

**Subject: Disclosure****Date Issued: February 2020**Replaces Date Issued: **February 2019****Application:** This policy (the “Policy”) applies to all trustees, officers, spokespersons or employees of Choice Properties Real Estate Investment Trust and its subsidiaries (collectively “Choice” or the “Trust”).**1.0 General Statement of Policy**

- 1.1 **Commitment.** Choice is committed to providing timely and accurate dissemination of all material information in compliance with all legal and regulatory requirements. This must be accomplished on a consistent basis, such that our unitholders and all parties in the investment community have equal access to this information. The Trust is also aware of the importance of keeping confidential the specifics of its key business and operating strategies and intends to preserve confidentiality where appropriate.
- 1.2 **Scope.** This Policy describes, in general terms, the processes and procedures of Choice in connection with the timely and accurate disclosure of material information by Choice personnel to and communications with all external audiences, including the media, unitholders, securities market professionals and other representatives of the financial community. In addition, this Policy addresses the processes of ongoing investor relation functions with the investment community.
- 1.3 **Applicability.** This Policy applies to all trustees, officers, spokespersons and employees of Choice and its subsidiaries and any outside parties that Choice engages (including lawyers, accountants, consultants and investment bankers). Outside parties should be made aware of the confidential nature of non-public material information and, where possible and appropriate, non-disclosure agreements should be used.

This Policy covers all methods used by Choice to communicate to its unitholders, the media and members of the investment community. These communications include the following:

- press releases;
- written statements made in annual and quarterly reports;
- communication to unitholders;
- reports and other materials furnished to securities commissions;
- communications made during investor conferences;
- speeches by senior Management;
- oral statements made in the course of meetings or calls with securities market professionals, unitholders, media or other external audiences; and
- websites and social media sites.

## 2.0 Policy Administration

- 2.1 Disclosure Committee. The Disclosure Committee is responsible for the administration and implementation of this Policy and shall also monitor compliance with the Policy. The Disclosure Committee shall have a charter that sets out its membership, role and responsibilities. The primary role of the Disclosure Committee shall be to ensure that all public disclosure made by Choice in whatever form is complete, accurate and timely and that the appropriate disclosure controls are in place and working effectively. In this role, the Disclosure Committee shall report to (i) the President and Chief Executive Officer and (ii) the Chief Financial Officer in connection with their respective certifications filed with Choice's interim and annual filings. The Disclosure Committee shall also report to the Audit Committee quarterly with respect to the matters considered by the Disclosure Committee and in connection with the Trust's system of disclosure controls.
- 2.2 Spokespersons. The following individuals are the only employees of the Trust who are permitted to make public statements, issue press releases, make speeches, or other communications with the public or media regarding Choice: the Chairman, the President and Chief Executive Officer and the Chief Financial Officer (the "Spokespersons"). The Spokespersons are the only persons permitted to make public statements containing financial or forward-looking information.

No one other than the Spokespersons is authorized to respond to inquiries or discuss the financial or operating affairs of Choice with anyone in the public forum. Everyone should refer all media, investor, Internet or other inquiries, questions and approaches for information of this type from third parties to one of the Spokespersons specified above. No other employee shall attempt to respond to or engage in a dialogue with persons making these inquiries.

The Spokespersons may, from time to time, designate other employees to speak on behalf of Choice or to respond to specific inquiries from the investment community or the media. Such employees, with appropriate approval from a Spokesperson, may have discussions with local media to support local marketing efforts, but discussion should not include financial, forward-looking or any material, non-public information.

If there is any doubt about the appropriateness of supplying information to an outside party, an employee should contact the Chief Financial Officer or the Chair of the Disclosure Committee for advice.

## 3.0 Material Information and Disclosure

- 3.1 Definition. "Material Information" shall have the meaning ascribed to it under applicable laws and regulations and, for the purposes of this Policy, includes a "Material Change" under such laws. Generally, Material Information is any information relating to the business and affairs of an issuer that results in or would reasonably be expected to result in a significant change in the market price or value of any of an issuer's securities. Information should be considered to be "material" if there is a substantial likelihood that a reasonable investor would consider the information important in making an investment decision or if the information would be viewed by a reasonable investor as having significantly altered the total mix of information available regarding the issuer.

The following types of information are examples of what may be considered material and, if so, should not be disclosed to or discussed with persons outside of Choice except in compliance with this Policy:

- financial results;
- earnings information, including confirmation of or guidance on individual and consensus earnings estimates or confirmation of the assumptions underlying such estimates, and any other forecasts of financial information;
- pending or potential mergers, acquisitions, divestitures, tender offers, joint ventures or changes in assets;
- pending or likely results of material regulatory matters or legal proceedings;
- changes in control of Choice or changes in senior Management;
- changes in auditors or notification from an auditor that Choice may no longer rely on an earlier audit report;
- events regarding Choice's securities, such as debt or equity issuances or redemptions, repurchase plans, unit splits or changes in distributions, changes to the rights of security holders and public or private sales of securities; and
- filing of Prospectuses.

This list is not meant to cover all situations. If there is any question about the materiality of certain information, immediately contact the Chief Financial Officer or the Chair of the Disclosure Committee.

- 3.2 Sub-certification Process. Choice has implemented a sub-certification process to ensure that all material information is reported to the Disclosure Committee. It is expected that all sub-certifiers will respond to all requests for information from the Disclosure Committee in a timely manner and, together with other senior employees of the Trust, keep the Disclosure Committee fully apprised of all significant Trust developments so that the Disclosure Committee may determine their materiality and the appropriateness of and timing for public release of the information, or whether the information should remain confidential.

#### **4.0 Disclosure Responsibilities and Procedures**

- 4.1 Quarterly and Annual Releases of Financial Information. The Disclosure Committee shall, through the sub-certification process and through its other disclosure controls and procedures, collect information regarding the Trust's operations and results in the applicable period. The Disclosure Committee shall make determinations of materiality and shall review the content of quarterly and annual financial statements, Management's discussion and analysis, annual information form, Management proxy circular and any other document filed in connection with the Trust's quarterly and annual disclosure, to ensure such documents are complete and accurate.

Prior to the release of quarterly and annual results, Choice, facilitated by the Chief Financial Officer, will impose a "quiet period" during which it will refrain from providing earnings guidance, comments with respect to quarterly or annual operations, expected results or any information on previously undisclosed matters that could be indicative of the Trust's performance to analysts, investors or other persons outside of Choice. Choice's quiet period will be initiated following the financial close of the quarter and will end with the release of the results. Choice may, subject to receiving prior approval of the Chief Financial Officer or the Vice President, General Counsel & Secretary, during a quiet period, respond to enquiries concerning factual matters about already-disclosed information and disclose material information arising during a quiet period which it is legally obligated to disclose. The enforcement of a "quiet period" ensures that selective disclosure is not made which could result in an advantage to certain marketplace participants over others.

Choice will generally conduct interactive conference calls open to financial analysts on a quarterly basis, after the quarterly report or news release has been issued (see Section 7, Analyst Conference Calls). Any interested party or investor may listen to the call. A playback of the quarterly conference call will be made available on the Choice's website.

- 4.2 Press Releases Containing Material Information. If, outside of the quarterly and annual reporting cycles, information comes to light which may be material and it is not practical to convene the Disclosure Committee for the consideration of such information, any group of three or more members of the Disclosure Committee may review such information and shall, together with the appropriate senior officers of Choice, make determinations regarding its disclosure. At the discretion of these individuals, the Board of Trustees may be convened to review and approve the disclosure.

If information is determined to be material, Choice will (subject to the applicability of confidential disclosure as set out below) immediately initiate a process to ensure full, true, plain and timely disclosure of this information. In accordance with the requirements of the Toronto Stock Exchange (the "TSX") (or those of any other applicable exchange), prior to the issuance of a significant press release during market hours, the TSX shall be called and a copy of the release should be sent to the TSX for their review. The information should then be released through Canada NewsWire with instructions to distribute the full text of the release to business and analyst wires and, in appropriate cases, to specific local news outlets. The release may be sent to selected analysts, investors and media after full distribution. The Chief Financial Officer or the Chair of the Disclosure Committee shall review all news releases where the subject matter has been determined to be material in order to ensure that the Trust's disclosure is in compliance with applicable securities laws and stock exchange requirements. The press releases, as appropriate, will be filed on SEDAR contemporaneously or as soon as technically and reasonably practical with the dissemination through Canada NewsWire.

The Chief Financial Officer or the Vice President, General Counsel & Secretary shall determine whether or not the information constitutes a "Material Change" within the meaning of the applicable securities laws and regulations. If necessary, a Material Change Report shall be filed in accordance with such laws and regulations.

- 4.3 Press Releases Containing Non-Material Information. Although Choice is not required to disclose non-material information, it may in some circumstances be necessary or desirable to do so. All such press releases containing solely non-material information shall be reviewed by the Senior Vice President, Corporate Administration and Governance. If a press release containing solely non-material information contains financial information or forward-looking information, the Chief Financial Officer or the Chair of the Disclosure Committee shall also review the press release prior to it being issued.
- 4.4 Declaration of Distributions. The office of the Secretary will coordinate all releases of distribution notices of Choice. The TSX shall be notified of any distribution notice and the office of the Secretary will arrange for the release of the notice via Canada NewsWire, SEDAR and publication in a national newspaper, as applicable.

## 5.0 Confidential Disclosure of Information

- 5.1 Application. In certain circumstances, Choice may withhold information from public disclosure for legitimate business purposes. The information, if it constitutes material

information, must be filed with Canadian securities regulators on a confidential basis and is reviewed by Choice every 10 days. Choice will only withhold information consistent with the circumstances outlined in Canadian securities laws and in such cases will take appropriate precautions to keep the information confidential.

- 5.2 Responsibilities and Procedures. All non-public information concerning Choice must be kept absolutely confidential, except as otherwise permitted by this Policy. Information may be provided to lenders or potential lenders to the Trust in accordance with applicable law. Information may be disclosed to outside advisors such as lawyers, accountants, investment bankers, rating agencies, printers, designers and translators, all in connection with their representation of Choice, on the understanding that the subject information is confidential. These responsibilities and procedures also apply during the period of time when news releases involving material information are being developed until the information has been released and disseminated to the investing public.

## 6.0 **Procedures for Inadvertent Disclosures and Errors in Disclosure**

If an employee believes that material non-public information was disclosed in violation of this Policy, or if a material error has been made in any public disclosure made by Choice, such person should notify a member of the Disclosure Committee immediately. If inadvertent disclosure or an error in disclosure occurs, Choice shall take appropriate remedial action which may include notification to the appropriate regulator of the inadvertent error, the making of broad public disclosure of the information or correction of the information through a press release or a filing with the Ontario Securities Commission ("OSC").

## 7.0 **Disseminating Information**

7.1 Application. Choice will disseminate corporate information in an equitable manner and will not provide confidential, proprietary or material non-public information selectively to the investing public, media, analysts or others. Choice will provide non-material and publicly disclosed information in individual and group discussions and meetings where doing so facilitates a better understanding of the business and affairs of Choice. Choice will not discriminate among recipients of information. Choice will provide the same information that has been provided to financial analysts or managers to individual investors when requested.

### 7.2 Communications with Financial Analysts and Investors.

- Analyst Conference Calls. Conference calls should be announced sufficiently in advance by a press release and/or posting on the Trust's website which should contain either: (i) a dial-in number through which the general public and the media can have listen-only access to the conference call; or (ii) instructions for listening to a web cast. The conference call may also be recorded for playback or transcribed and made available on the Trust's website. If it is anticipated that previously undisclosed material information will be covered, such information should be included in a press release issued before the call.

A transcript of the call will be retained as part of the Trust's disclosure record. The Senior Vice President, Corporate Administration and Governance shall review the transcript to confirm its accuracy.

- Analyst and Investor Meetings. Any formal analyst meetings (e.g. Analyst Day) should be announced via a press release and/or posting on the Choice's website

and, if it is anticipated that any previously undisclosed material information will be included in the presentation, such information should be disclosed in a press release prior to the meeting.

The meeting should be accessible by telephone or by webcast and should be recorded for playback or transcribed or made available on Choice's website.

- Individual Meetings and Calls. Persons authorized by, and including, any of the President and Chief Executive Officer and the Chief Financial Officer, may meet with or talk with individual analysts or investors but will not provide material information which has not already been disclosed. The focus of such discussions should be limited to broad strategic and operational matters. Each participant should keep a record of the discussions that take place during such meeting or call. No one should confirm or comment on an analyst's earnings estimates, earnings models or any other earnings information.

- 7.3 Analysts Reports. Choice will not comment on reports prepared by analysts other than to correct factual errors. Any opinions, estimates or forecasts regarding Choice provided by analysts are exclusively those of the analyst and do not represent the views of Choice.
- 7.4 Rating Agencies. All discussions and communications with ratings agencies will be on a confidential basis. Any opinions, estimates or forecasts regarding Choice provided by rating agencies are exclusively those of the rating agency and do not represent the views of Choice.
- 7.5 Website Disclosures. The Disclosure Committee shall review and approve any material information to be posted on Choice or any of its subsidiaries' websites, including the investor relations portion of the Trust's website. Documents of interest to investors that are available in paper copy may be made available on the website. News releases will be posted on the website after they are released to Canada NewsWire. Other appropriate documents and presentations may also be placed on the website. Current material must be separated from archival press releases and OSC filings. Archival press releases and OSC filings should be accompanied by a notice stating: "*The information presented below is provided only for historical purposes. Investors should not rely on this information in making investment decisions.*"
- 7.6 Responding to Market Rumours. It is Choice's practice not to comment on market rumours or speculation, particularly where it is clear that Choice is not the source of the market rumour. Should any stock exchange or securities regulator request that Choice make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Disclosure Committee will consider the matter and make a recommendation to the President and Chief Executive Officer as to the nature and content of any response by the Trust.

## 8.0 **Forward-Looking Information**

- 8.1 General Comments. Choice may from time to time make available forward-looking information ("FLI") regarding Choice, such as statements about future or anticipated growth, operating results and performance of Choice and business prospects and opportunities. A statement will generally be considered forward-looking when it involves a statement about the future based on what is known today. Forward-looking statements may include words such as *expect, anticipate, believe, foresee,*

*could, estimate, goal, intend, plan, seek, strive, will, may, should and similar expressions.*

- 8.2 Disclaimers and Cautionary Statements. Whenever FLI is used in a written document, reasonable cautionary language must be included prominently in the document which: (a) identifies the FLI and identifies material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the FLI; and (b) states the material factors or assumptions that were applied in drawing a conclusion or making the forecast or projection set out in the FLI.

Whenever FLI is used in a public oral statement, a statement shall also be made that: (i) the oral statement contains FLI; (ii) actual results could differ materially from a conclusion, forecast or projection in the FLI; (iii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and (iv) that additional information about the material factors that could cause actual results to differ materially from the conclusion, forecast or projection in the FLI and about the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the FLI, are contained in a readily-available document or in a portion of such a document and the document or that portion of the document shall be identified.

- 8.3 Reasonable Basis. When FLI is used in either a written document or a public oral statement, there must be a reasonable basis for drawing the conclusion or making the forecast or projection set out in the FLI. When interpreting “reasonable basis”, relevant factors include the reasonableness of the assumptions applied in drawing the conclusion or making the forecast or projection; and the inquiries made and the process followed in preparing and reviewing the FLI.

## **9.0 Interpretation**

Any questions concerning this Policy should be directed to the Chair of the Disclosure Committee. The Responsibility for the interpretation of this Policy rests jointly with the Chair of the Disclosure Committee and the Chief Financial Officer.

## **10.0 Review**

This Policy shall be reviewed annually by the Audit Committee.