First Capital Real Estate Investment Trust

Governance and Sustainability Committee Charter

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FIRST CAPITAL REAL ESTATE INVESTMENT TRUST

GOVERNANCE AND SUSTAINABILITY COMMITTEE CHARTER

1. RESPONSIBILITY

The Governance and Sustainability Committee is responsible for assisting the Board of Trustees (the “Board”) of First Capital Real Estate Investment Trust (“FCR”) in fulfilling its responsibilities in relation to:

- FCR’s 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 FCR 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 annual reviews of environmental, social, governance (“ESG”) programs, activities and targets;
- review as appropriate, those risks in the enterprise risk management register, which have been assigned to the Governance and Sustainability 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 Governance and Sustainability Committee by the Board;

all with a view to ensuring FCR is implementing effective corporate governance practices for an organization of FCR’s size and complexity, and which will create and enhance long-term unitholder value.

2. MEMBERS

The Board must appoint a minimum of three trustees to be members of the Governance and Sustainability Committee. The members of the Governance and Sustainability Committee will be selected by the Board on the recommendation of the Governance and Sustainability Committee and will have a working familiarity with corporate governance practices.

All of the members of the Governance and Sustainability Committee will be "independent trustees" (**"Independent Trustees"**) as defined in section 1.4 of National Instrument 52-110 — *Audit Committees*, as amended from time to time (**"NI 52-110"**).

3. DUTIES

The Governance and Sustainability Committee is responsible for performing the duties set out below as well as any other duties that are otherwise required by law or delegated to the Governance and Sustainability Committee by the Board.

(a) Approach to Corporate Governance and Sustainability

The Governance and Sustainability Committee will review FCR's overall approach to corporate governance and make recommendations to the Board in this regard. Among other things, the Governance and Sustainability Committee will:

- review the position description for the Chief Executive Officer, the Chair of the Board, the Lead Trustee (if any) and recommend any amendments to the Board;
- review and recommend the implementation of structures and procedures to facilitate the Board's independence from management and to avoid conflicts of interest;
- be available as a forum for addressing the concerns of individual trustees;
- monitor developments in the area of corporate governance and ESG best practices, such as review of proxy advisory guidelines and third-party governance rankings, and recommend initiatives that will help FCR maintain high standards of corporate governance and ESG programs and activities;
- review and approve the annual ESG report and the ESG multi-year roadmap; and
- review and recommend FCR's climate-related metrics and targets (i.e., GHG emissions and reduction targets) and the performance against ESG accountabilities (e.g., corporate objectives, incentive programs);

(b) Board Size, Composition and Structure

The Governance and Sustainability Committee will examine the size of the Board and recommend to the Board a size that facilitates effective decision making. In addition, taking into consideration the recommended size of the Board, the Governance and Sustainability Committee will recommend the number of Board positions to be filled by Independent Trustees, who should comprise at least a majority of the members of the Board.

The Governance and Sustainability Committee will review the overall composition of the Board, taking into consideration such factors as business experience and specific areas of expertise of each trustee, as well as diversity in reference to FCR’s Board Diversity Policy, and make recommendations to the Board as it determines appropriate.

The Governance and Sustainability Committee will evaluate whether the necessary and appropriate committees exist to support the work of the Board and will make recommendations to the Board for the reorganization of responsibilities among committees, the creation of additional committees or subcommittees, or the elimination of committees as it determines appropriate.

(c) **Review Board Mandate and Committee Charters**

The Governance and Sustainability Committee will on an annual basis, or more frequently if required:

- review and assess the Board Mandate adopted by the Board and recommend any amendments to the Board; and
- review the charter of each committee of the Board and recommend any amendments to the Board;

(d) **Candidates for Board Membership**

The Governance and Sustainability Committee will recommend to the Board a list of candidates for nomination for election to the Board at FCR’s annual meeting of unitholders. In addition, as the need arises, it will identify and recommend to the Board new candidates for Board membership. In making its recommendations to the Board, the Governance and Sustainability Committee will provide an assessment of whether each candidate is or would be (i) an Independent Trustee, and (ii) “financially literate” as defined in NI 52-110.

(e) **Appointments to Board Committees**

The Governance and Sustainability Committee will recommend to the Board those trustees it considers qualified for appointment to each Board committee. Where a vacancy occurs at any time in the membership of any Board committee, the Governance and Sustainability Committee will recommend to the Board a trustee to fill such vacancy.

(f) **Appointment of Lead Trustee**

If the Chair of the Board is an Independent Trustee, a Lead Trustee will not be appointed. If in any year, the Chair of the Board is not an Independent Trustee, the Governance and Sustainability Committee will, after consultation with the Chair of the Board, recommend to the Board an Independent Trustee it considers qualified for appointment to the role of Lead Trustee. Where a vacancy occurs in the role of Lead Trustee, the Governance and Sustainability Committee will, if applicable, recommend to the Board an Independent Trustee to fill such vacancy.

(g) **Absence of Board Chair and Lead Trustee**

The Governance and Sustainability Committee will develop and recommend to the Board a process for chairing meetings of the Board when the Chair of the Board and Lead Trustee (if one is appointed) are not present.

(h) **Trustee Qualifications**

The Governance and Sustainability Committee will establish the preferred experience and qualifications for new trustees which will reflect, among other things:

- competencies, skills and personal qualities that the Board considers to be necessary for the Board, as a whole, to possess;
- competencies, skills and personal qualities that the Board considers each existing trustee to possess;
- competencies, skills and personal qualities that each new trustee would bring to the Board, including gaps that need to be filled, if any;
- responsibilities that would materially interfere with or be incompatible with Board membership; and
- will also consider diversity of the Board.

(i) **Board Succession**

The Governance and Sustainability Committee will develop and maintain a Board succession plan that is responsive to FCR’s needs and the interests of its unitholders.

(j) **Orientation and Continuing Education for Trustees**

The Governance and Sustainability Committee will confirm that procedures are in place and resources are made available to provide new trustees with a proper orientation to both FCR and their responsibilities and duties as trustees and to provide other trustees with appropriate continuing education opportunities.

(k) **Evaluations**

The Governance and Sustainability Committee will establish and implement procedures to evaluate the performance and effectiveness of the Board, Board committees and individual trustees, the Board Chair and all Board committee chairs, to assist the Board in assessing trustees' suitability, including individual trustee independence.

(l) **Relationship with Senior Management**

The Governance and Sustainability Committee will monitor the quality of the relationship between senior management and the Board. Among other things, the Governance and Sustainability Committee will:

- recommend procedures to allow trustees to have access to, and an effective relationship with, senior management;
- meet separately with each member of senior management periodically, as and when it deems advisable; and
- work with the Chief Executive Officer and other members of senior management to foster a healthy corporate governance culture within FCR.

(m) **Related Party Transactions and Conflicts of Interest**

The Governance and Sustainability Committee will review annually trustee independence and make recommendations, as needed, to the Board for approval.

The Governance and Sustainability Committee will review 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 securities law rules. Any member of the Governance and Sustainability 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.

(n) **Expenses**

On a quarterly basis, the Chair of the Governance and Sustainability Committee will review all expenses incurred by the Chair of the Board and the Chief Executive Officer. The Governance and Sustainability Committee will also periodically confirm with management that there is a proper approval process in place for expenses incurred by trustees and senior management of FCR.

(o) **Risk Management**

The Governance and Sustainability Committee will, on an annual 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.

(p) **Code of Business Conduct and Ethics**

The Governance and Sustainability Committee will:

- review and assess FCR's code of business conduct and ethics for trustees, officers and employees (the "Code") to confirm that it addresses, among other things, conflicts of interest, corporate opportunities, confidentiality, fair dealing, protection and proper use of FCR's assets, compliance with applicable laws, rules and regulations (including insider trading laws) and the reporting of illegal or unethical behaviour, and establishes mechanisms to facilitate the effective operation of the Code and the granting of waivers of the Code;
- approve any waivers of the Code sought by trustees or members of senior management; and
- confirm that any waivers of the Code for trustees or members of senior management are promptly disclosed to unitholders.

The Code will be posted on FCR's website and the annual report of FCR will state that the Code is available on the website or is available in print to any unitholder who requests a copy.

4. **REPORTING**

The Governance and Sustainability Committee will:

- regularly report to the Board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities; and
- oversee the preparation of the "Statement of Corporate Governance Practices" section of FCR's management information circular.

5. **GOVERNANCE AND SUSTAINABILITY COMMITTEE MEETINGS**

(a) **Scheduling**

The Governance and Sustainability Committee will meet as often as it determines is necessary to fulfill its responsibilities. A meeting of the Governance and Sustainability Committee may be called by the Chair of the Governance and Sustainability Committee, the Chair of the Board, the Chief Executive Officer or any Governance and Sustainability Committee member.

Meetings will be held at a location determined by the Chair of the Governance and Sustainability Committee.

(b) **Notice**

Notice of the time and place of each meeting will be given to each member either by telephone or other electronic means not less than 48 hours before the time of the meeting or by written notice not less than five days before the date of the meeting. Meetings may be held at any time without notice if all of the members have waived or are deemed to have waived notice of the meeting. A member participating in a meeting will be deemed to have waived notice of the meeting.

(c) **Agenda**

The Chair of the Governance and Sustainability Committee will establish the agenda for each meeting. Any 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 meeting raise subjects that are not on the agenda for the meeting.

(d) **Distribution of Information**

The Chair of the Governance and Sustainability Committee will distribute, or cause the Assistant Secretary to distribute, an agenda and meeting materials in advance of each meeting to allow members sufficient time to review and consider the matters to be discussed.

(e) **Attendance and Participation**

Each member is expected to attend all meetings. A member who is unable to attend a meeting in person may participate by telephone or teleconference.

(f) **Quorum**

A majority of the members will constitute a quorum for any meeting of the Governance and Sustainability Committee.

(g) **Voting and Approval**

At meetings of the Governance and Sustainability Committee, each member will be entitled to one vote and questions will be decided by a majority of votes. In case of an equality of votes, the Chair of the Governance and Sustainability Committee will not have a second or casting vote in addition to his or her original vote.

(h) **Procedures**

Procedures for the Governance and Sustainability Committee meetings will be determined by the Chair of the Governance and Sustainability Committee unless otherwise determined by the Declaration of Trust of FCR or a resolution of the Governance and Sustainability Committee or the Board.

(i) **Transaction of Business**

The powers of the Governance and Sustainability Committee may be exercised at a meeting where a quorum is present in person or by telephone or other electronic means, or by resolution in writing signed by all members entitled to vote on that resolution at a meeting of the Governance and Sustainability Committee.

(j) **Absence of the Chair of the Governance and Sustainability Committee**

In the absence of the Chair of the Governance and Sustainability Committee at a meeting of the Governance and Sustainability Committee, the members in attendance must select one of them to act as chair of that meeting.

(k) **Secretary**

The Governance and Sustainability Committee may appoint one of its members or any other person to act as secretary.

(l) **Minutes of Meetings**

A person designated by the Chair of the Governance and Sustainability Committee at each meeting will keep minutes of the proceedings of the Governance and Sustainability Committee and the Chair will cause the Assistant Secretary to circulate copies of the minutes to each member on a timely basis.

6. **CHAIR OF THE GOVERNANCE AND SUSTAINABILITY COMMITTEE**

Each year, the Board will appoint one member to be the Chair of the Governance and Sustainability Committee. If, in any year, the Board does not appoint a Chair of the Governance and Sustainability Committee, the incumbent Chair of the Governance and Sustainability Committee will continue in office until a successor is appointed.

7. **REMOVAL AND VACANCIES**

Any member of the Governance and Sustainability Committee may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as they cease to meet the qualifications set out above. The Board will fill vacancies on the Governance and Sustainability Committee by appointment from among qualified members of the Board on the recommendation of the Governance and Sustainability Committee. If a vacancy exists on the Governance and Sustainability Committee, the remaining members will exercise all of its powers so long as a quorum remains in office.

8. ASSESSMENT

At least annually, the Governance and Sustainability Committee will assess its effectiveness in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the Board Mandate adopted by the Board.

9. REVIEW AND DISCLOSURE

The Governance and Sustainability Committee will review this Charter at least annually and submit it to the Board for approval together with such amendments as it deems necessary and appropriate.

This Charter will also be posted on FCR's website and the annual report of FCR will state that this Charter is available on the website or is available in print to any unitholder who requests a copy.

10. ACCESS TO OUTSIDE ADVISORS

The Governance and Sustainability Committee may retain any outside advisor at the expense of FCR at any time and has the authority to determine any such advisor's fees and other retention terms.

The Governance and Sustainability Committee, and any outside advisors retained by it, will have access to all records and information relating to FCR which it deems relevant to the performance of its duties.