

CANADIAN APARTMENT PROPERTIES REAL ESTATE INVESTMENT TRUST
BOARD MANDATE

1. **Purpose**

The amended and restated declaration of trust dated May 24, 2017 (the “**Declaration of Trust**”) for Canadian Apartment Properties Real Estate Investment Trust (“**CAPREIT**”) stipulates that the trustees (the “**Trustees**”) of CAPREIT have power, control and authority over the assets of CAPREIT and over the affairs of CAPREIT. The objectives of CAPREIT are contained in CAPREIT’s Declaration of Trust. In achieving these objectives, the Trustees are subject to the investment guidelines and operating policies set out in the Declaration of Trust. For purposes of this Mandate, “CAPREIT” refers to Canadian Apartment Properties Real Estate Investment Trust together with its subsidiaries and controlled entities.

2. **Procedure and Organization**

The operations of CAPREIT are subject to the control of the Trustees and the Declaration of Trust. The Trustees may delegate any of their powers to committees of Trustees and allow any person to operate the real properties of CAPREIT. The Trustees, however, retain all other responsibilities and duties to themselves including appointing officers of CAPREIT, constituting committees of the Trustees and those other responsibilities and duties that the Trustees cannot delegate as expressly set out in the Declaration of Trust.

3. **Duties and Responsibilities**

As noted above, the Trustees are responsible for the stewardship of CAPREIT. In fulfilling their responsibilities and duties, the Trustees shall exercise their power and carry out their functions honestly, in good faith and in the best interests of CAPREIT and its unitholders and in connection therewith they must exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Trustees’ principal responsibilities and duties fall into a number of categories which are outlined below.

Declaration of Trust

The Trustees shall be responsible for exercising their powers or taking whatever actions as may be necessary or desirable in order to carry out the provisions of the Declaration of Trust and ensuring that the exercise of such powers or taking of such actions is not inconsistent with the provisions of the Declaration of Trust.

Strategic Planning

Strategic Plans and Objectives

At least annually, the board of Trustees of CAPREIT (the “**Board**”) shall review and, if advisable, adopt and approve a strategic planning process and a strategic plan for CAPREIT. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of CAPREIT’s broad strategic objectives and values, emerging trends, the

competitive environment, the opportunities for the business of CAPREIT, risk issues and significant business practices and products. In this regard, the Board will:

- (i) Approve long-term strategies;
- (ii) Review and approve, on an annual basis if appropriate, management's strategic and operational plans so that they are consistent with long-term goals;
- (iii) Review and approve CAPREIT's financial objectives, plans and actions;
- (iv) Approve significant acquisitions, sales of assets or units, and material financing arrangements;
- (v) Review and approve CAPREIT's distribution policy and approve the timing and payment of distributions;
- (vi) Set targets and budgets against which to measure executive performance and the performance of CAPREIT;
- (vii) Satisfy itself of the appropriateness of all executive and colleague compensation matters and that a portion of executive compensation is linked appropriately to the performance of CAPREIT; and
- (viii) Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

Business and Capital Plans

At least annually, the Board shall review and, if advisable, approve CAPREIT's annual business and capital plans as well as policies and processes generated by management relating to the authorization of major investments and significant allocation of capital.

Monitoring and Assessment Criteria

At least annually, the Board shall review management's implementation of CAPREIT's strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans and shall, from time to time, determine the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context.

Risk Management

General

At least annually, the Board shall review reports provided by management of principal risks associated with CAPREIT's business and operations, review the implementation by management of appropriate systems to manage these risks, and review reports by management relating to the operation of, and any material deficiencies in, these systems.

Verification of Controls

The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management. The Board shall continuously oversee CAPREIT's financial reporting and disclosure obligations in accordance with applicable law, approve CAPREIT's financial statements, management's discussion and analysis and related releases, and oversee CAPREIT's compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures.

Oversight of Management

General

At least annually, the Board shall review CAPREIT's approach to executive compensation and trustee compensation and assessment.

Succession Review

At least annually, the Board shall review the succession plans of CAPREIT for the Chair, Chief Executive Officer and other executive officers, including the appointment, training and monitoring of such persons.

Integrity of Senior Management

The Board shall, to the extent feasible, oversee management and satisfy itself as to the integrity of the Chief Executive Officer and other executive officers of CAPREIT and that the Chief Executive Officer and other senior officers strive to create a culture of integrity throughout CAPREIT.

Corporate Governance

General

At least annually, the Board shall review CAPREIT's approach to corporate governance.

Trustee Independence

At least annually, the Board shall review Trustee independence standards established by the Board and the Board's ability to act independently from management in fulfilling its duties.

Ethics Reporting

The Board has adopted a written Code of Business Ethics and Conduct (the "**Code**") applicable to Trustees, officers and employees of CAPREIT. At least annually, the Board shall review compliance with, or material deficiencies from, the Code and approve changes it considers appropriate. The Board shall review any complaints received under the Code.

Board Mandate Review

Periodically, at least every five years, the Board shall review and assess the adequacy of its Mandate to ensure compliance with any rules of regulations promulgated by any regulatory body and approve any modifications to this Mandate as considered advisable.

Communications

General

The Board has adopted a Disclosure Policy for CAPREIT. Periodically, at least every five years, the Board shall review CAPREIT's overall Disclosure Policy, including measures for receiving feedback from CAPREIT's stakeholders, and management's compliance with such policy. The Board shall, if advisable, approve material changes to CAPREIT's Disclosure Policy.

Unitholders

CAPREIT shall endeavor to keep its unitholders informed of its progress through disclosures required by applicable securities laws, including annual and interim financial statements and periodic press releases. The Board has adopted a Unitholder Engagement Policy. Trustees and management shall be available to meet with CAPREIT's unitholders at the annual meeting and respond to questions at that time, and to engage with unitholders in accordance with the Unitholder Engagement Policy.

4. Composition

Each Trustee must have an understanding of CAPREIT's principal operational and financial objectives, plans and strategies, and financial position and performance. Trustees who experience a significant change in their personal circumstances that are reasonably likely to affect the performance of their duties as Trustees are expected to advise the Chair of the Board.

Chair of the Board

The Chair of the Board shall be an independent Trustee, unless the Board determines that it is inappropriate to require the Chair to be independent. If the Board determines that it would be inappropriate to require the Chair of the Board to be independent, then the independent Trustees shall select from among their number a Trustee who will act as "Lead Trustee" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chair, if independent, or the Lead Trustee if the Chair is not independent, shall act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

Residency

A majority of the trustees must be persons who are resident in Canada for purposes of the *Income Tax Act* (Canada) and the regulations thereunder, as replaced or amended from time to time. Trustees who propose to become non-residents of Canada shall advise the Board as soon as reasonably practicable.

5. Committees of the Board

The Board has established the Audit Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.

Committee Mandates

The Board shall approve mandates for each Board committee and shall approve mandates for each new Board committee. At least annually, each mandate shall be reviewed by the Board, which shall consider any proposed changes.

Delegation to Committees

The Board has delegated to the applicable committee those duties and responsibilities set out in each Board committee's mandate.

6. Meetings

The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chair is primarily responsible for the agenda and for supervising the conduct of the meeting. Any Trustee may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting. Meetings of the Board shall be conducted in accordance with CAPREIT's Declaration of Trust.

Secretary and Minutes

The Corporate Secretary, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.

Meetings Without Management

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent Trustees and members of management are not present.

Trustees' Responsibilities

Each Trustee is expected to attend all meetings of the Board and any committee of which he or she is a member. Trustees will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

Access to Management and Outside Advisors

The Board shall have unrestricted access to management and employees of CAPREIT. The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any

officer of CAPREIT. CAPREIT shall provide appropriate funding, as determined by the Board, for the services of these advisors.

Service on Other Boards and Audit Committee

Trustees may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Trustees must advise the Chair in advance of accepting an invitation to serve on the board of another public company.

7. Trustee Development and Evaluation

Each new Trustee shall participate in an initial orientation program to be established by the Board and each Trustee shall participate in CAPREIT's continuing trustee development programs to be coordinated by the Governance and Nominating Committee. At least annually, the Board shall review CAPREIT's initial orientation program and continuing trustee development programs.

8. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of CAPREIT. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of CAPREIT's Declaration of Trust, it is not intended to establish any legally binding obligations.

Approved on November 13, 2019.