribution equivalents in connection with the REIT's regular monthly distributions in May and June of this year. Consequently, 2,315 Trust Units underlying these grants (the "Excess DTU Awards") will be in excess of the DTU Plan's current Trust Unit reserve of 815,000 Trust Units. Pursuant to the rules of the TSX, the Excess DTU Awards cannot be settled in Trust Units until such time that unitholders of the REIT have approved and ratified the grants. Should unitholders fail to approve the grants of the Excess DTU Awards pursuant to the DTU Plan Resolution, these awards may not be settled in treasury issued Trust Units.

Limits

Subject to the overall limit on the number of Trust Units issuable under the DTU Plan, the maximum number of Trust Units available for issuance under the DTU Plan to:

- (i) any one participant is 5% of the then issued and outstanding Trust Units; and
- (ii) insiders of the REIT is 10% of the then issued and outstanding Trust Units.

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

The following table sets out the number of Trust Units previously issued and available for future issuance under the DTU Plan.

As at December 31, 2021	Number of Trust Units	
	Number	As % of Outstanding
Maximum number of Trust Units approved for issuance under the DTU Plan	815,000	0.37%
Number of DTUs previously granted under the DTU Plan but not yet redeemed	319,154	0.15%
Number of Trust Units that remain available for future grants of DTUs under the DTU Plan	-815	0%

Annual Burn Rate under the DTU Plan as of December 31, 2021

Year	Number of DTUs Granted	Burn rate (as % of weighted average number of Trust Units outstanding during the applicable fiscal year)	Weighted average number of Trust Units outstanding during the applicable fiscal year
2021	64,654	0.03%	219,547,298
2020	59,090	0.03%	219,419,356
2019	31,009	0.01%	229,399,779

Amending, Suspending or Terminating the DTU Plan

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

Unitholder approval is required to make the following amendments to the DTU Plan:

- increasing the number of Trust Units that can be issued under the DTU Plan, including an increase to a fixed number of Trust Units or a change from a fixed maximum number of Trust Units to a fixed maximum 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 DTU, except by testate or intestate succession;
- any amendment to remove or exceed the insider participation limit;
- changing the provisions for amending, suspending or terminating the DTU Plan; and
- amendments required to be approved by unitholders under applicable law.

Unitholder approval is not required to make other amendments to the DTU 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 DTU Plan.

Incentive Plan Awards - DTUs

The below table sets forth the following information concerning DTUs held by the non-employee trustees.

- *Unit-based awards – Value Vested during the Year* is the amount that non-employee trustees received in DTUs in 2021, valued as of the grant dates. It includes all of the DTUs that vested as of the grant date and DTUs granted as dividend/distribution equivalents in 2021.
- *Unit-based awards – Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed* are all of the trustees' DTUs outstanding as at December 31, 2021. DTUs are not paid out until the trustee ceases to be a member of the Board. The DTUs were valued at \$18.86 the closing price of the Trust Units on the TSX on December 31, 2021.

Name	Unit-Based Awards (DTUs)	
	Value Vested during the Year ⁽¹⁾ (\$)	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed (DTUs Outstanding) (\$)
Leonard Abramsky	103,153	239,315
Sheila Botting	50,547	52,846
Ian Clarke	50,547	52,846
Jon Hagan	130,421	-
Paul Douglas	176,870	400,228
Annalisa King	195,193	749,044
Al Mawani	201,003	583,906
Bernard McDonell	185,036	2,622,426
Dori Segal	48,765	139,149
Andrea Stephen	157,894	1,179,486

- (1) DTUs vest immediately upon grant and they are redeemable only upon retirement or other cessation from the Board. Includes all of the DTUs that vested as of the grant date and DTUs granted as distribution equivalents in 2020, in each case valued as of the grant dates.

EQUITY COMPENSATION PLAN INFORMATION

The table below provides information as at December 31, 2021 regarding Trust Units that may be issued under the REIT's equity compensation plans.

	Number of securities to be issued upon exercise of outstanding stock options / redemption of outstanding units	Weighted-average exercise price of outstanding stock options/ units	Number of securities remaining available for future issuance under equity compensation plans (excluding securities which may be issued in connection with outstanding stock options / units)
Equity compensation plans approved by security holders			
Stock Option Plan	6,337,274	\$19.75	6,636,137
DTU Plan	319,154	N/A	-815
RTU Plan (including PTUs)	879,087	N/A	280,943
Equity compensation plans not approved by security holders	--	--	--
Total	7,535,515	N/A	6,916,265

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 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*.

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 unitholders. 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 trustees on an annual basis. To facilitate this review, trustees are asked to provide the Board with full information regarding their business and other relationships with the REIT and our affiliates and with executives and their affiliates. Trustees 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 trustee and determined that the majority of the Board nominees (eight out of nine) are independent. Mr. Paul, the President and Chief Executive Officer of the REIT is not considered independent. The independent trustees are Ms. Botting, King and Stephen and Messrs. Abramsky, Clarke, Douglas, Mawani and McDonell.

Mandate of the Board of Trustees

The Board has adopted a formal written mandate (the "Board Mandate") which reflects the REIT'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 Corporate Governance Committee reviews the Board Mandate annually, or more often if

HIGHLIGHTS OF CORPORATE GOVERNANCE

- Entirely independent Audit, Compensation and Corporate Governance committees.
- 33% of trustees are women and 22% visible minorities.
- Significant equity ownership requirements.
- Equity 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 trustees.
- Anti-hedging policy.
- Succession planning for the President and Chief Executive Officer and other executives undertaken by the Board and the Corporate Governance Committee annually.
- All committees have a written charter.
- Board Diversity Policy.
- Board Conflicts of Interest Policy.
- Position descriptions for each of the Chair, Chief Executive Officer and Chief Financial Officer.

warranted, and recommends to the Board such changes as it deems necessary and appropriate in light of the REIT's needs and legal and regulatory developments.

The Board supervises the conduct of the affairs of the REIT directly and through its committees. In so doing, the Board endeavours to act always in the best interest of the REIT. In addition, the Board recognizes the importance of enhancing value for all unitholders. In carrying out its responsibilities, the Board appoints executives of the REIT 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 2021, the Board held a total of 15 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, environmental and climate 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 corporate culture, employee engagement; diversity and inclusion and health and safety; (f) overseeing unitholder, 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 unitholders, including annual and interim financial statements, as well as materials prepared for unitholders' meetings. The Board also approves our overall business strategies and annual business plans for achieving the REIT's objectives.

The quorum for the transaction of business at any meeting of the Board consists of a majority of the trustees of the Board (provided a majority of the trustees 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 Committee Chairs (Audit Committee, Compensation Committee, 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 trustees and officers. These position descriptions are reviewed by the Corporate Governance Committee from time to time.

Board Succession and Renewal

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

Board Composition

The Corporate Governance Committee is currently composed entirely of independent trustees. 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 trustees. The Committee will identify, evaluate and recommend trustee nominees with the assistance of management, other trustees and outside advisors, as appropriate. The Committee supports the appointment of independent trustees and trustees 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 trustees, together with their municipality and country of residence, year first elected or appointed as a trustee, principal occupation, other principal directorships and committee memberships, if applicable, are set out under *Business of the Meeting – Election of Trustees*. Also indicated for each proposed trustee is the number of Trust Units, DTUs and other securities of the REIT beneficially owned, directly or indirectly, or over which control or direction was exercised, by the trustees as at the close of business on May 10, 2022.

Nine trustees have been proposed for re-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 trustees proposed for re-election to the Board, three, or 33%, of such trustees are women and two, or 22%, are visible minorities. Mr. Paul is currently considered a non-independent trustee. The eight remaining trustees are considered independent and three, or 38%, of the independent trustees are women and two, or 25%, are visible minorities.

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 and Management Diversity

First Capital REIT endorses the principle that its Board and management should have a balance of skills, experience and diversity of perspectives appropriate to the business. The REIT believes that having a wide range of perspectives and being able to draw upon a diverse set of competencies and knowledge is essential to effectively address the evolving nature and complexity of its business. With this in mind, 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 trustee identification and selection process. Additionally, experiential attributes, such as functional and industry experiences, accomplishments and education as well as demographic, age and personal attributes are also regarded as important aspects to ensuring diversity pursuant to the Board Diversity Policy.

The REIT 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 trustee 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 specific formal targets for board representation of women, Aboriginal peoples (being Indian, Inuit, Métis), persons with disabilities⁽¹⁾ and members of visible minorities (persons other than Aboriginal peoples who are non-Caucasian in race or non-white in colour) (together the “designated groups” as defined under Article 3 of the *Employment Equity Act* (Canada)), as diversity is already an important factor that is considered in the trustee identification process and ultimately because the Board believes its Board evaluation and nomination process, together with the implementation of its written Board Diversity Policy, is robust and, in fact, does consider and result in diversity on the Board. The 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.

(1) “Persons with disabilities” is defined as meaning persons who have a long term or recurring physical, mental, sensory, psychiatric or learning impairment and who: (i) consider themselves to be disadvantaged in employment by reason of that impairment, or (ii) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of

that impairment. This definition also includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.

The Trust is committed to an inclusive and diverse workplace and recognizes that diversity is an important consideration in creating and maintaining an effective senior management team. The Trust has not adopted a formal diversity policy or specific diversity targets for senior management as it feels that the skills, experience, expertise, character and behavioral qualities of an individual candidate are most important in determining the value that an individual could bring to the Trust as members of senior management.

Over the course of 2021, the Trust surveyed the Board nominees and senior management to determine the number and proportion of individuals that self-identified as belonging to one or more of the designated groups. Participation in the survey was voluntary and, as such, the results represent only those individuals who elected to participate and may not be entirely representative of the designated groups at the Board and senior management level.

The Trust has three trustee nominees that have identified as women, representing approximately 33% of the Board and two trustee nominees that have identified as visible minorities, representing approximately 22% of the Board. No trustee nominee has identified as an aboriginal person or a person with disabilities.

The Trust's senior people managers represent approximately 15% of its total employee base and is comprised of 54 employees holding the titles of Director, Senior Director, Vice President, Senior Vice President, Executive Vice President and President and CEO. This group of senior employees has: 30 women, representing approximately 56% senior employees and seven individuals who have identified as visible minorities, representing approximately 14% of senior employees. No member of this group of senior employees has identified as an aboriginal person or as a person with disabilities. The Trust is committed to ensuring it attracts and retains the most highly qualified and experienced trustees, executive and senior management and recognizes that diversity is an important consideration in creating and maintaining an effective Board, executive and senior leadership team.

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, 2021, the following are statistics derived from our operations which we believe demonstrate our positive record with respect to gender diversity:

- women represented approximately 59% of our workforce (including full-time, part-time and contract employees);
- 3 out of 7, or 43%, of executives on our executive leadership team were women. 1 out of 5, or 20%, of our NEOs were women. Executive officer and director positions in respect of our major subsidiaries are drawn from the same executive leadership team;
- 30 out of 54, or 56%, of senior people managers were women; and
- 59% of professional/technical and middle management roles were held by 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 and senior leadership teams, we have an existing ingrained culture and strong record of promoting gender diversity at all levels throughout the organization.

Board Conflicts of Interest Policy

Trustees have a duty to ensure the integrity of the decision-making processes of the Board and that they and other members of the Board are free from conflict or potential conflict in their decision-making. It is also the fiduciary duty of the trustees that conflicts of interest be avoided. It is important that all trustees understand their obligations when a conflict of interest or potential conflict of interest arises.

To complement these obligations, the Board has adopted a specific Conflicts of Interest Policy which applies to all trustees of First Capital REIT and directors of its subsidiaries. Trustees shall disclose any conflicts or potential conflicts to the Chair of the Board and the Chair of the Corporate Governance Committee at the earliest possible time. In addition, given the nature of the REIT's business, each trustee is required to provide the REIT with a list of properties located in Canada in which they may have an ownership interest, directly or indirectly, with the exception of their principal residence, or properties owned for personal use. If a trustee is considering acquiring any property other than a principal residence or properties owned for personal use, he/she shall disclose such intention to the REIT's CEO on a confidential basis and obtain consent to proceed. If consent is not provided, the matter shall be referred to the Corporate Governance Committee for consideration at the request of the trustee and/or the CEO.

Recruitment of Trustees

The Corporate Governance Committee, which is currently composed entirely of independent trustees, is responsible for identifying and recommending to the Board appropriate candidates to serve as trustee.

The Board, with the input of the Corporate Governance Committee, has focused on Board renewal over the past several years. As part of this renewal effort, two new independent trustees were appointed in 2019. In 2021, the Corporate Governance Committee engaged Spencer Stuart & Associates (Canada) Ltd. ("Spencer Stuart") to assist with the search for new independent nominees. As part of this search, the Corporate Governance Committee identified the relevant skills and knowledge needed on the Board and established recruitment priorities for Spencer Stuart to pursue. Spencer Stuart worked with the Corporate Governance Committee over a period of three months to identify a short-list of candidates from a larger group composed of candidates surfaced by the REIT's current board members as well as Spencer Stuart. Each member of the Corporate Governance Committee, the Chair of the Board and the REIT's Chief Executive Officer reviewed and met with the top candidates. After careful consideration and deliberation, the Board ultimately determined to invite two new independent trustees to stand for election in 2021 and were voted in on June 22, 2021. Further information on each of the Board nominees is set out in the "Election of Trustees" section of this Circular.

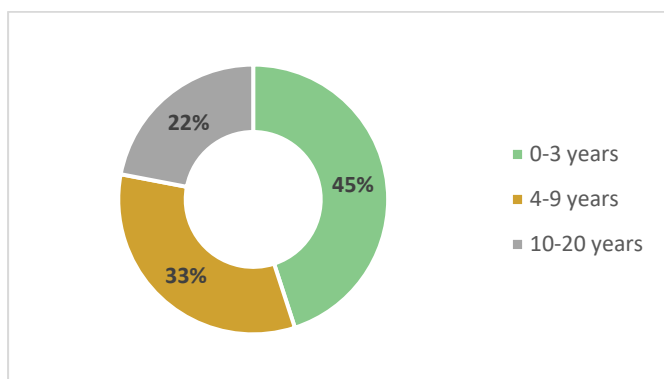
The total compensation paid to Spencer Stuart in 2021 was \$214,700.

Retirement Policy and Term Limits

The Board has not adopted a mandatory retirement policy or term limits for trustees. It believes that such arbitrary limits are not the most effective means of ensuring Board renewal and could result in a loss of trustees who have developed, over time, valuable insight into our strategy, business and operations and who have an institutional memory from which the Board and management can benefit. The Board believes that it has pursued meaningful Board renewal (described above) in the absence of a mandatory retirement policy or term limits.

Board Tenure

The chart below shows the tenure of our Board as of May 10, 2022 and following the Meeting (subject to the election of all trustee 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. McDonell has been the Chair of the Board since May 2019. As Chair of the Board, Mr. McDonell is responsible for the management, development and effective performance of the Board, and for providing leadership to the trustees in carrying out their collective responsibilities to provide a Board oversight role regarding the management of the business and affairs of the REIT. 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 trustee”, elect from among its independent members a Lead Trustee. Mr. McDonell held this position from March 2011 until his appointment as Chair of the Board in May 2019.

The Corporate Governance Committee 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 Corporate Governance Committee monitors relationships between the executive leadership team and the Board and recommends procedures to allow trustees to have access to, and an effective relationship with, executives.

As part of his responsibilities, the Chair of the Board will meet periodically with the other trustees to ensure that the Board and its committees are able to discharge their respective responsibilities independently of management. The independent trustees also meet separately and such meetings are chaired by the Chair of the Board, who informs management of the substance of these meetings to the extent that action is required by them. The Corporate Governance Committee and the Chair of the Board are each available as a forum for addressing the concerns of individual trustees. Individual trustees are also free to engage outside advisors, at the expense of the REIT, with Corporate Governance Committee authorization.

Attendance

Each trustee 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 REIT’s trustees for the year ended December 31, 2021 are set out under *Executive Compensation — Board Meetings Held and Attendance*.

Committees of the Board

The Board has established the following three standing committees:

- Audit Committee (four members);
- Compensation Committee (four members); and
- Corporate Governance Committee (four members).

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

	Board Committee Membership		
	Audit ⁽¹⁾	Compensation ⁽²⁾	Corporate Governance ⁽³⁾
Non-Independent Trustees			
Adam Paul			
Independent Trustees			
Leonard Abramsky		X	
Sheila Botting			X
Ian Clarke	X		
Paul Douglas	X		X
Annalisa King	X		Chair
Al Mawani	Chair	X	
Bernard McDonell (Board Chair)		X	
Andrea Stephen		Chair	X

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

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

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

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 Corporate Governance Committee recommends any changes to the Board. Below is a brief description of the responsibilities of each committee.

Audit Committee

The Audit Committee is currently composed of four trustees, all of whom are “independent” and all are “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 REIT’s financial statements;
- the REIT’s compliance with legal and regulatory requirements related to financial reporting;
- the internal audit function of the REIT;
- the qualifications, independence and performance of the REIT’s auditor;
- the design and implementation of internal controls and disclosure controls;
- risk management oversight including information security 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 REIT’s annual information form dated February 24, 2022, which is available under our issuer profile at www.sedar.com.

Compensation Committee

The Compensation Committee is currently composed of four trustees, all of whom are “independent”.

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

- selection and retention of senior management;
- evaluation and compensation of the chief executive officer;
- compensation of senior management;

- professional development for senior management;
- incentive compensation plans and equity-based plans;
- human resource strategies;
- employment agreements and severance arrangements;
- benefit plans and perquisites;
- reviewing, as appropriate, those risks in the enterprise risk management register, which have been assigned to the Compensation Committee and their trends, mitigations and impacts; and
- any additional matters delegated to the Compensation Committee by the Board.

See *Executive Compensation - Compensation Governance – Composition and Mandate of the Compensation Committee*.

Corporate Governance Committee

The Corporate Governance Committee is currently composed of four trustees, all of whom are “independent”.

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

- overall approach to corporate governance by overseeing good governance at the organizational level and ensuring that policies and procedures are in place that foster the long-term success of First Capital REIT in an ethical, prudent and responsible manner;
- identifying qualified candidates and recommending nominees for trustee, Board committee appointments, the appointment of a Lead Trustee (if the Chair of the Board is not independent) and oversight of the size, composition and structure of the Board and its committees;
- orientation and continuing education for all trustees;
- evaluations of the Board, Board committees, all individual trustees, the Board Chair, all Board committee chairs and the Lead Trustee (if one is appointed);
- to assist the Board through regular reviews of environmental, social, governance programs and activities;
- reviewing, as appropriate, those risks in the enterprise risk management register, which have been assigned to the Corporate Governance Committee and their trends, mitigations and impacts;
- related party transactions and other matters involving actual or potential conflicts of interest; and
- any additional matters delegated to the Corporate Governance Committee by the Board.

Investment Committee

The Investment Committee consisted of five trustees, including the Chair of the Board, the President and Chief Executive Officer and three other trustees who are “independent”.

The Investment Committee had 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, marketable securities and entering derivatives for hedging purposes. However, the Investment Committee was dissolved in early 2022 as the Board determined that it was no longer necessary and that it would directly oversee investment activity exceeding the thresholds delegated to management.

ESG & Climate Governance

Sustainability has always been integral to the responsible management of every aspect of our business and the mitigation of various risks. By taking a holistic approach to our environmental, social and governance (ESG) practices, we are focused on reducing our environmental impact while creating thriving and dynamic urban neighbourhoods and at the same time, delivering long-term value for our stakeholders. To support our commitment to sustainability, First Capital has established an Environmental, Social, Governance (ESG) governance structure that includes the Board of Trustees, members of the Executive Leadership team, dedicated full-time employees, an ESG Task Force and a Task Force on Climate-Related Financial Disclosures (TCFD).

Governance

Governance of ESG, including climate-related issues, occurs at the Board level. The Chair of the Governance Committee is directly responsible for oversight of ESG matters at the Board level. The Board regularly receives updates and presentations on ESG matters, annually at a minimum, from the FCR ESG team, and reviews environmental risks quarterly. We also engage external experts to provide climate-related education to the Board. In 2020 and 2021, the Board and Management team received several educational opportunities with respect to ESG matters, including presentations from the Canadian Climate Law Initiative to improve climate knowledge, the Canada Green Building Council, EY Canada and from First Capital's Senior Director, Sustainability.

The Board reviews First Capital's Risk Management Dashboard quarterly, which identifies climate change as a risk and includes risk mitigation activities. The Board monitors and oversees progress against goals and targets for addressing ESG initiatives, including climate-related initiatives, through annual progress updates on First Capital's 5-year ESG Roadmap, which is available on our website.

The Senior Vice President (SVP), Operations is the highest-level management position responsible for operational level ESG management at First Capital. The SVP, Operations is a member of the Executive Leadership Team and reports directly to the President & Chief Executive Officer (CEO). The role oversees all of First Capital's property operations nationally, as well as the environmental and sustainability programs.

Since 2010, First Capital has maintained a full-time senior leadership position responsible for the oversight of its ESG program. The Senior Director, ESG reports to the SVP, Operations. This leadership role is responsible for directing sustainability reporting initiatives and driving continuous ESG engagement and improvement at First Capital. This role is supported by a Manager, Energy & Sustainability and an ESG Programs Coordinator.

Ongoing oversight of ESG and climate-related issues is carried out by the ESG Taskforce, co-chaired by First Capital's Chief Operating Officer and Senior Director, Sustainability and attended by Executive and Senior leadership representatives from all areas of the business. The Taskforce meets quarterly and is the senior forum for developing and implementing ESG strategy and commitments, assessing and managing climate-related risks and opportunities, reviewing performance and integrating ESG practices and initiatives across the organization.

Strategy

In 2021, we performed a climate scenario analysis to assess the magnitude of the financial impacts associated with climate-related risks and opportunities. Climate-related risks and opportunities were considered over medium- and long-term time horizons, in 2035 and 2050, respectively. The horizons were defined to allow for significant time for climate-related risks and opportunities to manifest and to consider FCR's long-term growth strategy and building lifecycles. Climate scenario planning and preparation has been incorporated into the performance metrics for all employees in 2022 as well as the long-term incentive

performance adjustment factor for members of the executive team that receive PTUs as part of their compensation. Additional details on climate scenario planning and considerations may be found in our ESG Report on our website.

Risk Management

In 2021, FCR convened a TCFD Working Group, made up of executive and senior leadership team members from across business functions, to undertake a facilitated process of conducting a scenario analysis to assess the potential impacts of climate-related risks and opportunities on our business and portfolio. The objectives were to build foundational knowledge as it relates to the interconnectedness of GHG emissions reductions, climate risk management and scenario analysis, to assess the magnitude of climate-related risks and opportunities in two possible climate futures, and to evaluate the risks and opportunities that could potentially impact FCR's business and financial performance. Detailed information regarding the assessment of physical climate risks for our national portfolio may be found in our ESG report on our website.

The FCR enterprise risk management dashboard is updated regularly and presented to the Board quarterly. It identifies all material risks to FCR (climate change is among them) and includes 1) a heat map that plots the individual risks probability and impact rating and 2) a risk prioritization and mitigation report that prioritizes the risk rating from high to low depending on the rating value (Probability x Impact). The risk prioritization exercise occurs annually or when a significant event occurs that impacts multiple risks. On a quarterly basis, input from various levels of management participate to reassess, and validate for risk trending, potential increases or decrease of risk prioritization, based on events that may have occurred through the quarter. The CEO and CFO review the quarterly Risk Management Report prior to submission to the Governance Committee and the Board.

Metrics and Targets

Our commitment to advance ESG initiatives and address climate-related issues is embedded across the business and is a key metric in our annual Corporate Objectives. The performance against these ESG accountabilities is linked to the remuneration and performance evaluation of all employees, including NEOs, aiming to incentivise progress against our ESG commitments.

In 2021, 35% of the Corporate Objectives portion of our Company's bonus metrics were aligned with specific ESG-related initiatives, including achieving our 3-year carbon reduction target of 9%, completing our sustainable development framework and developing a multi-year TCFD disclosure alignment plan. In addition to short-term incentive compensation linked to annual ESG metrics, beginning in 2021, 12.5% of the performance adjustment factor for the REIT's long-term incentive program was linked directly to its greenhouse gas emissions reduction goals over the three-year vesting period for PTUs granted to the executive leadership team.

ESG Reporting

We have in place robust capabilities to measure and report on our progress and to continually assess and improve our environmental programs each year. The REIT is committed to transparency and ensuring that our sustainability reporting is accurate, meaningful and accessible to all stakeholders. The REIT published its first corporate responsibility and sustainability report in 2009. Since 2010, we have had a third-party conduct assurance on selected sustainability indicators, including greenhouse gas emissions and energy use. We have used the Global Reporting Initiative (GRI) framework for corporate responsibility reporting since 2011. In addition to GRI, we continue to monitor international reporting trends, including the work of the Sustainability Accounting Standards Board (SASB). Our 2021 ESG report included several disclosures recommended by the SASB. The REIT also responds annually to the Global Real Estate Sustainability Benchmark (GRESB) survey and the Carbon Disclosure Project's (CDP) Climate Change questionnaire.

FCR has been tracking and reporting on our GHG emissions since 2010, as well as conducting limited assurance. Further details on our GHG emissions can be found in our ESG report.

FCR has committed to the long-term goal of achieving net-zero emissions by 2050. In 2022, we plan to establish an interim 2030 emission reduction target that is aligned with the Science-Based Target Initiative, along with an asset action plan to achieve the target that includes operational efficiency, retrofit initiatives, enhancing construction standards, capital expenditures, renewable energy and carbon offset purchasing and renewable energy generation.

ESG Priorities and Progress

1. Environmental

- Reduce our carbon emissions and energy use:
 - 10% reduction in absolute greenhouse gas (GHG) emissions over 5 years (2015-2020).
 - Establishing near-term and long-term GHG reduction targets, with the goal of net-zero emissions.
 - Completed commitment to upgrade all parking lot and exterior lighting to energy efficient light emitting diode (LED) lamps by December 2020.
- Promote sustainable transportation:
 - Over 99% of our portfolio within a 5-minute walk of public transit.
 - Average Walk Score for our portfolio is 71 (very walkable).
 - Over 250 electric vehicle charging stations; goal to have electric charging stations installed at all our properties by 2024.
- Achieve green building certifications:
 - Achieve Building Owners and Managers Association's Building Environmental Standards (BOMA BEST) certification at all applicable properties; 87% of portfolio certified as of December 31, 2021.
 - Certify all new construction projects to Leadership in Energy and Environmental Design (LEED) standards (subject to tenant acceptance); approximately 20% of our portfolio (125 projects) is certified to LEED as of December 31, 2021.
 - First Canadian Retail REIT to achieve the WELL Health-Safety Rating for Facility Operations & Management from the International WELL Building Institute (IWBI) at 35 of our buildings totalling 7.1 million square feet.
- Effectively manage climate change risk and resilience:
 - Actively working to better understand the risks of climate change, incorporating this into our business continuity planning and in turn, increasing the resiliency of our properties and communities.
 - Became the first Canadian REIT to be a signatory in support of the Task Force on Climate-Related Financial Disclosures (TCFD) while establishing a concrete plan to align and improve upon our own disclosures.
 - Formed an FCR TCFD Task Force made up of senior leaders from across business functions. The Task Force performed a climate scenario analysis to assess the magnitude of the financial impacts associated with climate-related risks and opportunities.

2. Social

- Foster and engaged and diverse workforce:
 - Honouree in the Globe and Mail's "Women Lead Here" list for 2021 and 2020.
 - Strong gender diversity metrics achieved through all levels of the organization.
 - Signed the CEO pledge in support of The BlackNorth Initiative with the primary goal to take bold action on anti-black and other forms of systemic racism in Canada.
 - Launched the FCR Equity, Diversity and Inclusion (ED&I) Council and developed a three-year 2021-2023 ED&I Action Plan.
- Be one of the best places to work:
 - Recognized by the Globe and Mail as one of the Greater Toronto's Top Employers for 2022, 2021 and 2020.
 - Named one of Canada's Top Small and Medium Employers for 2022, 2021 and 2020.
 - Selected for inclusion in "The Career Directory" for 2021 as one of Canada's Best Employers for Recent Graduates.
 - Michele Walkau, Senior Vice President, Brand & Culture selected as one of 50 winners for Report on Business' 2021 Best Executive Awards for excellence in Human Resources.
 - Best in class employee engagement score in most recent employee survey.
- Be a good corporate citizen in the communities in which we operate:
 - Long-standing support of public arts, now with 29 installations across our portfolio.
 - Launched the FCR Thriving Neighbourhoods Foundation in 2020; employee-led charitable giving and volunteer program focused on community support.
 - FCR Thriving Neighbourhoods Foundation Fall fundraiser in support of Second Harvest raised over \$338,000, providing 939,168 meals to those in need.
 - Launched FCR's Small Business Support Program to assist qualifying tenants during the COVID-19 pandemic.
 - Supported eligible tenants through participation in Canada Emergency Commercial Rent Assistance Program.
 - Supported frontline and community service workers by delivering thousands of fresh meals in partnership with independent grocery and restaurant tenants.
 - Participation in numerous local neighbourhood and community volunteer events.

3. Governance

- Have a strong governance framework in place that:
 - Reflects our values.
 - Ensures effective corporate governance practices are followed.
 - Ensures the Board functions independently of management.
 - Ensures diversity is considered in determining optimal board composition.
- Strive to be a governance leader by making it a priority to:
 - Continuously adopt new and improved governance practices.
 - Follow recommendation as governance standards evolve.
- Monitor our progress:
 - Reviewing our annual governance scores from ISS, the Globe and Mail Board Games and other similar rankings with our Board.
 - Providing opportunities for our unitholders to communicate directly with our Board.

For additional information regarding our ESG practices, refer to the latest ESG Report on the REIT's website at www.fcr.ca/esg.

Enterprise Risk Management (ERM)

The Board of Trustees oversees the ERM activities of the REIT. Management reports to the Audit Committee and to the Board at least quarterly on ERM activities which consists of updates on existing key risks, changes in risk prioritization as identified, changes in risk trending quarter over quarter and identification and evaluation of emerging risks that may have a potential impact on the business of the REIT. The REIT's business is subject to certain risks including strategic, financial, operational, economic, regulatory, information security, environmental, reputational and other risks. For a detailed description of the risks that the REIT is facing, please refer to our annual information form dated February 24, 2022 and the management's discussion and analysis for the year ended December 31, 2021, which are available under our issuer profile at www.sedar.com.

The REIT completes a review of information technology risk assessment annually and provides training to employees periodically. The Board is briefed quarterly on information security matters and a working group comprised of members of the executive management team and the Board of Trustees is in the process of conducting a cyber security protocol planning exercise with input from external consultants in the first half of 2022. The REIT has never experienced any material information security breaches. The REIT obtained information security insurance coverage in 2021.

Internal Controls Over Financial Reporting

The Board is responsible for overseeing financial reporting to ensure compliance with audit, accounting rules, regulatory and reporting requirements. The Audit Committee evaluates the integrity and effectiveness of the REIT's internal controls over financial reporting and information systems.

The REIT has a Disclosure Committee which meets at least quarterly. Among other things, the Disclosure Committee reviews and confirms the following at least quarterly:

- That the Board has been informed of all significant corporate developments and material information.
- Whether there have been any:
 - Failures to make disclosure of Material Changes as required under securities laws;
 - Known occurrences of selective disclosure of material information;
 - Known misrepresentation in a News Release, Document or Oral Public Statement;
 - Cybersecurity breaches to the best of the committee's knowledge;
 - Fraud instances that the committee is aware of; and
 - Any other occurrences that require external disclosure.

The REIT has never experienced any material breaches of any of the above.

Executive Compensation and Succession Planning

The Compensation 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 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 Committee also annually reviews the adequacy and form of trustees' compensation.

The Compensation Committee is also responsible for reviewing the REIT's organizational structure, considering policies and principles for the selection and retention of executives and succession planning for

the executive leadership team. The Compensation Committee reviews and discusses succession planning issues for executives of the REIT 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 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.

Equity Ownership Guidelines

The Board believes that meaningful unit ownership by members of the REIT'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 trustees and executives with our unitholders and also enables them to share in the long-term growth and success of the REIT.

We have a Policy on Trustee and Executive Leadership Team Equity Ownership (the "Equity Ownership Policy") that applies to all trustees and to all members of the REIT's executive leadership team, including all NEOs.

- Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest in the REIT with a value equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant).
- The Chair of the Board is required to acquire and maintain an equity interest in the REIT with a value equal to six times his annual retainer (consisting of his annual cash retainer and DTU grant).
- Each member of the REIT's executive leadership team is required to accumulate, over time from grants under the REIT's RTU Plan and thereafter maintain RTUs, PTUs and Trust Units 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 REIT 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 Trust Units of the REIT acquired pursuant to the REIT's RTU Plan, other than dispositions as they may wish solely for the purpose of paying taxes associated with the vesting of RTUs or PTUs.

Title	Salary Multiple
President and Chief Executive Officer	6x annual salary
Executive Vice President	3x annual salary
Senior Vice President	1.5x annual salary

The value of DTUs, RTUs, PTUs (assuming performance adjustment factor of 100%) and Trust Units count towards meeting the Ownership Requirement. Unexercised stock options do not count toward the unit Ownership Requirement. The value of DTUs, RTUs, PTUs and Trust Units is deemed to be the market value at the relevant time.

CEO Equity Retention Requirements

The Equity Ownership Policy provides that the President and Chief Executive Officer continues to be subject to the applicable equity 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 REIT, 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 Trustee and Executive Unit Ownership

The following table sets out the ownership of Trust Units, RTUs, PTUs and DTUs by the applicable NEOs, trustees as at the close of business on May 10, 2022.

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 Chair of the Board	DTUs	141,872	\$2,077,006	6 times annual retainer	1,650,000	May 23, 2012	Yes	128% +\$465,304
	Trust Units	2,616	\$38,298					
	Total	144,488	\$2,115,304					
Adam E. Paul President and Chief Executive Officer and Trustee	PTUs	282,050	\$4,129,212	6 times annual salary	5,100,000	N/A ⁽⁵⁾	Yes	211% +\$5,685,259
	RTUs	171,323	\$2,508,169					
	Trust Units	283,325	\$4,147,878					
	Total	736,698	\$10,785,259					
Jordan Robins Executive Vice President and Chief Operating Officer	PTUs	85,878	\$1,257,254	3 times annual salary	1,530,000	N/A ⁽⁵⁾	Yes	207% +\$1,640,804
	RTUs	61,569	\$901,370					
	Trust Units	69,138	\$1,012,180					
	Total	216,585	\$3,170,804					
Neil Downey Executive Vice President, Enterprise Strategies and Chief Financial Officer	PTUs	24,924	\$364,887	3 times annual salary	1,500,000	N/A ⁽⁵⁾	Yes	141% +\$614,367
	RTUs	80,519	\$1,178,798					
	Trust Units	38,981	\$570,682					
	Total	144,424	\$2,114,367					
Carmine Francella Senior Vice President, Leasing	PTUs	32,248	\$472,111	1.5 times annual salary	525,000	N/A ⁽⁵⁾	Yes	178% +\$408,446
	RTUs	22,170	\$324,569					
	Trust Units	9,342	\$136,767					
	Total	63,760	\$933,446					
Alison Harnick Senior Vice President, General Counsel and Corporate Secretary	PTUs	27,502	\$402,629	1.5 times annual salary	480,000	N/A ⁽⁵⁾	Yes	161% +\$290,972
	RTUs	22,965	\$336,208					
	Trust Units	2,195	\$32,135					
	Total	52,662	\$770,972					
Leonard Abramsky Trustee	DTUs	14,158	\$207,273	6 times annual retainer	990,000 ⁽⁷⁾	June 4, 2024	Yes as applicable ⁽⁷⁾	100% -\$4,435 ⁽⁸⁾
	Trust Units	53,162	\$778,292					
	Total	67,320	\$985,565					
Sheila Botting Trustee	DTUs	4,903	\$71,780	6 times annual retainer	990,000 ⁽⁷⁾	June 22, 2025	Yes as applicable ⁽⁷⁾	7% -\$918,220 ⁽⁸⁾
	Trust Units							
	Total	4,903	\$71,780					
Ian Clarke Trustee	DTUs	5,030	\$73,639	6 times annual retainer	990,000 ⁽⁷⁾	June 22, 2025	Yes as applicable ⁽⁷⁾	11% -\$882,689 ⁽⁸⁾
	Trust Units	2,300						
	Total	7,330	\$107,311					
Paul C. Douglas Trustee	DTUs	23,736	\$347,495	6 times annual retainer	990,000 ⁽⁷⁾	June 4, 2024	Yes	124% +\$235,895
	Trust Units	60,000	\$878,400					
	Total	83,736	\$1,225,895					

Holdings ⁽¹⁾				Minimum Requirements				Comparison
Annalisa King Trustee	DTUs	42,530	\$622,639	6 times annual retainer	990,000 ⁽⁷⁾	Nov. 9, 2021	Yes as applicable ⁽⁷⁾	89% -\$108,804 ⁽⁹⁾
	Trust Units	17,661	\$258,557					
	Total	60,191	\$881,196					
Al Mawani Trustee	DTUs	33,843	\$495,462	6 times annual retainer	990,000 ⁽⁶⁾	May 29, 2023	Yes as applicable ⁽⁷⁾	76% -\$238,338 ⁽⁸⁾
	Trust Units	17,500	\$256,200					
	Total	51,343	\$751,662					
Andrea Stephen Trustee	DTUs	64,863	\$949,594	6 times annual retainer	990,000 ⁽⁶⁾	Jan. 9, 2017	Yes	129% +\$283,475
	Trust Units	22,123	\$323,881					
	Total	86,986	\$1,273,475					

- (1) Includes RTUs, DTUs, PTUs and Trust Units owned, controlled or directed, directly or indirectly by such person. For calculation purposes RTUs and PTUs are considered as vested and PTUs are deemed to have a 1.0x performance adjustment factor. See *Performance Trust Units* above.
- (2) For RTUs, DTUs and PTUs, includes accrued dividends and distributions.
- (3) Values are based on the closing price of the Trust Units on May 10, 2022 (\$14.64).
- (4) Values are based on 2021 salary or annual retainer, as applicable.
- (5) Officers of the REIT are required to acquire over time from grants under the RTU Plan and thereafter maintain RTUs, PTUs and Trust Units acquired (on an after-tax basis) through the vesting thereof with a value equal to the prescribed Salary Multiple.
- (6) In February 2020, the Compensation Committee approved an increased compensation for trustees which was more aligned with the REIT's peers. Because of the negative impact of the pandemic, the Compensation Committee decided not to implement the increased compensation in 2020. In March 2021, considering the improved economic conditions, the Compensation Committee decided to implement the increased compensation approved in 2020, effective January 1, 2021. See *Compensation Discussion and Analysis – Trustee Compensation* above. As a result of the increased annual retainer, the equity ownership requirement for trustees increased from \$690,000 to \$990,000.
- (7) Trustees are required to acquire within five years of the date of their appointment or election and thereafter maintain an equity interest with a value at least equal to six times their annual retainer (consisting of their annual cash retainer and DTU grant).
- (8) Mr. Mawani was elected as a director of the Company on May 29, 2018. He is required to meet his unit ownership requirements by May 29, 2023. Mr. Abramsky was elected as director of the Company on June 4, 2019. He is required to meet his unit ownership requirements by June 4, 2024. Ms. Botting and Mr. Clarke were elected as trustees of the REIT on June 22, 2021 and are required to meet their respective unit ownership requirements by June 22, 2026.
- (9) On May 2, 2022, the value of Ms. King's holdings complied with minimum requirements; however, due to market volatility during the first two weeks of May 2022, the closing price of the Trust Units, \$14.64, on May 10, 2022 has resulted in Ms. King's holdings falling below the minimum. The REIT was subject to its normal course quarterly blackout period leading up to this time and therefore Ms. King was not able to increase her holdings but has undertaken to do so as soon as possible.

Hedging

No trustee, officer or employee of the REIT or its affiliates, or any other person (or their associates) in a special relationship with the REIT, 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 REIT.

Board Evaluation

The 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 Corporate Governance Committee assesses 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 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. The 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 trustees. The

assessment is conducted internally by written self-assessment and peer reviews of the Board, its committees and individual trustees. These written reviews are then considered by the Corporate Governance Committee. Following review, the results of the assessments are considered by the Board and changes, as required, are implemented to improve Board performance and effectiveness. The Corporate Governance Committee periodically reviews the effectiveness of this process and recommends changes to the process where applicable.

Orientation and Continuing Education

We believe that well-informed trustees are essential for the effective performance of a board. Accordingly, all new trustees receive a comprehensive orientation, including an overview of First Capital REIT'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 Chair of the Board.

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

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

- Board members are provided an opportunity to meet individually in work sessions with executives to obtain further insight into the operations of the REIT, and are involved on a regular basis in discussions with management;
- Education is provided to trustees 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 REIT's expense. Conferences, seminars or courses can deal with any subject matter that is applicable to a trustee's role on the Board or a Board committee or to increase a trustee's knowledge of developments in the real estate industry.

During 2021, in addition to property tours attended by certain trustees at various times, the REIT organized the following presentations for its trustees:

Educational Presentations	Presented/ Hosted By	Date	Audience
Directors' and Officers' Insurance and Liability Trends	Marsh Canada	November 1, 2021	Corporate Governance Committee
Audit Committee Insight	Ernst & Young LLP	December 3, 2021	Independent Trustees

In addition to participating in the internal educational presentations listed above, Board members also participated in conferences, seminars and courses during 2021 presented or hosted by persons other than the REIT, including the following:

Educational Presentations	Presented/ Hosted By	Date	Attended By
Light at the End of the COVID Tunnel	CIBC/Roman Dubczak, head, Global Investment Banking	January 6, 2021	Ian Clarke
New Data, Trends, Research for CFOs	Gartner	January 14, 2021	Ian Clarke
Recent Developments in Corporate Governance & Importance of ESG	Fasken LLP	January 14, 2021	Al Mawani

What directors should know about the Social Purpose Beyond Profit debate	Institute of Corporate Directors	January 14, 2021	Annalisa King
Hostile takeovers and activism in a covid 19 world	Sidley Austin LLP	January 14, 2021	Andrea Stephen
ESG and the new social contract for business	CPA Ontario (Chartered Professional Accountants)	January 20, 2021	Al Mawani
GTAA Foresight: Phase 1a “What if scenarios and identify Strategies?”	Nikolas Badminton	January 20, 2021	Ian Clarke
Strategic and Ideation Session on Connected Digital Airport	KPMG	January 20, 2021	Ian Clarke
Strategic & Ideation Session on Healthy Airport	KPMG	January 22, 2021	Ian Clarke
Strategic & Ideation Session on Future of Retail	KPMG	January 26, 2021	Ian Clarke
Strategic and Ideation Session on Real Estate	KPMG	January 28, 2021	Ian Clarke
Commercial Leasing Outlook 2021	WeirFoulds LLP	January 28, 2021	Al Mawani
Top Priorities for CFOs & Finance Leaders in 2021	Gartner	January 28, 2021	Ian Clarke
Eurasia top risks report 2021	KPMG	January 28, 2021	Andrea Stephen
Institute of Corporate Directors (ICD)	ICD Rotman School of Business	January 29-31, 2021	Sheila Botting
Participation in the Committee’s Study of the Impacts of COVIC-19 on the Aviation Sector	Standing Committee on Transport, Infrastructure and Communities (TRAN)	February 2, 2021	Ian Clarke
Institute of Corporate Directors (ICD)	ICD Rotman School of Business	February 8-10, 2021	Sheila Botting
Chair Suite – Improving Chair performance – Session 3	Watson Inc.	February 9, 2021	Annalisa King
Board Oversight of Corporate Strategy (Instructor) – Session 1	Institute of Corporate Directors	February 11, 2021	Annalisa King
Energy and Transportation CEOs Roundtable with the Canada Infrastructure Bank	Canadian Chamber of Commerce	February 12, 2021	Ian Clarke
Accounting Innovation Research Conference	CPA Ontario/Rotman Business School	February 17,2021	Al Mawani
Future of GDP, Industry, Financial Markets and ESG	Stephen Poloz’s/Osler, Hoskin & Harcourt LLP	February 18, 2021	Ian Clarke
360 degree Governance	Rotman Business School	February 22, 2021	Al Mawani
Directors Education Program (DEP)	ICD Rotman School of Business	March 9-11 & 15-17 2021	Sheila Botting
How to prepare for 2021 proxy season	Glass Lewis	March 16, 2021	Andrea Stephen
Changing Nature of Workplace	Institute of Chartered Surveyors Americas	March 17, 2021	Sheila Botting
Presentation by Ed Sims, CEO, WestJet	GTAA Board Continuing Education Session	March 23, 2021	Ian Clarke

Cybersecurity	CPA Ontario	March 30, 2021	Al Mawani
CIBC Real Estate Conference	CIBC Capital Markets	April 6, 2021	Al Mawani
CIBC Real Estate Conference	CIBC Capital Markets	April 6, 2021	Andrea Stephen
2021 Virtual Tax Summit	MNP LLP	April 7, 2021	Al Mawani
2021 Q1 Financial Reporting Update	PWC LLP	April 8, 2021	Al Mawani
Board Oversight of Corporate Strategy (Instructor) – Session 2	Institute of Corporate Directors	April 8, 2021	Annalisa King
Canadian Financing Trends in 2021	Osler LLP	April 8, 2021	Al Mawani
Chair Suite – Improving Chair performance – Session 4	Watson Inc.	April 20, 2021	Annalisa King
Federal budget 2021 and the road to recovery	KPMG	April 20, 2021	Andrea Stephen
Board-Management Dynamics During Unprecedented Times	ICD (Inst of Corporate Directors)	April 21, 2021	Al Mawani
ESG as a value driver: Sustainability considerations for the Real Estate sector	KPMG LLP	May 6, 2021	Al Mawani
The Board's Role in Social Impact Initiatives	ICD Rotman School of Business	May 6, 2021	Al Mawani
ESG as a Value Driver-Sustainability consideration for the Real Estate Sector	KPMG	May 6, 2021	Andrea Stephen
Discussion with Professor Damodaran	Deloitte Canada	May 12, 2021	Ian Clarke
Board Oversight of Artificial Intelligence	Institute of Corporate Directors	May 18, 2021	Annalisa King
Presentation by Phil Verster, Metrolinx	GTAA Board Continuing Education Session	May 19, 2021	Ian Clarke
Future Borders Coalition – Pandemic Recovery Technology Forum	Future Borders Coalition	May 20, 2021	Annalisa King
Leading Transformation in a World Gone Made with Professor Boris Groysberg	Harvard Business School	May 27, 2021	Ian Clarke
Diversity Inclusion and the Digital Divide	CPA Ontario	May 27, 2021	Andrea Stephen
Directors Education Program (DEP)	ICD Rotman School of Business	May 29-30, 2021	Sheila Botting
Audit Committee Chair Roundtable & Best Practices	Egon Zehnder	May 31, 2021	Annalisa King
Environmental Litigation in Canada: Recent Trends & Updates	Blakes LLP	June 2, 2021	Al Mawani
Sustainability and the Board	ICD	June 2, 2021	Andrea Stephen
Cyber Game of Threats	ICD	June 2, 2021	Andrea Stephen
Next Level of Governance in an Era of Massive the Real Estate Sector	KPMG	June 3, 2021	Andrea Stephen
Directors Education Program (DEP)	ICD Rotman School of Business	June 4-5, 2021	Sheila Botting
The Region's Post-Pandemic Economic Competitiveness Risks and Rewards	SRRA 14 th Forum	June 10, 2021	Ian Clarke

Executive Compensation – Key Learnings from the 2021 Proxy Season	ICD/ Hugessen Consulting	June 17, 2021	Al Mawani
Responsible Investment Education	Mercer (Canada) Limited.	June 21, 2021	Ian Clarke
ESG Update	Hugessen Consulting	June 29, 2021	Al Mawani
ESG Update	Hugessen Consulting	June 29, 2021	Andrea Stephen
Legal Primer on Climate Change: Duties & Disclosure Obligations	ICD	July 15, 2021	Al Mawani
Legal Primer on Climate Change: Duties & Disclosure Obligations	ICD	July 15, 2021	Andrea Stephen
Inclusive Leadership and Diversity	EY	July 15, 2021	Andrea Stephen
The Federal Election – Closer Than You Think	CIBC Capital Markets/Hon. Lisa Raitt	July 21, 2021	Ian Clarke
CPAB Update on Real Estate sector audits	CPAB Real Estate Forum (Canadian Public Accountability Board)	September 14, 2021	Al Mawani
Presentation by Jason Green, Partner at Ernst & Young LLP on Cyber Security	GTAA Board Continuing Education Session	September 15, 2021	Ian Clarke
Board Oversight of Corporate Strategy (Instructor) – Session 3	Institute of Corporate Directors	September 22, 2021	Annalisa King
US & ESG proxy season review	Glass Lewis	September 22, 2021	Andrea Stephen
ESG Designation Program leading to GCB.D (Global Competent Boards Designation)	Competent Boards	October 2021-April 2022	Al Mawani
Board Oversight of Corporate Strategy (Instructor) – Session 4	Institute of Corporate Directors	October 28, 2021	Annalisa King
Fundamentals of Climate Governance E-learning	ICD	October 30, 2021	Annalisa King
Annual Disclosure and Governance Seminar	McCarthy Tetrault LLP	November 16, 2021	Al Mawani
Presentation by Montie Brewer, Former CEO of Air Canada on Airline Economics	GTAA Board Continuing Education Session	November 17, 2021	Ian Clarke
Ransomware II: Inside an Attack	Fasken LLP	November 30, 2021	Al Mawani
Cyber Risk and Governance	Glass Lewis	December 1, 2021	Andrea Stephen
Real Estate Forum	Canadian Real Estate Forums	December 1-2, 2021	Leonard Abramsky
2022 Finance Digital Plans and Priorities	Gartner	December 7, 2021	Ian Clarke
Oversight of Cyber Security in an Era of Digital Accelerations	ICD	December 14, 2021	Andrea Stephen

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 trustees. 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 trustees are required to report any violation or possible violation of the Code, or any other policy or legal requirement. Each employee, officer and trustee 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 trustees 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 REIT 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 of First Capital REIT can be found on our website at www.fcr.ca.

Supplier Code of Conduct and Ethics

Similar to the Code, the REIT adopted a Supplier Code of Conduct and Ethics (the “Supplier Code”) which was designed to ensure that suppliers have a clear understanding of how the REIT 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 REIT and its subsidiaries. The Supplier Code expectations are aligned with our 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 REIT 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 trustee or executive officer of the REIT has a material interest, the trustee 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 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 trustees, such as the Audit Committee or independent trustees acting without involvement of the “interested” member of the Board or management. Any member of the 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.

Disclosure and Insider Trading Policy

The Board has adopted and periodically reviews and updates the REIT'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 REIT;
- sets out the obligations of the REIT's employees, officers and trustees to preserve the confidentiality of undisclosed material information; and
- articulates the prohibitions applicable generally to the REIT's subject employees, officers and trustees with respect to illegal insider trading and tipping.

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

Unitholder/Investor Communications and Feedback

We have in place procedures to effectively communicate with our stakeholders, including our unitholders, employees and the general public. Our objective is to ensure an open, accessible and timely exchange of information with unitholders, employees and other stakeholders concerning the business, affairs and performance of the REIT. We communicate with our unitholders 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 REIT's financial results;
- regular presentations to or meetings with industry analysts and with institutional investors; and
- our corporate website through which unitholders 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 unitholders are answered by an appropriate person in the organization.

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

TRUSTEES' AND OFFICERS' LIABILITY INSURANCE

We have liability insurance for our trustees and officers to protect them against liabilities they may incur in their capacity as trustees and officers of First Capital REIT. In aggregate, our trustees' and officers' liability insurance provides coverage for liability of up to \$60 million subject to a \$150,000 deductible or, in the case of securities claims, a \$250,000 deductible. The aggregate annualized premiums amount to approximately \$245,000 in respect of the 2022 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

Management is not aware of any material interest in any matter to be acted upon or any material transaction, direct or indirect, of any trustee or senior officer of the REIT, or any person beneficially owning, directly or indirectly, more than 10% of the REIT's voting securities or any associate or affiliate thereof since the beginning of 2021.

Our financial information is provided in our consolidated comparative financial statements and management's discussion and analysis for 2021. You may obtain copies of our financial statements and management's discussion and analysis by contacting the Assistant Corporate Secretary of First Capital REIT 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 the REIT can also be found at www.fcr.ca.

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

BOARD APPROVAL

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

By Order of the Board of Trustees,



Adam E. Paul
President and Chief Executive Officer

APPENDIX A

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

DTU PLAN RESOLUTION

BE IT RESOLVED THAT:

1. The amendment to the First Capital Real Estate Investment Trust (the “REIT”) Deferred Trust Unit Plan (the “DTU Plan”) to increase the number of trust units of the REIT (“Trust Units”) available for issuance under the DTU Plan by an additional 300,000 Trust Units, from 815,000 to 1,115,000, in substantially the form attached as Appendix C to the Management Information Circular of the REIT dated May 10, 2022 (the “Circular”), is hereby authorized and approved;
2. The REIT’s grant of 2,315 deferred trust units under the DTU Plan in excess of the current number of Trust Units available for issuance under the DTU Plan as described in the Circular is hereby ratified and approved; and
3. Any one trustee or officer of the REIT is hereby authorized and directed to execute and deliver in the name and on behalf of the REIT all such certificates, instruments, agreements and other documents and to do all such other acts and things as in the opinion of such person may be necessary or desirable to give full effect to the foregoing resolution.

APPENDIX B

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

RTU PLAN RESOLUTION

BE IT RESOLVED THAT:

1. The amendment to the First Capital Real Estate Investment Trust (the “REIT”) Restricted Trust Unit Plan (the “RTU Plan”) to increase the number of trust units of the REIT (“Trust Units”) available for issuance under the RTU Plan by an additional 1,250,000 Trust Units, from 2,430,554 to 3,680,554, in substantially the form attached as Appendix D to the Management Information Circular of the REIT dated May 10, 2022 (the “Circular”), is hereby authorized and approved;
2. The REIT’s grant of 179,683 restricted trust units and performance trust units under the RTU Plan in excess of the current number of Trust Units available for issuance under the RTU Plan as described in the Circular is hereby ratified and approved; and
3. Any one trustee or officer of the REIT is hereby authorized and directed to execute and deliver in the name and on behalf of the REIT all such certificates, instruments, agreements and other documents and to do all such other acts and things as in the opinion of such person may be necessary or desirable to give full effect to the foregoing resolution.

APPENDIX C

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

AMENDED AND RESTATED DEFERRED TRUST UNIT PLAN

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Section 1. General Provisions

1.1 Purpose

The purpose of the First Capital Real Estate Investment Trust Deferred Trust Unit Plan is to promote a greater alignment of interests between trustees of the REIT and the unitholders of the REIT.

1.2 Definitions

As used in the Plan, the following terms have the following meanings:

- (a) **“Applicable Withholding Taxes”** means any and all taxes and other source deductions or other amounts that the REIT is required by law to withhold from any amounts to be paid or credited hereunder;
- (b) **“Board”** means the Board of Trustees of the REIT;
- (c) **“Business Day”** means any day, other than a Saturday or a Sunday, on which the Toronto Stock Exchange is open for trading;
- (d) **“Code”** means the United States Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder.
- (e) **“Committee”** means the Compensation Committee of the Board, as the same may be renamed or constituted from time to time;
- (f) **“Conversion Date”** means, with respect to any fiscal quarter, the date used to determine the Market Price of a REIT Unit for the purposes of determining the number of Deferred Trust Units to be granted in respect of that fiscal quarter to an Eligible Trustee; which shall be the date approved by the Committee which shall be, unless otherwise determined by the Committee, the first Business Day of the fiscal quarter in respect of which the Deferred Trust Unit is granted, but which shall not be earlier than the first Business Day or later than the last Business Day of the fiscal quarter in respect of which the election is made;
- (g) **“Deferred Trust Unit”** means a right granted by the REIT to an Eligible Trustee to receive, on a deferred basis, a REIT Unit issued from treasury on the terms contained herein;
- (h) **“Effective Date”** has the meaning ascribed to it in Section 3.10;
- (i) **“Effective Time”** has the meaning ascribed to it in the Plan of Arrangement;
- (j) **“Eligible Trustee”** means each non-employee trustee of the REIT;
- (k) **“Filing Date”** has the meaning set out in Section 2.2(a);
- (l) **“Market Price”** means the weighted average trading price of REIT Units on the Toronto Stock Exchange (or, if such REIT Units are not then listed and posted for trading on the Toronto Stock Exchange, on such other stock exchange in Canada on which REIT Units are listed and posted for trading as may be selected for such purpose by the Committee) for the ten Business Days on which REIT Units traded on such exchange preceding the applicable date; provided that, in the event that REIT Units are not listed and posted for

trading on any stock exchange, at the applicable date, the Market Price in respect thereof shall be the fair market value of a REIT Unit as determined by the Committee in its sole discretion;

- (m) **“Participant”** means an Eligible Trustee who has made an election to receive Deferred Trust Units;
- (n) **“Payment Designation Date”** has the meaning set out in Section 2.1(a)(i);
- (o) **“Plan”** means the First Capital Real Estate Investment Trust Amended and Restated Deferred Trust Unit Plan, as amended from time to time;
- (p) **“Plan of Arrangement”** means the plan of arrangement involving First Capital Realty Inc. under Section 182 of the *Business Corporations Act* (Ontario) pursuant to which, among other things, the REIT was established;
- (q) **“REIT”** means First Capital Real Estate Investment Trust;
- (r) **“REIT Unit”** means a trust unit of the REIT (other than a special voting unit of the REIT);
- (s) **“Trustee’s Remuneration”** means all compensation, in whatever form, provided to an Eligible Trustee by the REIT in respect of the services provided to the REIT by the Eligible Trustee in any fiscal year;
- (t) **“Units”** means the REIT Units and the special voting units of the REIT; and
- (u) **“US Participant”** means each Participant who is a United States citizen or resident.

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing the masculine gender include the feminine and neuter genders.

1.3 Administration

Subject to the Committee reporting to the Board on all matters relating to this Plan and obtaining approval of the Board for those matters required by the Committee’s mandate, this Plan will be administered by the Committee which has the sole and absolute discretion to: (i) interpret and administer the Plan; (ii) establish, amend and rescind any rules and regulations relating to the Plan; and (iii) make any other determinations that the Committee deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Eligible Trustee. The Board may establish policies respecting minimum ownership of REIT Units of the REIT by Eligible Trustees and the ability to elect Deferred Trust Units to satisfy any such policy.

1.4 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.5 REIT Units Reserved for Issuance

The REIT hereby reserves 1,115,000 REIT Units for issuance under this Plan, provided that REIT Units reserved for issuance pursuant to Deferred Trust Units which are cancelled or terminated without having been settled will again be available for issuance under this Plan.

The maximum number of REIT Units available for issuance under this Plan (i) to any one participant is 5% of the then issued and outstanding Units and (ii) to insiders of the REIT is 10% of the then issued and outstanding Units. Under no circumstances may more than 10% of the REIT's total issued and outstanding Units be issued within a one year period or be issuable at any time to insiders of the REIT under the Plan and all of the REIT's other security based compensation arrangements.

The terms "security based compensation arrangement" and "insider" have the meanings attributed thereto in the TSX Company Manual

Section 2. Election Under the Plan

2.1 Payment and Deferral of Trustee's Remuneration

Subject to such rules, approvals and conditions as the Committee may impose, an Eligible Trustee may elect to receive the Trustee's Remuneration, in whole or in part, in the form of Deferred Trust Units or cash.

- (a) *Method of Electing for Trustee's Remuneration.* To elect a form of payment of a Trustee's Remuneration, the Eligible Trustee shall complete and deliver to the Chief Financial Officer of the REIT, or other officer of the REIT designated by the Committee, a written election by no later than the last day of the fiscal year preceding the fiscal year respecting which the Trustee's Remuneration becomes payable. The Eligible Trustee's written election shall, subject to any minimum amount that may be required by the Committee, designate the portion or percentage of the Trustee's Remuneration for the applicable fiscal quarter that is to be deferred into Deferred Trust Units and the portion or percentage to be paid in cash. In the absence of a designation to the contrary, the Eligible Trustee's election for the latest fiscal quarter with respect to the portion or percentage of the Trustee's Remuneration that is to be deferred into Deferred Trust Units and paid in cash shall continue to apply to all subsequent Trustee's Remuneration payments until the Eligible Trustee submits another written election in accordance with this Section. An Eligible Trustee shall only file one election in respect of the Trustee's Remuneration payable in any fiscal quarter and the election shall be irrevocable for that fiscal quarter. If no election is made, and no prior election remains effective, the Eligible Trustee shall be deemed to have elected to defer any minimum amount that may be required by the Committee into Deferred Trust Units and to receive the balance of the Trustee's Remuneration for the applicable fiscal quarter in cash.
 - (i) Notwithstanding Section 2.1(a) of the Plan, with respect to US Participants, the written deferral election required under such section shall be made no later than the last day of the calendar year preceding the year in respect of which the Trustee's Remuneration is earned and such written election shall designate the date on which the REIT shall make any payments pursuant to Section 2.2(c) of the Plan (the "**Payment Designation Date**").

- (ii) With respect to US Participants, the Payment Designation Date shall be treated as the Filing Date for purposes of Section 2.2(c).
- (b) *Payment of Trustee's Remuneration.* The portion or percentage of the Trustee's Remuneration shall be paid in cash or granted as Deferred Trust Units, as elected by the Participant, on the Business Day following the last day of each fiscal quarter for which the Trustee's Remuneration is payable.
- (c) *Deferred Trust Units.* Deferred Trust Units elected by a Participant pursuant to the Plan shall be credited to an account maintained for the Participant by the REIT. The number of Deferred Trust Units to be granted on the date prescribed by Section 2.1(b) shall be, in the case of cash compensation, determined by dividing the amount of the Trustee's Remuneration to be deferred into Deferred Trust Units on such date by the Market Price per REIT Unit on the Conversion Date (rounded down to the nearest whole Deferred Trust Unit) and, in the case of compensation in the form of REIT Units, the number of REIT Units to be deferred into Deferred Trust Units on such date.
- (d) *Distributions.* When cash distributions are paid on REIT Units, further Deferred Trust Units will automatically be granted to a Participant in respect of Deferred Trust Units credited to the Participant's account as of the record date for payment of distributions. The number of such additional Deferred Trust Units (rounded down to the nearest whole Deferred Trust Unit) to be granted on a distribution payment date shall be determined by multiplying the aggregate number of Deferred Trust Units held on the applicable distribution record date by the amount of distributions paid by the REIT on each REIT Unit, and dividing the result by the Market Price per REIT Unit on the distribution payment date.
- (e) *No Acceleration for US Participants.* The acceleration of the time or schedule of any payment due under the Plan to any US Participant is prohibited except as provided in regulations and administrative guidance promulgated under Section 409A of the Code.

2.2 Termination of Service

- (a) *Termination of Service.* A Participant who has retired from all positions as a trustee of the REIT and any subsidiary of the REIT, or who, except as a result of death, has otherwise ceased for any reason to hold any such positions with the REIT and any such subsidiaries, may settle the Deferred Trust Units credited to the Participant's account by filing with the Chief Financial Officer of the REIT, or other officer of the REIT designated by the Committee, a notice of settlement of the Deferred Trust Units in the prescribed form on or before December 15 of the first calendar year commencing after the date the Participant retires from or otherwise ceases to hold such positions. If the Participant fails to file a notice of settlement of the Deferred Trust Units on or before such December 15, the Participant shall be deemed to have filed with the Chief Financial Officer of the REIT a notice of settlement on such December 15. The date on which a notice of settlement is filed or deemed to be filed with the Chief Financial Officer of the REIT is the "Filing Date". The notice of settlement filed by the Participant shall specify the number of Deferred Trust Units to be settled and if such number is not so specified, it shall be deemed to be all the Deferred Trust Units credited to the Participant's account.
- (b) *Death of Eligible Trustee.* In the event of the death of a Participant, the REIT shall, settle all Deferred Trust Units credited to the Participant's account.

- (c) *Settlement.* Within the earlier of 7 Business Days following the Filing Date or 90 days following the Participant's death, as applicable, and subject to Section 3.7, the REIT shall settle the Deferred Trust Units required to be settled pursuant to Section 2.2(a) or (b) by issuing from treasury one REIT Unit for each full Deferred Trust Unit to be settled.
- (d) *Fractional Units.* Where the number of Deferred Trust Units would result in the delivery of fractional REIT Units, the number of REIT Units to be issued shall be rounded down to the next whole number of REIT Units. No fractional REIT Units may be delivered.

Section 3. General

3.1 Capital Adjustments

In the event of any in specie distribution, consolidation or subdivision of securities, combination or exchange of securities, merger, spin-off or other distribution (other than normal cash distributions) of the REIT's assets to unitholders, or any other change in the capital of the REIT affecting REIT Units, the Committee will make such proportionate adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such change, with respect to (i) the number or kind of securities on which the Deferred Trust Units are based; and (ii) the number of Deferred Trust Units; provided, however, that no substitution or adjustment will obligate the REIT to issue or sell fractional securities. Notwithstanding anything in this Plan to the contrary, all substitutions or adjustments made pursuant to this Section 3.1 shall be made in compliance with paragraph 7(1.4)(c) of the Income Tax Act (Canada) and/or with Code Section 409A and Treasury Regulation Section 1.409A-1(b)(5), to the extent applicable.

3.2 Non-Exclusivity

Nothing contained herein will prevent the Board from adopting other additional compensation arrangements for the benefit of Eligible Trustees, subject to any required regulatory or unitholder approval.

3.3 Unfunded Plan

To the extent any individual holds any rights under the Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured general creditor of the REIT.

3.4 Successors and Assigns

The Plan shall be binding on all successors and assigns of the REIT and each Eligible Trustee, including without limitation, the legal representatives of each Eligible Trustee, or any receiver or trustee in bankruptcy or representative of the REIT or an Eligible Trustee.

3.5 Transferability of Awards

Rights respecting Deferred Trust Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

3.6 Amendment and Termination

- (a) The Board may amend, suspend or terminate this Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of unitholders or any

governmental or regulatory body. The Committee may make any types of amendments to the Plan without seeking unitholder approval except the following types of amendments which will require unitholder approval:

- (i) amendments to the number of REIT Units issuable under the Plan, including an increase to a fixed maximum number of REIT Units or a change from a fixed maximum number of REIT Units to a fixed maximum percentage;
 - (ii) any amendment expanding the categories of Eligible Trustee which would have the potential of broadening or increasing insider participation;
 - (iii) any amendment permitting transfer or assignment of a Deferred Trust Unit, except by testate or intestate succession;
 - (iv) any amendment to remove or exceed the insider participation limit;
 - (v) any amendment to this amendment provision; and
 - (vi) amendments required to be approved by unitholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).
- (b) No amendment, suspension or termination may materially adversely affect any Deferred Trust Units, or any rights pursuant thereto, granted previously to any Participant without the consent of that Participant.
- (c) If this Plan is terminated, the provisions of this Plan and any administrative guidelines, and other rules adopted by the Committee and in force at the time of this Plan, will continue in effect as long as a Deferred Trust Unit or any rights pursuant thereto remain outstanding. However, notwithstanding the termination of the Plan, the Committee may make any amendments to the Plan or the Deferred Trust Units it would be entitled to make if the Plan were still in effect.
- (d) With the consent of the Participant affected thereby, the Committee may amend or modify any outstanding Deferred Trust Unit in any manner to the extent that the Committee would have had the authority to initially grant the award as so modified or amended.

3.7 Tax Consequences

It is the responsibility of the Participant to complete and file any tax returns which may be required under Canadian, U.S. or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan.

Notwithstanding any other provision contained herein, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from his or her receipt of Deferred Trust Units, REIT Units or other property pursuant to this Plan. In connection with the issuance of REIT Units pursuant to this Plan, the Participant shall:

- (a) pay to the REIT an amount as necessary so as to ensure that the REIT is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance;

- (b) with the prior approval of the REIT, elect to have the REIT withhold the Applicable Withholding Taxes from any remuneration or other amount otherwise payable by the REIT to the Participant;
- (c) authorize the REIT to sell, on behalf of the Participant, in the market on such terms and at such time or times as the REIT determines a portion of the REIT Units issued hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or
- (d) make other arrangements acceptable to the REIT to fund the Applicable Withholding Taxes.

3.8 US Participants

Compensation payable under the Plan to US Participants is intended not to be subject to U.S. federal income tax under Section 409A of the Code and the Plan shall be construed, interpreted and administered in compliance with such intent. The Committee is hereby authorized to amend the Plan or any award under the Plan to achieve this result.

3.9 No Liability

The REIT shall not be liable to any Participant for any loss resulting from a decline in the market value of any REIT Units.

3.10 Effective Date

This Plan was effective on December 30, 2019 and was amended and restated on March 1, 2021 and on [insert date], 2022. This Plan, as amended and restated, shall govern all Trust Units granted on and after [insert date], 2022. All deferred share units (and related dividend share units) granted by First Capital Realty Inc. under the former First Capital Realty Inc. Directors Deferred Share Unit Plan prior to December 30, 2019 will be governed by the terms of this Plan as of December 30, 2019.

APPENDIX D

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

AMENDED AND RESTATED RESTRICTED TRUST UNIT PLAN

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST
Restricted Trust Unit Plan

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FIRST CAPITAL REAL ESTATE INVESTMENT TRUST RESTRICTED TRUST UNIT PLAN

Section 1. Interpretation and Administrative Provisions

1.1 Purposes

The purposes of the Plan are to (i) foster long-term retention of key employees of the REIT and its Affiliates by enabling them to participate in the growth and development of the REIT by providing such persons with the opportunity, through Restricted Trust Units and/or Performance Trust Units, to build a meaningful personal investment in the REIT, and (ii) demonstrably align the long-term interests of key employees with the long-term interests of the REIT's unitholders.

1.2 Definitions

For the purposes of the Plan, the following terms have the following meanings:

“Actively Employed” or “Active Employment” means that a Participant is employed and actively performing employment duties for the REIT or an Affiliate, or a Participant is on a leave of absence approved by the REIT or an Affiliate. “Actively Employed” and “Active Employment” does not include any period during, or in respect of, which a Participant is receiving or is entitled to receive payments in lieu of notice, severance pay or damages for wrongful dismissal or otherwise, in each case, under statute, contract, common law or otherwise. For purposes of the Plan, a Participant is not Actively Employed if a Participant's employment has been terminated by his or her voluntary termination or by the REIT or an Affiliate, regardless of whether a Participant's employment has been terminated with or without cause, with or without notice, lawfully or unlawfully;

“Adjustment Factor” means the multiple used to determine the number of Performance Trust Units and related Distribution Trust Units that will vest based on the achievement of the applicable Performance Vesting Conditions, as described in the PTU Agreement or as otherwise determined pursuant to this Plan;

“Affiliate” means any entity which is an “affiliate” of the REIT for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time, including, for greater certainty, FCR Management Sub-Trust, First Capital Asset Management LP and First Capital Realty Inc.;

“Applicable Withholding Taxes” means any and all taxes and other source deductions or other amounts which the REIT or any Affiliate is required by law to withhold from any amounts to be paid or credited hereunder;

“Award” means a Restricted Trust Unit or Performance Trust Unit granted under this Plan;

“Board” means the Board of Trustees of the REIT;

“CEO” means the Chief Executive Officer of the REIT;

“Chair” means the Chair of the Board;

“Change of Control” means:

- (i) an offer to purchase outstanding voting units of the REIT that is accepted and completed in respect of a sufficient number of holders of such units to constitute the offeror (together with such other persons as may be considered to be “acting jointly or in concert” with the offeror within the meaning given to such term in Section 91 of the *Securities Act* (Ontario)) a unitholder of the REIT entitled to exercise more than 50% of the voting rights attached to the outstanding voting units (provided that prior to the offer, the offeror and such other persons (collectively, the “Control Group”) were not entitled to exercise more than 50% of the voting rights attached to the outstanding voting units);
- (ii) a consolidation, merger or amalgamation of the REIT with or into any other entity whereby the voting unitholders of the REIT immediately prior to the consolidation, merger or amalgamation receive securities entitled to exercise less than 50% of the voting rights attaching to the voting units of the consolidated, merged or amalgamated entity;
- (iii) a sale whereby all or substantially all of the REIT’s undertakings and assets become the property of any other entity (other than an entity which was an Affiliate of the REIT immediately prior to the sale);
- (iv) a formal bid or tender offer for the voting units of the REIT being completed which results in the offeror and its Affiliates beneficially owning in the aggregate, directly or indirectly, 50% or more of the voting units of the REIT then outstanding; or
- (v) any transaction or series of related transactions determined by the Committee to be substantially similar to any of the transactions noted above;

“Code” means the United States Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder;

“Committee” means the Compensation Committee of the Board as the same may be renamed or constituted from time to time;

“Distribution Trust Units” has the meaning set out in Section 2.1(b);

“Early Vesting Date” has the meaning set out in the applicable RTU Agreement or PTU Agreement;

“Eligible Person” means any employee of the REIT (including the CEO) and its Affiliates and the Chair;

“Grant Date” means the date on which a Restricted Trust Unit or Performance Trust Unit is granted by the Committee;

“Market Price” means the weighted average trading price of REIT Units on the Toronto Stock Exchange (or, if such units are not then listed and posted for trading on the Toronto Stock Exchange, on such other stock exchange in Canada on which REIT Units are listed and posted for trading as may be selected for such purpose by the Committee) for the ten trading days on which REIT Units traded on such exchange preceding the applicable date; provided that, in the event that REIT Units

are not listed and posted for trading on any stock exchange at the applicable date, the Market Price in respect thereof shall be the fair market value of a REIT Unit as determined by the Committee in its sole discretion;

“Participant” means each Eligible Person who participates in the Plan;

“Performance Period” means, with respect to Performance Trust Units, the period specified in the PTU Agreement for the achievement of any applicable Performance Vesting Conditions as a condition to vesting;

“Performance Trust Unit” means a right granted to a Participant to receive, on the basis set out in the Plan, a REIT Unit or the cash equivalent thereof (or any combination thereof) that generally becomes vested, if at all, subject to the attainment of Performance Vesting Conditions;

“Performance Vesting Conditions” means such performance-related conditions in respect of the vesting of Performance Trust Units determined by the Committee at the Grant Date, which may include but are not limited to, financial or operational performance of the REIT, total unitholder return or individual performance criteria, which are measured over the Performance Period;

“Plan” means the First Capital Real Estate Investment Trust Amended and Restated Restricted Trust Unit Plan, as amended or restated from time to time;

“PTU Agreement” has the meaning set out in Section 2.1(f);

“Redemption Date” has the meaning set out in Section 2.2(a);

“REIT” means First Capital Real Estate Investment Trust;

“REIT Unit” means a trust unit of the REIT (other than a special voting unit of the REIT);

“Restricted Trust Unit” means a right granted to a Participant to receive, on the basis set out in the Plan, a REIT Unit or the cash equivalent thereof (or any combination thereof) on the terms contained herein;

“RTU Agreement” has the meaning set out in Section 2.1(c);

“Termination Date” means the Participant’s last day of Active Employment for any reason whatsoever, but in any case (i) without regard to whether the Participant’s employment with the REIT or an Affiliate is terminated with or without cause, with or without notice, lawfully or unlawfully or with or without any adequate compensation in lieu of notice, and (ii) does not include any severance period or notice period to which the Participant might then be entitled or any period of salary continuance or deemed employment or other damages paid or payable to the Participant in respect of his or her termination of employment, and, in the case of both subsections (i) and (ii), whether pursuant to any applicable statute, contract, civil law, the common law or otherwise. Any such severance period or notice period shall not be considered a period of employment for the purposes of a Participant’s rights under the Plan. Notwithstanding the foregoing, in the case of the Chair, “Termination Date” means the date the Chair ceases to be a trustee of the REIT for any reason whatsoever;

“Trust Unit” means either a Restricted Trust Unit, Performance Trust Unit or Distribution Trust Unit as the context requires;

“Trust Unit Account” means the notional account maintained for the Participant;

“Units” means the REIT Units and the special voting units of the REIT;

“U.S. Participant” means each Participant who is a United States citizen or resident; and

“Vesting Date” with respect to Restricted Trust Units, has the meaning set out in Section 2.1(d) and, with respect to Performance Trust Units, has the meaning set out in Section 2.1(g).

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing the masculine gender include the feminine and neuter genders.

1.3 Administration

Subject to the Committee reporting to the Board on all matters relating to this Plan and obtaining approval of the Board for those matters required by the Committee’s mandate, this Plan will be administered by the Committee which has the sole and absolute discretion to: (i) interpret and administer the Plan; (ii) establish, amend and rescind any rules and regulations relating to the Plan; (iii) determine the Vesting Date, Performance Period, Performance Vesting Conditions, vesting schedule, limitations, conditions and restrictions applicable to Awards; (iv) set and amend the Performance Vesting Conditions; and (v) make any other determinations that the Committee deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan, in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Participants. The Board may establish policies respecting minimum ownership of REIT Units by Eligible Persons and the ability to elect Trust Units to satisfy any such policy.

1.4 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.5 REIT Units Reserved for Issuance

The REIT hereby reserves 3,680,554 REIT Units for issuance under this Plan, provided that REIT Units reserved for issuance pursuant to Trust Units which are cancelled or terminated without having been redeemed or are redeemed for cash or REIT Units purchased on the open market will again be available for issuance under this Plan.

The maximum number of REIT Units available for issuance under this Plan (i) to any one Participant is 5% of the then issued and outstanding Units and (ii) to insiders of the REIT is 10% of the then issued and outstanding Units. Under no circumstances may more than 10% of the REIT’s total issued and outstanding Units be issued within a one year period or be issuable at any time to insiders of the REIT under the Plan and all of the REIT’s other security based compensation arrangements.

The terms “security based compensation arrangement” and “insider” have the meanings attributed thereto in the TSX Company Manual.

Section 2. Grants of Awards under the Plan

2.1 Grants of Restricted Trust Units and Performance Trust Units

Subject to such rules, regulations, approvals and conditions as the Committee may impose, the Committee may grant Restricted Trust Units and Performance Trust Units to such Eligible Persons as it in its discretion determines.

- (a) *Crediting of Awards.* Awards shall be credited to the Participant's Trust Unit Account on the Grant Date. The number of Awards (including fractional Awards) to be credited to a Participant in respect of a fiscal year shall be determined by dividing the dollar amount of the portion of the Participant's compensation which the Committee determines is to be paid as Awards by the Market Price per REIT Unit determined as at the Grant Date.
- (b) *Distributions.* When cash distributions are paid on REIT Units, additional Trust Units shall be credited to a Participant in respect of the Trust Units credited to the Participant's Trust Unit Account as of the record date for payment of distributions. The number of additional Trust Units (including fractional Trust Units) ("**Distribution Trust Units**") to be credited to the Participant on a distribution payment date shall be determined by multiplying the aggregate number of Trust Units held on the applicable distribution record date by the amount of distributions paid by the REIT on each REIT Unit, and dividing the result by the Market Price per REIT Unit on the distribution payment date.
- (c) *RTU Grant Agreement.* Each Restricted Trust Unit granted by the Committee shall be evidenced by an agreement (an "**RTU Agreement**"), which shall set forth: (i) the Grant Date of the Restricted Trust Unit; (ii) the number of Restricted Trust Units subject to such Award; and (iii) the applicable vesting schedule, and may specify such other terms and conditions consistent with the terms of the Plan as the Committee shall determine or as shall be required under any other provision of the Plan.
- (d) *Vesting of Restricted Trust Units and Distribution Trust Units.* Subject to Section 2.1(i), Restricted Trust Units and related Distribution Trust Units shall vest on the date that is (the "**Vesting Date**"): (i) the third anniversary following the Grant Date of such Restricted Trust Unit; or (ii) such other date that the Committee may determine from time to time, provided that such other date shall be expressly set forth in the RTU Agreement or subsequent amendment thereto.
- (e) Except as otherwise set forth in the Participant's RTU Agreement or employment agreement, if the employment or office of a Participant ceases for any reason, the Participant shall on his or her Termination Date, unless otherwise expressly determined by the Committee in writing, forfeit all rights, title and interest with respect to all Restricted Trust Units and related Distribution Trust Units which have not vested on or prior to the Participant's Termination Date and no amount shall be payable to the Participant in respect thereof as compensation, damages or otherwise (including on account of severance, payment in lieu of notice or damages for wrongful dismissal).
- (f) *PTU Grant Agreement.* Each Performance Trust Unit granted by the Committee shall be evidenced by an agreement (a "**PTU Agreement**"), which shall set forth: (i) the Grant Date of the Performance Trust Unit; (ii) the number of Performance Trust Units subject to such Award; (iii) the applicable vesting schedule; and (iv) the applicable Performance Vesting Conditions and Performance Period, and may specify such other terms and conditions

consistent with the terms of the Plan as the Committee shall determine or as shall be required under any other provision of the Plan.

- (g) *Vesting of Performance Trust Units and Distribution Trust Units.* Subject to Section 2.1(i), Performance Trust Units and related Distribution Trust Units shall vest in accordance with Section 2.1(h) and conditional on the satisfaction of any additional vesting conditions established by the Committee from time to time and set forth in the PTU Agreement, on the date (the “**Vesting Date**”) that is: (A) the third anniversary following the Grant Date of such Performance Trust Unit; or (B) such other date that the Committee may determine from time to time, provided that such other date shall be expressly set forth in the PTU Agreement or subsequent amendment thereto.
- (h) *Performance Vesting.* The number of Performance Trust Units and related Distribution Trust Units pertaining to a Performance Condition expressly set forth in the PTU Agreement which vest on a Vesting Date shall be equal to: (i) the number of Performance Trust Units and related Distribution Trust Units credited to the Participant’s Trust Unit Account in respect of the Performance Condition during the Performance Period; multiplied by (ii) the applicable Adjustment Factor determined as at the end of the Performance Period.
- (i) Except as otherwise set forth in the Participant’s PTU Agreement or employment agreement, if the employment or office of a Participant ceases for any reason, the Participant shall on his or her Termination Date, unless otherwise expressly determined by the Committee in writing, forfeit all rights, title and interest with respect to all Performance Trust Units and related Distribution Trust Units which have not vested on or prior to the Participant’s Termination Date and no amount shall be payable to the Participant in respect thereof as compensation, damages or otherwise (including on account of severance, payment in lieu of notice or damages for wrongful dismissal).
- (j) The provisions of the Plan and a Participant’s RTU Agreement or PTU Agreement may take away or limit the Participant’s common law rights to Restricted Trust Units or Performance Trust Units (and related Distribution Trust Units), as applicable, and any common law rights to damages as compensation for the loss of such Restricted Trust Units or Performance Trust Units (and related Distribution Trust Units), as applicable, during any reasonable notice period.

2.2 Redemption of Trust Units

- (a) *Redemption of Vested Trust Units.* Each vested Trust Unit shall be redeemed on the earlier of the Vesting Date or Early Vesting Date, if applicable, in respect of each Trust Unit. The day on which a vested Trust Unit is to be redeemed is the “Redemption Date” for that Trust Unit. Notwithstanding any other provision in the Plan and for greater certainty, the Redemption Date shall not be later than December 31st of the third calendar year following the year in respect of which the Trust Units are granted. Subject to Sections 3.6 and 3.10, the REIT shall redeem all of each Participant’s vested Trust Units (including fractional Trust Units) by, in the discretion of the REIT,
 - (i) issuing from treasury one REIT Unit for each full Trust Unit and making a lump sum cash payment in respect of any partial Trust Unit determined in the same manner as set out in Section 2.2(a)(iii);

- (ii) delivering one REIT Unit purchased on the open market for each full Trust Unit and making a lump sum cash payment in respect of any partial Trust Unit determined in the same manner as set out in Section 2.2(a)(iii);
- (iii) making a lump sum cash payment in respect of all full and partial Trust Units equal to the number of Trust Units (including fractional Trust Units) credited to the Participant's Trust Unit Account on such date multiplied by the Market Price per REIT Unit determined as at such date; or
- (iv) a combination of (i), (ii) and (iii).

to each Participant or the Participant's legal representative, if applicable, immediately upon redemption. With respect to U.S. Participants, in no case will payment of Trust Units that are short-term deferral exempt from Section 409A of the Code be made later than 2-1/2 months from the end of the U.S. Participant's taxable year in which the Trust Units vest.

- (b) *Effect of Redemption of Trust Units.* A Participant shall have no further rights respecting any Trust Unit which has been redeemed.

Section 3. General

3.1 Capital Adjustments

In the event of any in specie distribution, consolidation or subdivision of securities, combination or exchange of securities, merger, spin-off or other distribution (other than normal cash distributions) of the REIT's assets to unitholders, or any other change in the capital of the REIT affecting REIT Units, the Committee will make such proportionate adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such change, with respect to (i) the number or kind of securities on which the Trust Units are based; (ii) the number of Trust Units; and (iii) the Performance Vesting Conditions, Performance Period and Adjustment Factor, if applicable.

3.2 Non-Exclusivity

Nothing contained herein will prevent the Board from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or unitholder approval.

3.3 Unfunded Plan

To the extent any individual holds any rights under the Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured general creditor of the REIT.

3.4 Successors and Assigns

The Plan shall be binding on all successors and assigns of the REIT and each Participant, including without limitation, the legal representative of a Participant, or any receiver or trustee in bankruptcy or representative of the creditors of the REIT or a Participant.

3.5 Transferability of Awards

Rights respecting Trust Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

3.6 Effect of Change of Control

Notwithstanding any other provision of this Plan, in the event of a Change of Control, any surviving, successor or acquiring entity shall assume any outstanding Trust Units or shall substitute similar units for the outstanding Trust Units. If the surviving, successor or acquiring entity does not assume the outstanding Trust Units or substitute similar units for the outstanding Trust Units or if the Committee otherwise determines in its sole and absolute discretion, the REIT shall give written notice to all Participants advising that the Plan shall be terminated effective immediately prior to the Change of Control and a specified number of Trust Units (and related Distribution Trust Units) shall be deemed to be vested and have a redemption date immediately prior to the termination of the Plan. The number of Performance Trust Units which are deemed to be vested shall be based on an Adjustment Factor as determined in the sole and absolute discretion of the Committee in considering the Performance Vesting Conditions attained and any other factors it considers appropriate.

3.7 Amendment and Termination

- (a) The Committee may amend, suspend or terminate this Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of unitholders or any governmental or regulatory body. The Committee may make any types of amendments to the Plan without seeking unitholder approval, except the following types of amendments which will require unitholder approval:
 - (i) any amendment to the number of REIT Units issuable under the Plan, including an increase to a fixed maximum number of REIT Units or a change from a fixed maximum number of REIT Units to a fixed maximum percentage;
 - (ii) any amendment expanding the categories of Eligible Person which would have the potential of broadening or increasing insider participation;
 - (iii) any amendment permitting transfer or assignment of a Trust Unit, except by testate or intestate succession;
 - (iv) any amendment to remove or exceed the insider participation limit;
 - (v) any amendment to this amendment provision; and
 - (vi) any amendment required to be approved by unitholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).
- (b) No amendment, suspension or termination may materially adversely affect any Trust Units, or any rights pursuant thereto, granted previously to any Participant without the consent of that Participant.

- (c) Notwithstanding the foregoing, any amendment of the Plan shall ensure that the Plan is continuously excluded from the salary deferral arrangement rules under the *Income Tax Act* (Canada) or any successor rules.
- (d) If this Plan is terminated, the provisions of this Plan and any administrative guidelines, and other rules adopted by the Committee and in force at the time of this Plan, will continue in effect as long as a Trust Unit or any rights pursuant thereto remain outstanding. However, notwithstanding the termination of the Plan, the Committee may make any amendments to the Plan or the Trust Units it would be entitled to make if the Plan were still in effect.
- (e) With the consent of the Participant affected thereby, the Committee may amend or modify any outstanding Trust Unit in any manner to the extent that the Committee would have had the authority to initially grant the award as so modified or amended.

3.8 No Special Rights

Nothing contained in the Plan or in any Trust Unit will confer upon any Participant any right to the continuation of the Participant's employment by or office with the REIT or its Affiliate or interfere in any way with the right of the REIT or its Affiliate at any time to terminate that employment or office or to increase or decrease the compensation of the Participant. Trust Units shall not be considered REIT Units nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of REIT Units, nor shall any Participant be considered the owner of REIT Units. Nothing in the Plan may be construed to provide any Participant with any rights whatsoever to compensation or damages in lieu of notice or continued participation in, or entitlements under, the Plan as a consequence of a Participant's termination of employment or office (regardless of the reason for the termination and the party causing the termination, including a termination without cause). The Plan does not give any Participant any right to claim any benefit or compensation except to the extent specifically provided in the Plan.

3.9 Other Employee Benefits

The amount of any compensation deemed to be received by a Participant as a result of the redemption of a Trust Unit will not constitute compensation with respect to which any other employee benefits of that Participant are determined, including, without limitation, benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, except as otherwise specifically determined by the Committee.

3.10 Tax Consequences

It is the responsibility of the Participant to complete and file any tax returns which may be required under Canadian, U.S. or any other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan.

Notwithstanding any other provision contained herein, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from his or her receipt of Trust Units, REIT Units or other property pursuant to this Plan. In connection with the issuance or delivery of REIT Units or other property pursuant to this Plan, the REIT may:

- (a) require that the Participant pay to the REIT an amount as necessary so as to ensure that the REIT is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance or delivery;

- (b) withhold the Applicable Withholding Taxes from any remuneration or other amount otherwise payable by the REIT to the Participant;
- (c) require that the Participant authorize a securities dealer selected by the REIT, on behalf of the Participant, to sell in the market on such terms and at such time or times as such securities dealer determines a portion of the REIT Units issued or delivered hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or
- (d) require that the Participant make other arrangements acceptable to the REIT to fund the Applicable Withholding Taxes.

3.11 No Liability

Neither the REIT nor any Affiliate will be liable to any Participant for any loss resulting from a decline in the market value of any REIT Units.

3.12 U.S. Participants

Compensation payable under the Plan to U.S. Participants is intended not to be subject to U.S. federal income tax under Section 409A of the Code and the Plan shall be construed, interpreted and administered in compliance with such intent. The Committee is hereby authorized to amend the Plan or any award under the Plan to achieve this result.

3.13 Effective Date

This Plan was effective on December 30, 2019 and was amended and restated on March 1, 2021 and on [insert date], 2022. This Plan, as amended and restated, shall govern all Trust Units granted on and after [insert date], 2022. All restricted share units and performance share units (and related dividend share units) granted by First Capital Realty Inc. under the former First Capital Realty Inc. Amended and Restated Restricted Share Unit Plan prior to December 30, 2019 will be governed by the terms of this Plan as of December 30, 2019.

APPENDIX E



First Capital Real Estate Investment Trust

Mandate of the Board of Trustees

December 30, 2019

Revised: November 3, 2020

FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

MANDATE OF THE BOARD OF TRUSTEES

1. GENERAL

The Board of Trustees (the “**Board**”) of First Capital Real Estate Investment Trust (“**FCR**”) believes that sound corporate governance practices are essential to the well-being of FCR and the promotion and protection of its Unitholders’ interests. The Board oversees the functioning of FCR’s governance system, in part through the work of the Corporate Governance Committee.

The Board has adopted this Mandate, which reflects FCR’s commitment to high standards of corporate governance, to assist the Board in supervising the management of the business and affairs of FCR 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 FCR with a view to sustainable value creation for all Unitholders. As stated in the public disclosure documents of FCR, FCR’s primary objective is the creation of value through long-term maximization of cash flow and capital appreciation from its growing mixed-use portfolio. FCR 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 mixed-use portfolio.

The Board promotes full, true and plain reporting, including financial reporting, to unitholders of FCR 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 FCR is best served by a board of trustees which functions independently of management and is informed and engaged.

The 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 FCR’s needs and legal and regulatory developments.

2. BOARD COMPOSITION

(a) Board Membership Criteria

The 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 trustee should possess; and the competencies and skills each new candidate to be elected by unitholders should bring to the Board.

The Corporate Governance Committee recommends candidates for initial Board membership and Board members for nomination. In making its recommendations, the 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 FCR.

Trustees must have sufficient time to carry out their duties and not assume responsibilities which would materially interfere with or be incompatible with Board membership. Trustees who change their principal occupation are expected to advise the Corporate Governance Committee and, if determined appropriate by the Corporate Governance Committee, resign from the Board.

(b) Trustee 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 unitholders. The Board believes that, except during periods of temporary vacancies, a majority of its members should be "independent" ("**Independent Trustees**") 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 trustee is an Independent Trustee.

The Board will review the independence of all trustees on an annual basis and will publish its determinations in the management information circular relating to FCR's annual meeting. To facilitate this review, trustees will be asked to provide the Board with full information regarding their business and other relationships with FCR and its affiliates and with senior management and their affiliates. Trustees 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 trustees to be an appropriate size for effective decision-making and committee work given the nature of FCR's operations and its current ownership.

(d) Term

All trustees are elected at the annual meeting of unitholders of FCR 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 FCR and its unitholders of the contributions of members who have been able to develop, over time, valuable insights into FCR, its strategy and business operations.

(e) Board Succession

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

(f) Service on Other Boards

The Board does not believe that its members should be prohibited from serving as a trustee, directors 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. Trustees 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 trustee should obtain consent of the Chair of the Board and the Chair of the Corporate Governance Committee.

3. TRUSTEES' DUTIES AND RESPONSIBILITIES

Trustees must act honestly and in good faith with a view to the best interests of FCR and its unitholders 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 trustee is expected to:

- approve multi-year strategic plans and annual business plans;
- develop and maintain a thorough understanding of FCR'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 trustees, 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 FCR.

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 FCR's public disclosure documents. In this regard, the Board will:

- adopt a strategic planning process and review and approve at least 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 FCR's strategic plan;
- confirm that a system is in place to identify the principal risks facing FCR 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.

The Board will, on a quarterly basis, review a report from senior management describing the risk exposures of FCR assigned to it on the enterprise risk register, and the steps senior management has taken to monitor and control such exposures.

(c) Financial Reporting and Management

The Board will:

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

- disclose all material information in compliance with FCR'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 FCR and public oral statements made by or on behalf of FCR are accurate and do not contain a misrepresentation;

- inform all trustees, officers, and other employees of FCR about their obligation to preserve the confidentiality of undisclosed material information about FCR; and
- inform all trustees, officers and other employees of FCR 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 trustees;
- approve the nomination of trustees;
- review the adequacy and form of trustees' compensation to confirm that it realistically reflects the responsibilities and risks involved in being a trustee; and
- provide an opportunity for Independent Trustees to meet on a regular basis or as needed.

(f) Approval of Certain Other Matters

Notwithstanding the delegation to management of the authority to manage the business of FCR, 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 FCR;
- 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 of the Board committees and Board policies. Before making such changes the Corporate Secretary shall obtain the consent of the Chair of the 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 FCR's assets and for creating wealth for unitholders. 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.

FCR'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 FCR 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 FCR. Material deviations from the plan must be reported to and considered by the Board.

The Board, in consultation with the Compensation 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 trustees in carrying out their collective responsibilities to supervise the management of the business and affairs of FCR.

(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 trustees 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 FCR;
- provide direction and advice to management of FCR, 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 FCR, 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 trustees 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 trustees 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 trustees and confirming that clarity regarding decisions is reached and duly recorded;
- chair meetings of the unitholders of FCR;
- work closely with the Chief Executive Officer and the Chair of the Corporate Governance Committee to further the creation of a healthy corporate governance culture within FCR;
- work closely with the Corporate Governance Committee to develop strategic criteria for the recruitment of trustees and succession planning;
- work closely with the Chief Executive Officer to facilitate effective relations with the Board and external stakeholders such as unitholders, 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 trustees and committee chairs; and
- carry out other duties as requested by the trustees, as needs and circumstances arise.

7. LEAD TRUSTEE

(a) Appointment

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

(b) General

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

(c) Specific Role and Responsibilities

The Lead Trustee will:

- in the absence of the Chair of the Board, act as chair of meetings of the Board;
- chair all meetings of the Independent Trustees;
- provide input to the Chair and management on agendas for Board meetings;
- promote, in conjunction with the 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 Trustees, at the discretion of either party and with or without the attendance of the Chair or any other trustee, and represent such trustees in discussions with the Chair and management of the Company on Independent Trustee matters;
- meet periodically with the other trustees 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 trustee evaluations; and
- carry out other duties as requested by the Board or Independent Trustees, as needs and circumstances arise.

8. SECRETARY

(a) Appointment

The Board will in each year elect from among its members or officers of FCR 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 FCR, the Secretary will:

- confirm that all notices and materials are delivered to unitholders and trustees in a timely manner;
- confirm that all minutes of meetings of unitholders, 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 trustees receiving copies of minutes of all committee meetings once approved by the applicable committee);
- facilitate communication among the trustees 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 Committee, the Corporate Governance Committee, the Investment Committee and such other committees as it may establish from time to time.

(b) Composition

The Audit Committee, the Compensation Committee and the Corporate Governance Committee will be comprised solely of Independent Trustees who are selected by the Board on the recommendation of the Corporate Governance Committee. Members of the Audit Committee must be Independent Trustees 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, the Compensation Committee and the Corporate Governance Committee will each be chaired by an Independent Trustee who is selected by the Board on the recommendation of the 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 Corporate Governance Committee and is also reviewed and approved by the Board. Copies of each charter are posted on FCR’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 FCR’s financial statements; FCR’s compliance with legal and regulatory requirements related to financial reporting; the qualifications, independence and performance of FCR’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 Committee**

The Compensation Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to: the selection and retention of senior management; the evaluation and compensation of the chief executive officer; the compensation of senior management; professional development for senior management; incentive compensation plans and equity-based plans; human resource strategies; employment agreements and severance arrangement; the management of benefit plans for employees; compensation of trustees; and any additional matters delegated to the Compensation Committee by the Board.

- **Corporate Governance Committee**

The Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to: FCR’s overall approach to corporate governance; the size, composition and structure of the Board and its committees; identifying and recommending qualified Board candidates; orientation and continuing education for trustees; related party transactions and other matters involving conflicts of interest; and any additional matters delegated to the 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 FCR and at least three “independent trustees” 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 FCR 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 FCR. 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 trustee.

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 trustees and the Chief Executive Officer and Chief Financial Officer, as appropriate. Any trustee may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

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 FCR 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) In Camera Meetings and Meetings of Independent Trustees

To provide open discussion among the trustees, they shall meet separately in camera at every Board meeting (i) with the CEO present and (ii) without the CEO present and any other trustee that has declared a conflict, as applicable, present. These meetings are chaired by the Chair of the Board if the Chair is an Independent Trustee, or Lead Trustee (if one is appointed) or in his or her absence, one of the other Independent Trustees, who informs senior management of the substance of these meetings to the extent that action is required by them. Additionally, the Independent Trustees will meet at such other time as any Independent Trustee may request.

(d) Distribution of Information

Information that is important to the Board's understanding of the business and its agenda is distributed to trustees 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 trustee 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 trustee is expected to attend each annual meeting of unitholders. A trustee who is unable to attend a Board or committee meeting in person may participate by telephone or teleconference.

(f) Attendance of Non-Trustees 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 FCR, 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 FCR 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 FCR or a resolution of the committee or the Board.

Procedures for meetings of Independent Trustees are determined by the Chair, if the Chair is an Independent Trustee, or Lead Trustee (if one is appointed) or in his or her absence, the Independent Trustee who acts as chair of such meeting, unless otherwise determined by the by-laws of FCR 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. TRUSTEE COMPENSATION

The Compensation 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 Committee will be guided by the following principles: compensation should fairly pay trustees for work required in an issuer of FCR's size and scope; it should not exceed what is customary given the size and scope of FCR's business and operations; compensation should align trustees' interests with the long-term interests of unitholders; and the structure of the compensation should be simple, transparent and easy for unitholders to understand. Not less often than annually, the Compensation Committee will review trustees' compensation and recommend any changes to the Board.

12. EQUITY OWNERSHIP REQUIREMENTS

Trustees are subject to equity ownership requirements prescribed in FCR's Policy on Trustee and Executive Leadership Team Equity Ownership.

13. TRUSTEE ORIENTATION AND CONTINUING EDUCATION

The Corporate Governance Committee is responsible for confirming that procedures are in place and resources are made available to provide new trustees with a proper orientation to both FCR and their duties and responsibilities as trustees and to provide other trustees 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 FCR'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 Trustees 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 FCR at any time and have the authority to determine the advisor's fees and other retention terms. Individual trustees may retain an outside advisor at the expense of FCR with the approval of the Corporate Governance Committee.

15. PERFORMANCE ASSESSMENT OF THE BOARD AND ITS COMMITTEES

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

In addition, the Corporate Governance Committee, with the assistance of the Chair of the Board (if Chair is an Independent Trustee) or of the Lead Trustee (if one is appointed), will evaluate individual trustees 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 FCR maintains a high level of trust and integrity in accordance with the highest ethical standards.

17. FEEDBACK

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

Board of Trustees of First Capital Real Estate Investment Trust
c/o Corporate Secretary
85 Hanna Avenue
Suite 400
Toronto, Ontario
M6K 3S3

OR

Corporate.Secretary@fcr.ca

QUESTIONS? NEED HELP VOTING?

CONTACT US


North American Toll Free Phone

1.888.823.4343

@ E-mail: contactus@kingsdaleadvisors.com

 Fax: 416.867.2271

Toll Free Facsimile: 1.866.545.5580

 Outside North America, Banks and Brokers
Call Collect: 416.867.2272

