



Office  
REIT

**SLATE OFFICE REIT**

**NOTICE OF ANNUAL MEETING OF UNITHOLDERS**

to be held on May 3, 2019 and

**MANAGEMENT INFORMATION CIRCULAR**

Dated March 26, 2019

## SLATE OFFICE REIT

March 26, 2019

Dear fellow unitholders of Slate Office REIT:

You are invited to attend an annual meeting (the “**Meeting**”) of the holders (“**Unitholders**”) of units and special voting units of Slate Office REIT (the “**REIT**”), which will be held at the offices of McCarthy Tétrault LLP, Suite 5300, TD Bank Tower, 66 Wellington Street West, Toronto, Ontario, M5K 1E6 on May 3<sup>rd</sup>, 2019 at 12:00 p.m. (Eastern Daylight Time).

At the Meeting, Unitholders will be asked to vote on:

- (i) an ordinary resolution re-appointing KPMG LLP as the auditors of the REIT for the ensuing year and authorizing the trustees of the REIT to fix the remuneration of such auditors; and
- (ii) an ordinary resolution electing Monty Baker, Nora Duke, Thomas Farley, Meredith Michetti, John O’Bryan, Blair Welch and Brady Welch as the trustees of the REIT for the ensuing year.

At the Meeting, you will hear about the REIT’s direction and plans for the coming year. You will also be able to meet and ask questions of the board of trustees and management.

The accompanying management information circular describes the business to be conducted at the Meeting and also describes the REIT’s governance practices.

Your vote matters. You may exercise your vote by completing the proxy voting form or voting information form or by attending the Meeting.

We encourage you to attend the Meeting to hear about our annual results and learn more about our plans for the REIT.

We look forward to seeing you at the Meeting.

Yours very truly,

“*Scott Antoniak*”

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SCOTT ANTONIAK  
Chief Executive Officer  
Slate Office REIT

## NOTICE OF ANNUAL MEETING OF UNITHOLDERS OF SLATE OFFICE REIT

All capitalized terms used herein but not otherwise defined have the meaning ascribed thereto in the accompanying management information circular dated March 26, 2019 (the “**Information Circular**”).

**NOTICE IS HEREBY GIVEN** that an annual meeting (the “**Meeting**”) of the holders (the “**Unitholders**”) of units (“**Units**”) and special voting units (“**Special Voting Units**”, and together with the Units, the “**Voting Units**”) of Slate Office REIT (the “**REIT**”) will be held at McCarthy Tétrault LLP, Suite 5300, TD Bank Tower, 66 Wellington Street West, Toronto, Ontario, M5K 1E6 on May 3, 2019 at 12:00 p.m. Eastern Daylight Time, for the following purposes:

- (i) to receive and consider the audited consolidated financial statements of the REIT for the period ended December 31, 2018 and the auditor’s report thereon;
- (ii) to consider and, if thought fit, pass an ordinary resolution re-appointing KPMG LLP as the auditors of the REIT for the ensuing year and authorizing the trustees of the REIT to fix the remuneration of such auditors (the “**Auditor Resolution**”);
- (iii) to consider and, if thought fit, pass an ordinary resolution electing Monty Baker, Nora Duke, Thomas Farley, Meredith Michetti, John O’Bryan, Blair Welch and Brady Welch as the trustees of the REIT for the ensuing year (the “**Trustee Resolution**”); and
- (iv) to transact such other business as may be properly brought before the Meeting and any adjournment or postponement thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Information Circular under “*Business of the Meeting*”, accompanying and forming part of this Notice of Annual Meeting.

The Board of Trustees has fixed March 14, 2019 as the record date (the “**Record Date**”) for the purpose of determining holders of Voting Units entitled to receive notice of and to vote at the Meeting. Any holder of Voting Units of record at the close of business on the Record Date is entitled to vote the Voting Units registered in such Unitholder’s name at that date on each matter to be acted upon at the Meeting.

To be approved, the Auditor Resolution and the Trustee Resolution each must receive the affirmative vote of not less than a majority of the votes cast thereon by holders of the Units and Special Voting Units, with such Unitholders voting together as a single class.

For the Meeting, a quorum is present if there are two or more individuals present in person or represented by proxy, holding or representing by proxy in aggregate at least 5% of the total number of outstanding Voting Units.

Unitholders who hold their Voting Units with a bank, broker or other financial intermediary are not registered Unitholders. If you are not a registered Unitholder, you will have received a request for voting instructions from your broker or other nominee. Please complete and return your voting instruction form in accordance with the directions on the voting instruction form. To be effective, a voting instruction form must be received no later than 12:00 p.m. Eastern Daylight Time on May 1, 2019. If you plan to attend the Meeting and wish to vote in person, please follow the instructions on the enclosed voting instruction form to appoint yourself, instead of the management nominees, to vote at the Meeting. Non-registered Unitholders must take the necessary steps to appoint themselves if they wish to vote at the Meeting in person. Please take the time to ensure your vote is included at the Meeting.

### **Notice-and-Access**

The REIT has elected to use the notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communication with*

*Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”, and together with NI 51-102, the “**Notice-and-Access Provisions**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to securityholders.

Electronic copies of this Notice of Annual Meeting, the Information Circular and the REIT’s management’s discussion and analysis of the results of operations and financial condition of the REIT for the year ended December 31, 2018 and the audited consolidated financial statements of the REIT and accompanying notes for the year ended December 31, 2018 together with the auditor’s report thereon (the “**2018 MD&A and Financials**”) may be found on SEDAR at [www.sedar.com](http://www.sedar.com) and also on the REIT’s website at [www.slateofficereit.com](http://www.slateofficereit.com).

Unitholders are reminded to review the Information Circular before voting.

Unitholders will receive paper copies of a notice package (the “**Notice Package**”) via pre-paid mail containing a notice with information prescribed by NI 54-101 and a form of proxy (if you are a registered Unitholder) or a voting instruction form (if you are a non-registered Unitholder). The REIT will not use procedures known as ‘stratification’ in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Information Circular to some securityholders with a Notice Package.

Unitholders may obtain paper copies of the Information Circular and the 2018 MD&A and Financials free of charge by calling +1 (866) 600-5869 at any time up until the date of the Meeting, including any adjournment or postponement thereof. Any Unitholder wishing to obtain a paper copy of the meeting materials should submit their request no later than 12:00 p.m. Eastern Daylight Time on April 19, 2019 in order to receive paper copies of the meeting materials in time to vote before the Meeting. Unitholders may also use the toll-free number noted above to obtain more information about the Notice-and-Access Provisions. Under the Notice-and-Access Provisions, meeting materials will be available for viewing on the REIT’s website for one year from the date of posting.

DATED at Toronto, Ontario this 26<sup>th</sup> day of March, 2019.

**By order of the Board of Trustees,**

*“John O’Bryan”*

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JOHN O’BRYAN  
Chair, Board of Trustees  
Slate Office REIT

# MANAGEMENT INFORMATION CIRCULAR

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## GENERAL INFORMATION

This information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by and on behalf of management of Slate Office REIT (the “REIT”) for use at the annual meeting (the “Meeting”) of the holders (the “Unitholders”) of units (“Units”) and special voting units (“Special Voting Units”, and together with the Units, the “Voting Units”) of the REIT and any adjournment or postponement thereof. No person has been authorized to give any information or make any representation in connection with matters to be considered at the Meeting other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the REIT or management of the REIT.

In this Information Circular, references to the REIT include its Subsidiaries as required by the context. All dollar amounts are expressed in Canadian dollars unless otherwise indicated. All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth under “Glossary”.

## PROXY AND VOTING INFORMATION

**Beneficial Unitholders should read the information under “Proxy and Voting Information – Advice to Beneficial Unitholders” for an explanation of their rights.**

### Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by management of the REIT for use at the Meeting to be held at McCarthy Tétrault LLP, Suite 5300, TD Bank Tower, 66 Wellington Street West, Toronto, Ontario, M5K 1E6 on May 3, 2019 at 12:00 p.m. Eastern Daylight Time and any adjournment or postponement thereof. **The information contained herein is given as of March 26, 2019, the date of this Information Circular, unless otherwise stated.**

The solicitation of proxies will be primarily by mail, subject to the use of Notice-and-Access Provisions (as defined below) in relation to delivery of the meeting materials, but proxies may also be solicited personally or by telephone by representatives of the REIT without special compensation or by such agents as the REIT may appoint. While no arrangements have been made to date, the REIT may contract with a professional proxy solicitation firm for the solicitation of proxies for the Meeting, which arrangements would include customary fees. The cost of solicitation will be borne by the REIT. The REIT may also pay brokers or nominees holding Voting Units in their names or in the names of their principals for their reasonable expenses incurred in sending solicitation materials to their principals.

Unitholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof to the attention of TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Attention: Proxy Department (i) in the envelope provided, (ii) by email at [tmxproxysupport@tmx.com](mailto:tmxproxysupport@tmx.com), or (iii) by facsimile to 416-595-9593. To be effective, proxies must be received by TSX Trust Company not later than 12:00 p.m. Eastern Daylight Time on May 1, 2019 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjourned or postponed Meeting.

### Notice-and-Access

The REIT is sending out proxy-related materials to Unitholders using the notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) and together with NI 51-102, the “Notice-and-Access Provisions”). The REIT anticipates that use of the Notice-and-Access Provisions will directly benefit the REIT by reducing the postage and material costs associated with the printing and mailing of the proxy-related materials and will additionally reduce the environmental impact of such actions.

Unitholders will be provided with electronic access to the notice of annual meeting (the “**Notice of Annual Meeting**”), this Information Circular and the REIT’s management’s discussion and analysis of the results of operations and financial condition of the REIT for the year ended December 31, 2018 and the audited consolidated financial statements of the REIT and accompanying notes for the year ended December 31, 2018 together with the auditor’s report thereon (the “**2018 MD&A and Financials**”) on SEDAR at [www.sedar.com](http://www.sedar.com) and on the REIT’s website at [www.slateofficereit.com](http://www.slateofficereit.com). The annual information form for the year ended December 31, 2018 (the “**Annual Information Form**”) can also be found on SEDAR and the REIT’s website.

Unitholders will receive paper copies of a notice package (the “**Notice Package**”) via pre-paid mail containing a notice with information prescribed by NI 54-101 and a form of proxy (if you are a registered Unitholder) or a voting instruction form (if you are a non-registered Unitholder). The REIT will not use procedures known as ‘stratification’ in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Information Circular to some securityholders with a Notice Package.

Unitholders may obtain paper copies of the Information Circular and the 2018 MD&A and Financials free of charge by calling +1 (866) 600-5869 at any time up until the date of the Meeting, including any adjournment or postponement thereof. Any Unitholder wishing to obtain a paper copy of the meeting materials should submit their request no later than 12:00 p.m. Eastern Daylight Time on April 19, 2019 in order to receive paper copies of the meeting materials in time to vote before the Meeting. Unitholders may also use the toll-free number noted above to obtain more information about the Notice-and-Access Provisions. Under the Notice-and-Access Provisions, meeting materials will be available for viewing on the REIT’s website for one year from the date of posting.

#### **Record Date**

The REIT will prepare a list of Unitholders of record as of the close of business on March 14, 2019 (the “**Record Date**”). Unitholders named on that list will be entitled to receive notice of and vote at the Meeting or any adjournment or postponement thereof, even though he/she/it has since the Record Date disposed of his/her/its Voting Units, and no Unitholder becoming such after the Record Date will be entitled to receive notice of and vote at the Meeting or any adjournment or postponement thereof or to be treated as a Unitholder of record for purposes of such other action. Each Unitholder is entitled to one vote at the Meeting for each Voting Unit held as provided herein.

#### **Appointment of Proxies**

**A Unitholder has the right to appoint a person (who need not be a Unitholder), other than persons designated in the form of proxy accompanying this Information Circular, as nominee to attend at and act for and on behalf of such Unitholder at the Meeting.** This right may be exercised by inserting the name of such person in the blank space provided on the form of proxy applicable to the Meeting.

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to TSX Trust Company no later than 12:00 p.m. Eastern Daylight Time on the second last Business Day immediately preceding the date of the Meeting or any adjournment or postponement thereof, in accordance with the delivery instructions contained above under “*Proxy and Voting Information – Solicitation of Proxies*”.

#### **Revocation of Proxies**

Only proxies given by registered Unitholders for use at the Meeting may be revoked at any time prior to their use. Subject to compliance with the requirements described in the following paragraph, the giving of a proxy will not affect the right of a Unitholder to attend and vote in person at the Meeting.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Unitholder or his/her attorney duly authorized in writing, or, if the Unitholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized and deposited with



TSX Trust Company, in a manner provided above under “*Proxy and Voting Information – Solicitation of Proxies*”, at any time up to and including 12:00 p.m. Eastern Daylight Time on the second last Business Day immediately preceding the date of the Meeting, or any adjournment or postponement thereof, as applicable, or, with the Chair of the Meeting at the Meeting on the day of such meeting or any adjournment or postponement thereof, and upon any such deposit, the proxy is revoked.

Beneficial holders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures set out above.

### **Advice to Beneficial Unitholders**

The information set forth in this section is of significant importance to a majority of Unitholders as they do not hold their Voting Units in their own names, rather they are held through a broker, dealer, bank, trust company or other nominee (such Unitholders are referred to as “**Beneficial Unitholder(s)**”). Such Voting Units are not registered in the Unitholder’s own name on the records of the REIT maintained by TSX Trust Company and are instead registered in the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc. (“**CDS**”), which acts as nominee for many Canadian brokerage firms). Units held by brokers or their agents or nominees can only be voted (for or against Resolutions) upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting the Voting Units for the brokers’ clients. **Therefore, each Beneficial Unitholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Applicable Canadian regulatory policy requires brokers or other nominees to seek voting instructions from Beneficial Unitholders in advance of unitholders’ meetings by forwarding a voting instruction form (Form 54-101F7 – *Request for Voting Instructions made by Intermediary* (“**Form 54-101F7**”)) under NI 54-101. Brokers and other nominees have their own mailing and delivery procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Unitholders in order to ensure that their Voting Units are voted at the Meeting. In Canada, many brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”). In most cases, Broadridge mails a scannable voting instruction form and asks Beneficial Unitholders to return the form to Broadridge. Alternatively, Beneficial Unitholders can either call Broadridge’s toll free telephone number to provide voting instructions, or access Broadridge’s dedicated voting web site at [www.proxyvote.com](http://www.proxyvote.com) to deliver their voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions to the REIT respecting the voting of Voting Units to be represented at the Meeting.

A Beneficial Unitholder will not be recognized directly at the Meeting for the purposes of voting the Voting Units registered in the name of his/her/its broker; however, a Beneficial Unitholder may attend the Meeting as proxy holder for the registered Unitholder and vote the Voting Units in that capacity. **Beneficial Unitholders who want to attend the Meeting in person and vote as proxy holder can enter their own names or the names of their appointees in the place provided for that purpose in the voting instruction form provided to them and return the same to their intermediary (or the intermediary’s agent) in accordance with the instructions provided by such broker.** Subject to the basic requirements described below, intermediaries do have flexibility as to the specific method used to appoint Beneficial Unitholders as proxy holders, and Beneficial Unitholders should carefully follow all instructions they receive.

An intermediary who is the registered holder of, or holds a proxy in respect of, securities owned by a Beneficial Unitholder must arrange, without expense to the Beneficial Unitholder, to appoint the Beneficial Unitholder or a nominee of the Beneficial Unitholder as a proxy holder in respect of those securities if the Beneficial Unitholder has instructed the intermediary to do so using either of the following methods (i) the Beneficial Unitholder filled in and submitted the Form 54-101F7 previously sent to the Beneficial Unitholder by the intermediary, or (ii) the Beneficial Unitholder submitted any other document in writing that requests that the Beneficial Unitholder or a nominee of the Beneficial Unitholder be appointed as a proxy holder. If an intermediary appoints a Beneficial Unitholder or a nominee of the Beneficial Unitholder

as a proxy holder as aforesaid, the Beneficial Unitholder or nominee of the Beneficial Unitholder, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of the intermediary in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless applicable law does not permit the giving of that authority. An intermediary who appoints a Beneficial Unitholder as proxy holder as aforesaid must deposit the proxy within the timeframe specified above, if the intermediary obtains the instructions at least one Business Day before the termination of that time.

Beneficial Unitholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries. Pursuant to NI 54-101, issuers may obtain and use the NOBO list in connection with any matters relating to the affairs of the issuer, including the distribution of proxy-related materials directly to NOBOs. The REIT is not sending meeting materials directly to NOBOs; the REIT uses and pays intermediaries and agents to send the meeting materials. The REIT also intends to pay for intermediaries to deliver the meeting materials to OBOs.

**Beneficial Unitholders should contact their broker or other intermediary if they have any questions regarding the voting of Voting Units held through that broker or other intermediary.**

### **Voting of Proxies**

The persons named in the form of proxy accompanying this Information Circular have indicated their willingness to represent as proxy the Unitholder who appointed them. Each Unitholder may instruct his/her/its proxy how to vote his/her/its Voting Units by completing the blanks on the proxy form.

Voting Units represented by properly executed proxy forms in favour of the person designated on the form will be voted for, against or withheld from voting (as the case may be), in accordance with the instructions given on the proxy forms. In the absence of such instructions, the Voting Units will be voted “FOR” the Resolutions.

The proxy form accompanying this Information Circular confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the accompanying Notice of Annual Meeting and with respect to any other matters which may properly come before the Meeting. As at the date of this Information Circular, management of the REIT know of no such amendments, variations or other matters to come before the Meeting.

### **Voting Securities and Principal Holders thereof**

The REIT is authorized to issue an unlimited number of Units and Special Voting Units, of which 69,841,069 Units and 5,285,160 Special Voting Units were issued and outstanding as at March 14, 2019. As at March 14, 2019, the REIT’s subsidiaries have outstanding 2,977,132 Office I LP Class B LP Units and 2,308,028 Office II LP Class B LP Units (which are attached to the outstanding Special Voting Units). Each Class B LP Unit is redeemable for cash or Units on a one-for-one basis, as determined by Office GP, in its sole discretion. Each Unitholder is entitled to one vote at the Meeting for each Voting Unit held as provided herein.

There are no persons or companies of record who own or are known to the REIT to own beneficially, directly or indirectly, more than 10% of any class of Voting Units, other than as described below.

Slate indirectly holds 5,285,160 Special Voting Units representing all of the outstanding Special Voting Units and approximately 7.0% of the outstanding Units on a non-diluted basis but including the outstanding Class B LP Units as at March 14, 2019. Blair Welch and Brady Welch, trustees of the REIT, exercise control or direction over the Class B LP Units owned by Slate in their capacity as partners of Slate. Slate also indirectly holds 1,687,251 Units representing approximately 2.2% of the outstanding Units on a non-diluted basis but including the outstanding Class B LP Units as at March 14, 2019.

## BUSINESS OF THE MEETING

### Overview

The Meeting will be constituted as a general meeting of the REIT. The audited financial statements of the REIT for the period ended December 31, 2018 and the auditor's report thereon will be tabled before the Unitholders at the Meeting for discussion. The audited financial statements have been approved by the audit committee ("**Audit Committee**") and the Board. In addition, at the Meeting, the Unitholders will be asked to consider and, if thought fit, pass:

- (i) an ordinary resolution re-appointing KPMG LLP as the auditors of the REIT for the ensuing year and authorizing the trustees to fix the remuneration of such auditors, the full text of which is set forth in Appendix "A" (the "**Auditor Resolution**"); and
- (ii) an ordinary resolution electing Monty Baker, Nora Duke, Thomas Farley, Meredith Michetti, John O'Bryan, Blair Welch and Brady Welch as the trustees of the REIT for the ensuing year, the full text of which is set forth in Appendix "B" (the "**Trustee Resolution**").

**If you do not specify how you want your Units voted, the persons named as proxy holders will cast the votes represented by proxy at the Meeting FOR the applicable Resolution.**

To be approved, the Auditor Resolution and the Trustee Resolution each must receive the affirmative vote of not less than a majority of the votes cast thereon by holders of the Units and Special Voting Units, with such Unitholders voting together as a single class.

For the Meeting, a quorum is present if there are two or more individuals present in person or represented by proxy, holding or representing by proxy in aggregate at least 5% of the total number of outstanding Voting Units.

### Financial Statements

The 2018 MD&A and Financials may be accessed on SEDAR at [www.sedar.com](http://www.sedar.com), the REIT's website at [www.slateofficereit.com](http://www.slateofficereit.com) or may be obtained from the secretary of the REIT upon request and will be available at the Meeting.

### Appointment of External Auditor

KPMG LLP was first appointed auditor of the REIT on December 28, 2012. Upon the recommendation of the Audit Committee, the Board of Trustees of the REIT recommends that KPMG LLP be reappointed as the REIT's auditors to hold office until the close of the next annual meeting and that the trustees be authorized to fix their remuneration.

This reappointment of KPMG LLP as auditors must be approved by a simple majority of votes cast by Unitholders at the Meeting. Representatives of KPMG LLP will be present at the Meeting and will be given the opportunity to make a statement if they so wish and will respond to appropriate questions.

The following chart summarizes the fees of KPMG LLP for services during 2018 and 2017 for audit fees and non-audit related services:

Fee	2018	2017
Audit fees <sup>(1)</sup>	\$321,500	\$252,600
Audit related fees <sup>(2)</sup>	\$178,950	\$122,400
Tax services <sup>(3)</sup>	\$159,750	\$143,000
All Other Fees	-	-
<b>Total fees</b>	<b>\$660,200</b>	<b>\$518,000</b>

<sup>(1)</sup>Includes professional fees paid to the external auditor for the audit of the annual consolidated financial statements and the reviews of quarterly consolidated financial statements.

<sup>(2)</sup>Relates to assurance and related services provided in connection with transactions.

<sup>(3)</sup>Relates to tax compliance services for the REIT and its subsidiaries.

### Election of Trustees

The number of trustees to be elected at the Meeting is seven. Pam Spackman will be retiring from the Board and will not be standing for re-election. The Board and management would like to thank Ms. Spackman for her guidance and valued contributions to the REIT during her tenure. The Board has nominated a new trustee, Meredith Michetti, to be elected at the Meeting. Assuming Meredith Michetti is elected, her appointment to the Board of Trustees would be effective as of the date of the Meeting. Trustees are elected by Unitholders annually and, unless re-elected, retire from office at the end of the next annual general meeting of Unitholders.

Pursuant to the Declaration of Trust, Slate Management Corporation, the external manager, (the "**Manager**") which is controlled by Slate, has the right to nominate one trustee to stand for election to the Board (the "**Slate Nominee**") for so long as Slate has an interest of at least 5% of the Units on a fully-diluted basis. The number of trustees entitled to be nominated by Slate will be proportionately adjusted (rounding the number of appointees upwards) to account for any increase or decrease in the number of trustees of the REIT. As a result of the increase in the number of trustees of the REIT following Slate's acquisition of the Manager, Slate is entitled to nominate two trustees to stand for election to the Board. In addition, pursuant to the Management Agreement, Slate has the right to nominate one trustee for election to the Board during the term of the Management Agreement, provided that so long as Slate or an affiliate has rights to elect Board members in accordance with the Declaration of Trust as set out above this right shall not apply.

Other than the Slate Nominees, the nominees for election of the trustees have been determined by the compensation, governance and nominating committee (the "**Governance Committee**") in accordance with the provisions of the Declaration of Trust. Consequently, five nominees will be nominated by the Board of the REIT (the "**REIT Nominees**" and together with the Slate Nominees, the "**Nominees**") and two Slate Nominees will be nominated by Slate for election as trustees at the Meeting.

The following tables set forth, for each Nominee, the person's name, age, province or state and country of residence, positions(s) with the REIT, the date on which the person became a trustee, principal occupation, Board and committee attendance and the number of REIT securities owned. Blair Welch and Brady Welch are the Slate Nominees.

<b>Monty Baker</b> Burlington Ontario, CA  Age: 63  <b>Status:</b> Independent  <b>Trustee Since:</b> January 3, 2018	<b>Principal Occupation During Past Five Years and Prior</b>				
	Mr. Baker is a retired partner from PricewaterhouseCoopers (“PwC”), where he held various senior roles, including as the Canadian leader for the PwC Canada Management Consulting group. He also served on PwC’s partnership board and was a member of the Global PwC Consulting Advisory Board from 1999 to 2002. Mr. Baker had significant involvement in the sale of the PwC Consulting Practice to IBM. Until his retirement in 2011, he was the Vice President, Global BTO HR Solutions at IBM where he was responsible for overall strategy, sales, marketing and the delivery for Human Resource Outsourcing. Mr. Baker is a graduate of the University of Toronto and a Chartered Professional Accountant. He received his chartered director designation from The Directors College in 2013. Currently, he is a director of the OMERS Administrative Corporation where he is Chair of the Human Resources Committee and serves as a member of the Audit and Actuarial Committee and the Technology Committee.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	9/9	4/4	-	2/2	15/15
	<b>Other Public Board Memberships</b>				
	-				
<b>REIT Securities Held as at March 14, 2019</b>					
<b>Units</b>	<b>DSU</b>	<b>Special Voting Units</b>	<b>Total</b>	<b>Market Value<sup>(1)</sup></b>	
-	12,652	-	12,652	\$77,555	

<sup>(1)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<b>Nora Duke</b> St. John's, Newfoundland and Labrador, CA  Age: 57  <b>Status:</b> Independent  <b>Trustee Since:</b> June 30, 2015	<b>Principal Occupation During Past Five Years and Prior</b>				
	Ms. Duke has over a decade of experience in the real estate and hospitality sectors. She is currently Executive Vice President, Sustainability and Chief Human Resource Officer, of Fortis Inc. Prior to this recent appointment, Ms. Duke served as Executive Vice President, Corporate Services and Chief Human Resource Officer of Fortis Inc. from August 2015 to December 2017, and was previously the Chief Executive Officer of Fortis Properties Corporation from 2007 to 2015. Prior to Fortis Properties Corporation, Ms. Duke spent 16 years at another Fortis subsidiary, Newfoundland Power Inc., ultimately serving as the company’s Vice President of Customer and Corporate Services. She has been inducted into Atlantic Canada’s Top 50 CEOs Hall of Fame by Atlantic Business Magazine. She was also named one of Canada’s 100 Most Powerful Women in 2010 by the Women’s Executive Network. Ms. Duke holds a Bachelor of Commerce (Honours) and a Masters of Business Administration from Memorial University.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	9/9	4/4	4/4	-	17/17
	<b>Other Public Board Memberships</b>				
	Fortis Alberta Inc. and UNS Energy Corporation				
<b>REIT Securities Held as at March 14, 2019</b>					
<b>Units</b>	<b>DSU</b>	<b>Special Voting Units</b>	<b>Total</b>	<b>Market Value<sup>(1)</sup></b>	
14,100	12,733	-	21,833	\$133,838	

<sup>(1)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<b>Thomas Farley</b> Palm Desert, California, U.S.A  <b>Age:</b> 63  <b>Status:</b> Independent  <b>Trustee Since:</b> May 24, 2017	<b>Principal Occupation During Past Five Years and Prior</b>				
	Mr. Farley is a corporate director with over 30 years of real estate industry experience. Most recently, Mr. Farley held the position of Chairman of the Board of Brookfield Canada Office Properties and prior to that was the President and Global Chief Operating Officer of Brookfield Office Properties, overseeing asset management, leasing, and property operating initiatives. Further, he served as Chairman of the Board of Brookfield Johnson Controls Canada and Brookfield Johnson Controls Australia. Previously at Brookfield he was Chief Executive Officer of Canadian Commercial Operations, Chief Executive Officer of Australian Commercial Operations and Senior Vice President, Western Canada. Mr. Farley received a Bachelor of Arts from the University of Victoria, a CRF designation from the Real Estate Institute of Canada and is a member of the American Management Association.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	8/9	-	4/4	2/2	14/15
	<b>Other Public Board Memberships</b>				
	Slate Retail REIT				
	<b>REIT Securities Held as at March 14, 2019</b>				
	<b>Units</b>	<b>DSU</b>	<b>Special Voting Units</b>	<b>Total</b>	<b>Market Value<sup>(1)</sup></b>
	33,247	-	-	33,247	\$203,804

<sup>(1)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<b>Meredith Michetti</b> Toronto, Ontario, CA  <b>Age:</b> 54  <b>Status:</b> Independent  <b>Trustee Since:</b> New Nominee	<b>Principal Occupation During Past Five Years and Prior</b>				
	Meredith Michetti is a lawyer with over 20 years' experience. Ms. Michetti practiced real estate law at a prominent Bay Street law firm, and spent 18 years at Tim Hortons Inc. where she held various senior positions, including Vice President, Associate General Counsel and Assistant Corporate Secretary. At Tim Hortons, she led the legal group and was a member of the executive team. Ms. Michetti also served as Vice President, Legal for OneREIT, a publicly traded company that was privatized. Currently she serves as President, Dormer Properties Inc., a private real estate company. Ms. Michetti received her Bachelor of Arts degree from The University of Calgary, and her Bachelor of Laws degree from the University of Windsor. She is a member of The Law Society of Ontario and a former director of the Learning Disabilities Association of Ontario.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	-	-	-	-	-
	<b>Other Public Board Memberships</b>				
	-				
	<b>REIT Securities Held as at March 14, 2019</b>				
	<b>Units</b>	<b>DSU</b>	<b>Special Voting Units</b>	<b>Total</b>	<b>Market Value</b>
	-	-	-	-	-

<b>John O'Bryan</b> Aurora, Ontario, CA  <b>Age:</b> 68  <b>Status:</b> Independent  <b>Trustee Since:</b> March 18, 2015	<b>Principal Occupation During Past Five Years and Prior</b>				
	Mr. O'Bryan's real estate career has spanned over 40 years. He was educated in the U.K., where he earned an honours degree in Estate Management. During his early career at A.E. Le Page, Mr. O'Bryan founded and headed Canada's largest appraisal network. From 1998 to 2008 he served as a Managing Director at TD Securities. In 2008 Mr. O'Bryan joined CBRE Limited, where he acted as both Vice Chairman and Chairman, until he stepped down in 2015. Mr. O'Bryan has served on the boards of a number of professional real estate organizations, including the RICS, ULI, REALPAC and NAIOP, where he was President and a recent recipient of a Lifetime Achievement Award. Mr. O'Bryan is currently the Honourary Chairman of CBRE Limited and an independent trustee of CT Real Estate Investment Trust.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	8/9	-	3/4	-	11/13
	<b>Other Public Board Memberships</b>				
	CT Real Estate Investment Trust				
	<b>REIT Securities Held as at March 14, 2019</b>				
<b>Units</b>	<b>DSU</b>	<b>Special Voting Units</b>	<b>Total</b>	<b>Market Value<sup>(1)</sup></b>	
26,728	45,715	-	64,943	\$398,099	

<sup>(1)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<b>Blair Welch</b> Toronto, Ontario, CA  <b>Age:</b> 46  <b>Status:</b> Non-Independent  <b>Trustee Since:</b> May 25, 2015	<b>Principal Occupation During Past Five Years and Prior</b>				
	Mr. Welch co-founded Slate in 2005. Slate is a Toronto-based real estate asset management company with over \$6 billion of assets under management across Canada, the United States and Europe. With over 20 years of real estate industry experience in North America, Europe and Asia, Mr. Welch has worked in direct investment, investment banking, development and securitization. Mr. Welch has been fortunate to work with exceptional people at pioneering firms such as Fortress Investment Group; Bankers Trust; First National Financial Corporation and Brazos Advisors (now Lone Star). Mr. Welch serves as a trustee of the REIT. and holds a Bachelor of Commerce from the University of British Columbia.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	9/9	-	4/4	-	13/13
	<b>Other Public Board Memberships</b>				
	Slate Retail REIT				
	<b>REIT Securities Held as at March 14, 2019</b>				
<b>Units<sup>(1)</sup></b>	<b>DSU</b>	<b>Special Voting Units<sup>(1)</sup></b>	<b>Total</b>	<b>Market Value<sup>(2)</sup></b>	
1,707,878	-	5,285,160	6,993,038	\$42,867,323	

<sup>(1)</sup> Includes Units and Special Voting Units directly and indirectly held by Slate.

<sup>(2)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<b>Brady Welch</b> Burlington, Ontario, CA  <b>Age:</b> 49  <b>Status:</b> Non-Independent  <b>Trustee Since:</b> November 4, 2014	<b>Principal Occupation During Past Five Years and Prior</b>				
	Mr. Welch is one of the founding partners of Slate, a leading global real estate investment platform, which is a significant sponsor of all its private and publicly-traded investment vehicles, which are tailored to the unique goals and objectives of its institutional, ultra-high net worth and retail investors. Brady serves as a trustee of the REIT. Prior to co-founding Slate in 2005, he held senior management positions with Fortress Investment Group, responsible for overseeing all direct investments in commercial real estate in the U.S, Canada and Europe. Mr. Welch began his career in the mid-1990s with Brazos Advisors (now Lone Star) in the acquisition and work-out of distressed commercial real estate loan pools. Mr. Welch received a Bachelor of Commerce degree from Mount Allison University.				
	<b>Board &amp; Committee Attendance During 2018</b>				
	<b>Board of Trustees</b>	<b>Audit Committee</b>	<b>Investment Committee</b>	<b>Governance Committee</b>	<b>Total Attendance</b>
	8/9	-	-	-	8/9
	<b>Other Public Board Memberships</b>				
	Slate Retail REIT				
<b>REIT Securities Held as at March 14, 2019</b>					
<b>Units<sup>(1)</sup></b>	<b>DSU</b>	<b>Special Voting Units<sup>(1)</sup></b>	<b>Total</b>	<b>Market Value<sup>(2)</sup></b>	
1,787,289	-	5,285,160	7,072,449	\$43,354,112	

<sup>(1)</sup> Includes Units and Special Voting Units directly and indirectly held by Slate.

<sup>(2)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

## CORPORATE GOVERNANCE DISCLOSURE

### General

Pursuant to the Declaration of Trust, there are to be no fewer than one and no more than nine trustees, with a majority being residents of Canada and independent trustees. The Board currently consists of seven trustees. Pam Spackman will be retiring from the Board and will not be standing for re-election. The Board and management would like to thank Ms. Spackman for her guidance and valued contributions to the REIT during her tenure. The Board has nominated a new trustee, Meredith Michetti, to be elected at the Meeting. Assuming Meredith Michetti is elected, her appointment to the Board of Trustees would be effective as of the date of the Meeting. As a result, the number of trustees to be elected at the Meeting is seven, and five of the trustees – Monty Baker, Nora Duke, Thomas Farley, Meredith Michetti and John O'Bryan are "independent" (the "**Independent Trustees**") in accordance with the definition of "independence" set forth in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. Blair Welch and Brady Welch are not "independent" by virtue of their former positions as officers of the REIT and by virtue of their relationship with the Manager. The Independent Trustees hold *in camera* meetings at which non-Independent Trustees and members of management are not in attendance. For the year ended December 31, 2018, the Independent Trustees attended at least four of such meetings.

The chair of the Board ("**Chair**"), John O'Bryan, is independent. The Chair is responsible for (i) leading, managing and organizing the Board, (ii) promoting cohesiveness among the trustees, (iii) acting as Chair of the meetings of the Board, including establishing procedures to govern the Board's work to ensure the Board can conduct its work effectively and efficiently, (iv) acting as a liaison between the Board and management through the chief executive officer of the REIT ("**Chief Executive Officer**"), and (v) promoting the provision of information to the trustees on a timely basis to keep the trustees apprised of matters which are material to them.

### Committees

The Board currently has three committees: (1) the Audit Committee, comprised of Monty Baker (chair), Pam Spackman and Nora Duke, (2) the Governance Committee, comprised of Pam Spackman (chair), Thomas Farley and Monty Baker, and (3) the Investment Committee (the "**Investment Committee**"),



comprised of Thomas Farley (chair), John O'Bryan, Nora Duke and Blair Welch. Assuming Meredith Michetti is elected, she will be appointed to the Governance Committee (chair) and Thomas Farley will be appointed to the Audit Committee.

Additional information regarding the Audit Committee, the Governance Committee and the Investment Committee (collectively, the "**Committees**") can be found under the heading "*Trustees and Executive Officers of the REIT*" in the Annual Information Form.

## **Board Mandate**

The Board is responsible for the general stewardship of the REIT. It is elected by Unitholders to supervise management of the REIT's business with the goal of enhancing the REIT's long-term Unitholder value. The Board has adopted a charter which reflects the REIT's commitment to high standards of governance. The charter also assists the Board in supervising the management of the REIT.

The Board has also adopted a charter for the Chair. These charters contribute to establishing appropriate limits on management's authority. The Board's charter, which is expressly incorporated by reference herein, is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the REIT's website at [www.slateofficereit.com](http://www.slateofficereit.com) under "Investors – Governance" and "Investors – Policies".

The Board oversees the management of the REIT. The Manager is responsible for general day-to-day management of the REIT and for making recommendations to the Board with respect to long-term strategic, financial, organizational and related objectives, as further described under the heading "*Management Contracts*" in this Information Circular.

The roles and responsibilities of the Board are intended to primarily focus on the formulation of long-term strategic, financial and organizational goals for the REIT and on the monitoring of management performance.

The Board is responsible for (a) adopting the strategic planning process presented by the Manager, approving an annual budget, evaluating and discussing a strategic plan for the upcoming year which takes into account, among other things, the opportunities and risks of the REIT's business and investments; (b) supervising the activities and managing the investments and affairs of the REIT; (c) approving major decisions regarding the REIT; (d) defining the roles and responsibilities of management; (e) reviewing and approving the business and investment objectives to be met by management; (f) assessing the performance of and overseeing management; (g) reviewing the REIT's debt strategy; (h) identifying and managing the REIT's risk exposure; (i) ensuring the integrity and adequacy of the REIT's internal controls and management information systems; (j) succession planning for trustees; (k) establishing committees of the Board, where required or prudent, and defining their mandate; (l) maintaining records and providing reports to Unitholders; (m) ensuring effective and adequate communication with Unitholders, other stakeholders and the public; and (n) determining the amount and timing of distributions to Unitholders.

## **Position Descriptions**

The Board has developed a written position description in the form of a charter for the Chair. The Board has also developed written position descriptions in the form of a charter for the chair of each Committee. In addition, the Board has developed a written position description for the Chief Executive Officer.

## **Compensation, Nomination, Governance and Oversight**

### *Role of the Governance Committee*

The Governance Committee, which is comprised entirely of Independent Trustees, is responsible for determining the compensation of the trustees of the REIT, oversight of governance matters and nomination of trustees. The full responsibilities, powers and operation of the Governance Committee are set out in the Governance Committee charter which is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the

REIT's website at [www.slateofficereit.com](http://www.slateofficereit.com) under "Investors – Committees". More information on the responsibilities, powers and operation of the Governance Committee can also be found under the heading "Trustees and Executive Officers of the REIT – Compensation, Governance and Nominating Committee" in the Annual Information Form and under the heading "Statement of Trustee Compensation" in this Information Circular.

While the Governance Committee's charter mandates that it is responsible for reviewing and approving the compensation of executive management to the extent that senior officers are employed directly by the REIT, the REIT's senior management team currently consists of individuals employed and compensated by the Manager. As a result, the Governance Committee does not currently have any direct responsibilities or powers in respect of executive compensation matters.

#### *Use of Discretion*

The Governance Committee does not have the explicit authority to exercise discretion to award compensation absent attainment of the relevant performance goal. As the REIT is externally managed and compensation is determined by the Manager, this is not a required authority.

#### *Experience of Members*

Pam Spackman's experience with respect to governance and compensation matters is related to her experience in her role as chief executive officer of Column Canada Financial Corporation, a position she held between 2000 and 2008. Ms. Spackman acquired further experience in her role on the board of directors of Gazit America Inc., a TSX-listed company for which she served as chair of corporate governance, nominating and compensation committee, and was a member of the audit committee from 2009 until its' privatization in 2012. Ms. Spackman also holds the ICD.D designation from the Institute of Corporate Directors.

Monty Baker has experience in governance and compensation matters as a result of his positions as Vice President, Global BTO HR Solutions at IBM where he was responsible for overall strategy, sales, marketing and the delivery for Human Resource Outsourcing, and as a director of the OMERS Administrative Corporation where he is Chair of the Human Resources Committee.

Thomas Farley acquired experience in governance and compensation matters as a result of his positions as Chairman of the Board of Brookfield Canada Office Properties, President and Global Chief Operating Officer of Brookfield Office Properties, and Chairman of the Board of Brookfield Johnson Controls Canada and Brookfield Johnson Controls Australia.

Governance Committee members will be in attendance at the Meeting and will be available to respond to appropriate questions about governance matters.

#### **Trustee and Director Interlocks**

Blair Welch, Brady Welch and Thomas Farley serve together as trustees of Slate Retail REIT. The directorships on other public companies of all Nominees are described under the section entitled "Business of the Meeting – Election of Trustees".

#### **Orientation and Continuing Education**

The REIT has an orientation program for new trustees which addresses the role of the Board, its Committees and individual members and provides a reference manual of materials, which includes (among other things) (i) the Declaration of Trust, (ii) material agreements and documents related to the REIT, (iii) charters for the Board and the Committees, (iv) a description of the REIT's legal and organizational structure, and (v) operational plans, financial reports, other reports and corporate policies. In addition, the Board and members of management organize presentations by legal counsel on new legislative and policy developments that affect the Board, arrange one-on-one briefings with the Board, the Chair, the Chief Executive Officer and the chief financial officer of the REIT ("**Chief Financial**

**Officer**”) and set aside time for social interaction with the Board and management. The Board orientation program is reviewed annually by the Governance Committee and the Board and feedback from newly oriented trustees is incorporated into the program from time to time.

The Governance Committee is responsible for the ongoing education of trustees. Continuing education contributes to the awareness of the Board with respect to changes and developments in the following areas: legislative, policy and accounting developments, risk, insurance, governance, market performance, competitive analysis, investment opportunities and environmental issues. The Board's continuing education program has four components (i) management presentations, (ii) presentations and information solicited from external advisors (including legal, accounting and consulting firms), (iii) accredited programs, and (iv) site visits. Education matters involving management and external advisors take place at regularly scheduled Board meetings and *in camera* sessions. Trustees are provided opportunities to visit the REIT's properties as well as those of competitors. The continuing education program is reviewed annually by the Governance Committee and the Board.

The following table lists certain conferences, seminars and courses attended by trustees of the REIT in 2018 as part of the REIT's continuing trustee education:

Topic/Event	Presented/Hosted By:
Various Seminars	Institute of Corporate Directors
Edmonton Real Estate Forum	Canadian Real Estate Forums
Toronto Real Estate Forum	Canadian Real Estate Forums
RealREIT	Canadian Real Estate Forums/REALPAC
Real Capital Toronto	Canadian Real Estate Forums/REALPAC
Disclosure & Governance Seminar	McCarthy Tétrault LLP
North American Real Estate Conference	Bank of Montreal
23 <sup>rd</sup> Annual Real Estate Conference	Canadian Imperial Bank of Commerce
International Trade Fair for Property and Investment	EXPO REAL
Canadian Real Estate Market Outlook	CBRE

### **Ethical Business Conduct**

It is the policy of the REIT that all activities be conducted with the highest standards of fairness, honesty and integrity and in compliance with all legal and regulatory requirements. The REIT's Code of Business Conduct and Ethics (the "**Code**") has been endorsed by the Board and applies to the trustees and officers of the REIT and employees of the Manager.

The Code emphasizes compliance with laws, rules and regulations, conflict of interest rules, protection of the REIT's assets and resources, protection of confidential information, provisions on competition, corporate opportunities and fair dealing, policies for gifts and entertainment, discrimination and harassment, health and safety, and accuracy of records and reporting among other things. As part of the Code, any person subject to the Code is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the REIT's best interests or that may give rise to real, potential or the appearance of conflicts of interest.

The REIT has appointed Scott Antoniak, Chief Executive Officer, and Ramsey Ali, General Counsel of the REIT, as the contact persons for the Code and has appointed the Governance Committee as responsible for communicating the Code to trustees and officers, and administering the Code.

The Board has responsibility for ensuring that the Code and compliance related policies and management systems are effectively implemented. Monitoring compliance with the Code is done through reports, meetings, audits and consultation with the Manager. The Code, which is reviewed annually by the

Governance Committee and approved by the Board, is available on SEDAR at [www.sedar.com](http://www.sedar.com), the REIT's website at [www.slateofficereit.com](http://www.slateofficereit.com) or upon request to the REIT.

The REIT has also adopted a whistleblower policy to enable any person to raise concerns regarding accounting, internal accounting controls or auditing matters on a confidential basis, free from discrimination, retaliation or harassment, anonymously or otherwise. The Audit Committee is responsible for administering the whistleblower policy.

### **Nomination of Trustees**

The Governance Committee, which is composed entirely of Independent Trustees, is responsible for succession planning, including the identification and nomination of trustees other than the Slate Nominees. The Board's succession planning process is comprised of a review of the size of the Board, a skills assessment and a Board and trustee evaluation process. Annually, the Governance Committee reviews the size of the Board and determines the appropriate size based on the outcome of a trustee skills review, the projected workload requirements and the results of a Board effectiveness report. The Governance Committee reviews the skills represented on the Board annually against the skills matrix which defines the skills deemed as necessary for the Board to fulfill its responsibilities. If there is a skills gap, the Governance Committee may address the matter by increasing the size of the Board, replacing an incumbent or enhancing Board education. The annual Board effectiveness review process is discussed below and describes how incumbents are evaluated for their contribution and ongoing suitability for a role on the Board. The Board reviews the recommendations of the Governance Committee with respect to succession planning, and approves the size of the Board.

If a vacancy is to be filled, the Governance Committee uses selection criteria to prioritize and select potential candidates. In addition to having the basic characteristics of integrity, good judgment, financial knowledge, and sufficient time available, potential candidates should also have experience in any of such areas as capital markets, real estate management or governance. The Board considers gender, ethnic background, geographic origin and other personal characteristics together with the skills, experience, character and behavioural qualities of each individual when determining the value which a candidate could bring to the Board. Candidates are identified through formal and informal search processes. Interviews are conducted by the Governance Committee, and typically, depending on the pool of candidates, a short list of candidates is put before the Board for consideration. Prior to nomination, new trustees are given a clear indication of the workload and time commitment required. The Board approves nominations for trustees; provided, however that pursuant to the Management Agreement, the Manager has the right to nominate two trustees.

More information on the responsibilities, powers and operation of the Governance Committee can be found under the heading "*Trustees and Executive Officers of the REIT – Compensation, Governance and Nominating Committee*" in the Annual Information Form.

### **Skills Matrix**

To serve on the Board, trustees must have considerable experience in leadership and strategy. In addition, each of the current and nominated trustees has identified other key areas of experience in consultation with the Governance Committee. The Governance Committee developed the skills matrix below based on this consultation and agreement on each current and nominated director's key areas of experience.

Name	Strategic Insight/ Leading Growth	Real Estate	Office	Board and Governance	Accounting Acumen	Corporate Finance	Business Leadership	Environmental	Legal
Monty Baker	X	X		X	X	X	X		
Nora Duke	X	X	X	X	X		X	X	
Thomas Farley	X	X	X	X	X	X	X	X	
Meredith Michetti	X	X		X			X	X	X
John O'Bryan	X	X	X	X		X	X	X	
Pam Spackman	X	X	X	X	X	X	X	X	
Blair Welch	X	X	X	X		X	X	X	
Brady Welch	X	X	X	X	X	X	X	X	

### Assessments

Annually, the Governance Committee approaches the evaluation of the trustees through three anonymous questionnaires administered confidentially: (i) a Board and Committee evaluation, (ii) a peer evaluation, and (iii) Chairman of the Board evaluation. The questionnaires provide for quantitative ratings and subjective comment in key areas and consider each trustee's effectiveness in terms of business operations, strategy, Unitholder value, risk management, use of time, Board structure, size and process. A summary report on the questionnaires is compiled by an external governance consultant and all trustees are subsequently provided with copies of the report. The Board meets to discuss the report, consider its findings and act on its recommendations. Each year, the Chair meets with each trustee individually to engage in open dialogue on any issues which either party wishes to raise, and uses the same meeting to discuss any specific issues that may have come up in the questionnaire process. Through this process each trustee receives feedback on his or her individual contribution to Board effectiveness.

### Term Limits

The REIT does not have term limits for its trustees. While there is benefit to adding new perspectives to the Board from time to time, there are also benefits to be achieved through continuity and trustees having in depth knowledge of each facet of the REIT's business, which necessarily takes time to develop. Pursuant to the Declaration of Trust, trustees are generally to be appointed (including the reappointment of incumbent trustees) at each annual meeting of the REIT, and in all cases, the term of any trustee will expire at the close of the next annual meeting of Unitholders following such trustee's appointment. For the length of each trustee's tenure, please refer to the information under the section entitled "Business of the Meeting – Election of Trustees".

### Diversity

The REIT encourages diversity in the composition of the Board. While the REIT does not have set targets regarding the representation of women on the Board, the REIT's Governance Committee has adopted a formal policy with regards to the diversity of its Board. The policy includes a clear commitment to increasing gender diversity and objectives, including to ensure that at least one trustee on the Board is a woman. The REIT recognizes that diversity enriches discussions among directors and better reflects the REIT's relationship with its tenants, employees, Unitholders, business partners and other stakeholders. The Governance Committee focuses on finding the best qualified candidates, given the needs and circumstances of the Board. In taking into consideration potential candidates for the Board, the Governance Committee will consider merit based on a balance of skills, background, experience and

knowledge, and diversity of gender, race, nationality, age, experience, geographic location and other attributes has and will be considered favourably in the assessment of trustees. Additionally, the Governance Committee's annual review of the size and composition of the Board is conducted with a view to identifying imbalances or gaps, as well as opportunities that may be associated with further diversification.

The Board is currently comprised of five men and two women, such that 29% of the REIT's trustees are women. Following the Meeting, and assuming all of the REIT's nominees are elected, the Board will continue to be comprised of five men and two women, such that approximately 29% of the REIT's trustees will be women. The Board believes that its trustees comprise an appropriate mix of individuals with accounting, financial, legal, real estate and general business experience that is appropriate for the REIT's current size.

With respect to executive officer positions, the REIT is externally managed and has no control over the recruitment of the Manager's employees. Trustees interact regularly with the three Named Executive Officers (as defined under the section entitled "Statement of Executive Compensation") and other senior employees of the Manager dedicated to REIT's operations and are satisfied with the experience, competence and performance of the Named Executive Officers and other senior employees.

### **Majority Voting Policy**

The Board has a majority voting policy under which each trustee of the REIT should be elected by the vote of a majority of Units represented in person or by proxy at any meeting for the election of trustees. Accordingly, if any nominee for trustee receives, from the Units voted at the Meeting in person or by proxy, a greater number of Units withheld than Units voted in favour of his or her election, such trustee must promptly tender his or her offer to resign to the Chairman of the Board, to take effect on acceptance by the Board. The Governance Committee will expeditiously consider the trustee's offer to resign and make a recommendation to the Board whether or not to accept it. Within 90 days of the Meeting, the Board will make a final decision and announce it by way of press release. This policy does not apply to a contested election of trustees, that is, where the number of nominees exceeds the number of trustees to be elected. Any trustee who offers his or her resignation will not participate in the deliberations of the Governance Committee or the Board with respect to whether or not to accept the resignation. In the event any such trustee fails to offer his or her resignation in accordance with the majority voting policy, the Board will not re-nominate the trustee. Subject to the provisions of the Declaration of Trust, the Board is not limited in any action it may take if a trustee's resignation is accepted, including appointing a new trustee to fill the vacancy.

### **Indemnification and Liability Insurance**

The Declaration of Trust provides that each trustee of the REIT will be entitled to indemnification from the REIT in respect of the exercise of the trustee's powers and the discharge of the trustee's duties, provided that the trustee acted honestly and in good faith with a view to the best interests of the REIT or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, where the trustee had reasonable grounds for believing that his or her conduct was lawful. In addition, the REIT has entered into indemnity agreements with each of its trustees and officers.

The REIT carries trustees' and officers' liability insurance. Under this insurance coverage, the REIT will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of its trustees and officers contained in the Declaration of Trust, subject to a deductible for each loss, which will be paid by the REIT. Individual trustees and officers will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by the REIT. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

## Indebtedness

None of the REIT's executive officers, trustees or employees or former executive officers, trustees or employees, or any associate or affiliate of any such person, is as of the date hereof, or has been since January 1, 2018, indebted to the REIT.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The REIT's executive officers are employed by the Manager (through its controlling entity, Slate) and the REIT does not directly or indirectly pay any compensation to them. Any variability in compensation paid by the Manager to the REIT's executive officers has no impact on the REIT's financial obligations under the Management Agreement.

The Manager determines the total compensation paid to the REIT's executive officers, and the amount attributable to estimated time dedicated to the business and affairs of the REIT. In determining this compensation, the Manager considers, among other things, the Manager's business, results of operations and financial condition taken as a whole, including the REIT's operations.

The following officers qualify as the REIT's named executive officers (the "**Named Executive Officers**"): Scott Antoniak, the Chief Executive Officer, Robert Armstrong, the Chief Financial Officer, and Steve Hodgson, the REIT's chief operating officer ("**Chief Operating Officer**"). A portion of the compensation paid by the Manager to Scott Antoniak, Robert Armstrong, and Steve Hodgson is attributable to time spent on the activities of the REIT. No option awards to the Named Executive Officers were outstanding as at December 31, 2018, and no option-based or non-equity based incentive plan awards vested for the Named Executive Officers during 2018 in respect of the REIT.

Name and Principal Position	Year	Salary <sup>(1)</sup>	Unit Based Awards	Option Based Awards	Non-Equity Incentive Plan Compensation <sup>(1)</sup>		Pension Value	All Other Compensation	Total Compensation <sup>(1)</sup>
					Annual Incentive Plans	Long Term Incentive Plans			
Scott Antoniak, Chief Executive Officer	2018	\$300,000	Nil	Nil	\$400,000	Nil	Nil	Nil	\$700,000
	2017	\$300,000	Nil	Nil	\$400,000	Nil	Nil	Nil	\$700,000
	2016	\$200,000	Nil	Nil	\$100,000	Nil	Nil	Nil	\$300,000
Robert Armstrong, Chief Financial Officer	2018	\$150,000	Nil	Nil	\$250,000	Nil	Nil	Nil	\$400,000
	2017	\$150,000	Nil	Nil	\$250,000	Nil	Nil	Nil	\$400,000
	2016	\$150,000	\$60,000	Nil	\$40,000	Nil	Nil	Nil	\$250,000
Steve Hodgson, Chief Operating Officer <sup>(2)</sup>	2018	\$150,000	Nil	Nil	\$250,000	Nil	Nil	Nil	\$400,000
	2017	\$150,000	Nil	Nil	\$200,000	Nil	Nil	Nil	\$350,000
	2016	\$20,610	Nil	Nil	\$20,610	Nil	Nil	Nil	\$41,220

<sup>(1)</sup> The REIT currently has no employees and bears no direct cost with respect to any staff. Executive compensation attributable to estimated time dedicated to the business and affairs of the REIT is paid by Slate, who controls the Manager, in accordance with the Manager's obligation under the Management Agreement to provide a management team to the REIT. These figures represent an estimate of the portions of salary and bonus paid by the Manager, out of the 2018 Manager's fees, attributable to time spent on activities of the REIT.

<sup>(2)</sup> Steve Hodgson was appointed an officer of the REIT on November 3, 2016, and shortly thereafter assumed the title Chief Operating Officer.

### Description of Compensation Framework

The compensation of the Named Executive Officers for their work in respect of the REIT includes three major elements: (1) base salary, (2) an annual cash bonus, and (3) a deferred unit incentive plan. As a private company, executive compensation is determined by the Manager and involves senior executive discussion. Each element is tailored based on the individuals' role and responsibility, however there is no

one formal approach to determining compensation. Objectives and performance measures may vary from year to year as determined to be appropriate by the Manager.

Base salaries are intended to provide an appropriate level of fixed compensation that will assist in employee retention and recruitment. Base salaries are determined on an individual basis, taking into consideration the past, current and potential contribution to the success of the Manager, the position and responsibilities of the Named Executive Officer and competitive industry pay practices for other real estate investment trusts and corporations of comparable size. Increases in base salary are at the sole discretion of the Manager.

Annual cash bonuses are discretionary and are specific to the individual being incentivized. Annual cash bonuses are awarded based on qualitative and quantitative performance standards, and reward performance of the Named Executive Officer individually. The determination of the performance of the Named Executive Officer may vary from year to year depending on economic conditions and conditions in the real estate industry, and are based on various measures such as financial targets against budget, the meeting of acquisition objectives or other measures.

### **Officer Deferred Unit Plan**

The REIT has established a deferred unit incentive plan (the “**Officer Deferred Unit Plan**”) for officers of the REIT, which was approved by Unitholders at the annual meeting of Unitholders held on May 25, 2016. The purpose of the Officer Deferred Unit Plan is to advance the interests of the REIT by enhancing the ability of the REIT to attract and motivate officers of the REIT and to reward such persons for their sustained contributions, to encourage such persons to take into account the long-term performance of the REIT and to promote a greater alignment of interests between officers of the REIT and Unitholders.

The Officer Deferred Unit Plan provides officers of the REIT with the opportunity to acquire deferred Units (“**Deferred Units**”). Officers of the REIT are eligible to participate in the Officers Deferred Unit Plan (“**Participant Officers**”). Participant Officers will receive any grants pursuant to the Officer Deferred Unit Plan on an annual basis. Previous grants under the Officers Deferred Unit Plan are not taken into account when considering new grants. Deferred Units will not entitle an officer of the REIT who elects to participate in the Officer Deferred Unit Plan to any voting or other Unitholder rights. The Officer Deferred Unit Plan is administered by the Governance Committee and the value of all grants pursuant to the Officer Deferred Unit Plan are paid in lieu of equivalent amounts of the Asset Management Fee (as defined below). For clarity, the Asset Management Fee payable in any year will be reduced by an amount equal to the amount of any grant pursuant to the Officer Deferred Unit Plan in such year.

#### *Annual Burn Rate*

The following table outlines the Burn Rate (as defined below) for the Officer Deferred Unit Plan for the past three fiscal years.

	<b>2018</b>	<b>2017</b>	<b>2016</b>
Burn Rate <sup>(1)</sup>	0.00%	0.00%	0.02%

<sup>(1)</sup> The burn rate is calculated using the TSX prescribed methodology, which is the total number of units granted under the arrangement during the applicable fiscal year, divided by the weighted average number of units outstanding for the fiscal year (“**Burn Rate**”).

#### *Number of Units Reserved for Issuance*

The aggregate number of Units issuable upon the exercise of all Deferred Units granted under the Officer Deferred Unit Plan shall not exceed 1% of the issued and outstanding Units (assuming conversion and/or redemption into Units of all convertible securities) as at March 21, 2016 (being 353,434 Units). Notwithstanding the above, subject to applicable law or the requirements of the TSX or any other stock exchange upon which the Units are listed and any Unitholder or other approval which may be required, the Board may, in its discretion, amend the Officer Deferred Unit Plan to increase such limit without notice



to Participant Officers. As of December 31, 2018, there have been 9,332 Deferred Units granted under the Officer Deferred Unit Plan, representing approximately 0.01% of the issued and outstanding Units. As of December 31, 2018, there were 344,102 Deferred Units available for grant under the Officer Deferred Unit Plan, representing approximately 0.50% of the issued and outstanding Units.

The maximum value of the aggregate number of Units that may be subject to grants of Deferred Units under the Officer Deferred Unit Plan to any one participant during any financial year of the REIT shall be no greater than C\$150,000.00 (with the value of any grant being determined by reference to the 5-day volume weighted average price of all Units traded on the TSX under the symbol SOT.UN on the applicable award date).

#### *Insider Participation Limits*

The maximum aggregate number of Units issuable under the Officer Deferred Unit Plan to Insiders (as defined in the TSX Company Manual) at any time, including those Units issuable under any other security-based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of Class B LP Units) on a non-diluted basis as of the award date of such Deferred Units and the maximum aggregate number of Units that may be issued pursuant to Deferred Units to such Insiders during any 12-month period, including those Units issuable under any other security-based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of Class B LP Units) on a non-diluted basis.

#### *Vesting of Deferred Units*

Subject to the Governance Committee's discretion to vary the manner in which Deferred Units vest pursuant to any grant of Deferred Units, Deferred Units granted to Participant Officers will vest immediately upon grant, including additional Deferred Units credited to a Participant Officer's account in connection with cash distributions. Additional Deferred Units shall vest on the same schedule as their corresponding Deferred Units and are considered issued on the same date as the Deferred Units in respect of which they were credited.

#### *Redemption and Termination of Deferred Units*

The Deferred Units are redeemable by the Participant Officer or the Participant Officer's estate at any time, provided the redemption is not earlier than two years following the award date. On or after the date on which the Participant Officer ceases to be an officer of the REIT, the Deferred Units must be redeemed not later than two years following the date the Participant Officer ceases to be an officer.

Upon payment in full of the value of the Deferred Units, the Deferred Units shall be cancelled.

#### *Amendment, Suspension or Termination*

The Governance Committee may review and confirm the terms of the Officer Deferred Unit Plan from time to time and may, subject to applicable stock exchange rules, amend or suspend the Officer Deferred Unit Plan in whole or in part as well as terminate the Officer Deferred Unit Plan without prior notice as it deems appropriate.

Without limitation, the Governance Committee may, subject to the rules of the TSX, make changes:

- to correct errors, immaterial inconsistencies or ambiguities in the Officer Deferred Unit Plan;
- necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements);
- to the vesting provisions applicable to Deferred Units issued under the plan; and
- any other amendment that does not require Unitholder approval under applicable laws or rules of the TSX.

However, subject to the terms of the Officer Deferred Unit Plan, no amendment may adversely affect the Deferred Units previously granted under the Officer Deferred Unit Plan without the consent of the affected Participant Officer, and any amendment requiring Unitholder approval under the rules of the TSX may not be made without such approval.

### Assignment

In no event may the rights or interests of a Participant Officer under the Officer Deferred Unit Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant Officer, by will or as required by law.

Rights and obligations under the Officer Deferred Unit Plan may be assigned by the REIT to a successor in the business of the REIT.

### Outstanding Security-Based Awards and Option-Based Awards

The following table indicates for the Named Executive Officers, the option and security awards outstanding as at December 31, 2018.

Name	Option-Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Options	Number of Units Unvested	Market or Payout Value of Unvested Unit-Based Awards	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed <sup>(2)</sup>
Robert Armstrong <sup>(1)</sup>	-	-	-	-	-	-	\$ 57,205

<sup>(1)</sup> 7,712 Deferred Units awarded on December 13, 2016, and 1,620 additional Deferred Units awarded as a result of his Distribution Election.

<sup>(2)</sup> Calculated using the March 14, 2019 closing price of the Units of \$6.13.

The following table indicates for the Named Executive Officers, the option and security awards vested or earned during 2018.

Name	Option-based awards – Value vested during the year	Unit-based awards – Value vested during the year	Non-Equity incentive plan compensation – Value earned during the year
Robert Armstrong <sup>(1)</sup>	-	\$6,635	-

<sup>(1)</sup> 870 Deferred Units awarded during 2018 as a result of Distribution Elections. Calculated using the closing price on the date of distribution of the Units.

### Approach to Risk Management

The REIT has engaged the Manager to provide Asset Management Services (as defined herein) for the REIT under the long-term Management Agreement. The Manager owns an aggregate equity interest in the REIT of approximately 9.3% as of March 14, 2019. The REIT believes that the Manager's substantial ownership interest in the REIT, together with the REIT's compensation structure under the Management Agreement, which includes an incentive component as described under "Statement of Executive Compensation – Compensation Discussion and Analysis", fully align the Manager's interests with those of other Unitholders. The Board has not identified any risks with the REIT's compensation policies and practices that are reasonably likely to have a material adverse effect on the REIT.

The REIT's executive officers are employed and compensated by the Manager. As a result, the Governance Committee does not determine the compensation of the executive officers and the Board has never engaged a compensation consultant or advisor.

Named Executive Officers and trustees of the REIT are prohibited from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the trustees of the REIT.

### Performance Graph

The following shows the cumulative total Unitholder return for the Units (assuming re-investment of distributions) over the five most recently completed financial years, in comparison with the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Capped REIT Index.



The REIT pays fees to the Manager determined in accordance with the terms of the Management Agreement, which fees do not track and are not affected by the market value of the Units. As described above, the REIT's executive officers are employed by the Manager and the REIT does not directly or indirectly pay any compensation to them.

## STATEMENT OF TRUSTEE COMPENSATION

### Overview

The compensation of the REIT's trustees is designed to attract and retain highly talented and experienced trustees. This requires that the trustees of the REIT be fairly and competitively compensated. The Board, through the Governance Committee, periodically reviews the compensation paid to the REIT's Outside Trustees (as defined below), taking into account the complexity of the REIT's operations, the risks and

responsibilities involved in being a trustee of the REIT, the requirement to participate in scheduled and special Board meetings, expected participation on the Board's standing committees and the compensation paid to trustees of comparable entities.

The trustees of the REIT who are not officers of the REIT, the Manager or their affiliates (“**Outside Trustees**”) are currently entitled to receive an annual retainer of \$30,000, plus a fee of \$1,500 for each day on which the Outside Trustee attends either a Board or Committee meeting, in person or by telephone. The Chair of the Board of Trustees receives an additional annual retainer of \$40,000, the chair of the Audit Committee receives an additional annual retainer of \$15,000, the chair of the Governance Committee receives an additional annual retainer of \$10,000 and the chair of the Investment Committee receives an additional annual retainer of \$5,000. Members of the Audit Committee, Governance Committee and Investment Committee each receive an additional annual retainer of \$5,000. Each Outside Trustee is also reimbursed for reasonable travel and other expenses properly incurred by him or her in attending meetings of the Board or any Committee meeting.

### Unit Ownership Guidelines for Trustees

To ensure that the REIT's trustees' interests are aligned with those of the Unitholders, to demonstrate that the REIT's trustees are financially committed to the REIT through personal unit ownership and to promote the REIT's commitment to sound corporate governance, each trustee will be required to accumulate at least three times the value of the base annual trustee retainer, which as of the date hereof will equate to \$90,000 in Deferred Units or Units, or a combination thereof, by the third anniversary of becoming a trustee of the REIT (the “**Unit Ownership Guidelines**”). For purposes of the Unit Ownership Guidelines, securities will be valued using the greater of their market value or book value.

A trustee of the REIT who does not meet the Unit Ownership Guidelines upon his or her election or appointment to the Board will be required to receive at least 50% of the annual trustee retainer in Deferred Units or to purchase Units equal in value to at least 50% of the annual trustee retainer, at his or her discretion. If a trustee of the REIT has accumulated the required equity amount under the Unit Ownership Guidelines, he or she will receive the entire annual retainer in cash or Deferred Units, or any combination thereof, as specified by the trustee.

### Annual Trustee Compensation

In 2018, the Outside Trustees received aggregate compensation having a total value of \$427,750. This was comprised of cash compensation of \$149,000 and Deferred Units valued at \$278,750, as described further below. In 2018, Outside Trustees received a total of \$25,339 in reimbursed expenses.

The following table provides details of the compensation received by Outside Trustees during the year ended December 31, 2018. Neither Blair Welch nor Brady Welch has received any compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

Name	Fees Earned	Unit Based Awards <sup>(1)</sup>	Option Based Awards	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
Monty Baker <sup>(2)</sup>	\$ -	\$ 86,500	-	-	-	-	\$ 86,500
Nora Duke	\$ 38,000	\$ 38,750	-	-	-	-	\$ 76,750
Thomas Farley	\$ 79,500	\$ -	-	-	-	-	\$ 79,500
John O'Bryan	\$ -	\$ 103,500	-	-	-	-	\$ 103,500
Pam Spackman	\$ 31,500	\$ 50,000	-	-	-	-	\$ 81,500
Blair Welch <sup>(3)</sup>	\$ -	\$ -	-	-	-	-	\$ -
Brady Welch <sup>(4)</sup>	\$ -	\$ -	-	-	-	-	\$ -

<sup>(1)</sup> This does not include Units issued pursuant to the Distribution Election described under “Trustee Deferred Unit Plan”.

<sup>(2)</sup> Monty Baker was appointed to the Board on January 3, 2018.

<sup>(3)</sup> Blair Welch did not receive compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

<sup>(4)</sup> Brady Welch did not receive compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

## Outstanding Security-Based Awards and Option-Based Awards

The following table indicates for each of the Outside Trustees the option and security awards outstanding as at December 31, 2018. Neither Blair Welch nor Brady Welch has received any compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

Name	Option-Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Options	Number of Units Unvested	Market or Payout Value of Unvested Unit-Based Awards	Market or Payout Value of Vested Unit-Based Awards Not Paid Out or Distributed <sup>(1)</sup>
Monty Baker <sup>(2)</sup>	-	-	-	-	-	-	\$ 76,060
Nora Duke	-	-	-	-	-	-	\$ 76,551
Thomas Farley	-	-	-	-	-	-	\$ -
John O'Bryan	-	-	-	-	-	-	\$ 274,829
Pam Spackman	-	-	-	-	-	-	\$ 167,779
Blair Welch <sup>(3)</sup>	-	-	-	-	-	-	\$ -
Brady Welch <sup>(4)</sup>	-	-	-	-	-	-	\$ -

<sup>(1)</sup> Using the March 14, 2019 closing price of the Units of \$6.13.

<sup>(2)</sup> Monty Baker was appointed to the Board on January 3, 2018.

<sup>(3)</sup> Blair Welch did not receive compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

<sup>(4)</sup> Brady Welch did not receive compensation from the Manager that is attributable to time dedicated to the business and affairs of the REIT.

## Trustee Deferred Unit Plan

The REIT has established a deferred unit plan for trustees of the REIT (the “**Trustee Deferred Unit Plan**”). The Trustee Deferred Unit Plan was first adopted by the Board on April 14, 2015, and was amended and restated on May 8, 2015. On May 25, 2015, at an annual and special meeting, the Unitholders ratified and approved the adoption of the initial Trustee Deferred Unit Plan. On March 28, 2018, the Board approved the second amendment and restatement of the Trustee Deferred Unit Plan. On May 8, 2018, at an annual and special meeting, the Unitholders approved the second amendment and restatement of the Trustee Deferred Unit Plan.

The purpose of the Trustee Deferred Unit Plan is to advance the interests of the REIT by enhancing the ability of the REIT to attract, motivate and retain trustees of the REIT, to reward such persons for their sustained contributions, to encourage such persons to take into account the long-term performance of the REIT and to promote a greater alignment of interests between the trustees of the REIT and Unitholders. The Trustee Deferred Unit Plan provides trustees of the REIT with the opportunity to acquire Deferred Units which represent a right to receive Units on ceasing to be a trustee of the REIT. Trustees of the REIT who are neither full nor part-time employees of the REIT or the Manager or any of their Subsidiaries are eligible to participate in the Trustee Deferred Unit Plan (“**Participant Trustees**”). Participant Trustees may elect to receive all or part of their annual retainer, meeting fees and additional compensation (including travel fees), which are paid quarterly, in Deferred Units. Deferred Units will not entitle a trustee of the REIT who elects to participate in the Trustee Deferred Unit Plan (“**Participating Trustee**”) to any voting or other Unitholder rights. One Deferred Unit is economically equivalent to one Unit. Fractional Deferred Units are permitted under the Trustee Deferred Unit Plan. Participant Trustees may also elect to have cash distributions on Deferred Units paid in the form of additional Deferred Units in accordance with the terms of the Trustee Deferred Unit Plan (the “**Distribution Election**”).

A Participating Trustee who is not a U.S. taxpayer is entitled once per calendar year to terminate his or her participation in the Trustee Deferred Unit Plan by way of a termination notice. Such termination shall

be effective immediately upon receipt. Participation in the Trustee Deferred Unit Plan by a U.S. taxpayer is irrevocable for the year of participation.

Any Deferred Units granted under the Trustee Deferred Unit Plan prior to the delivery of a termination notice by a Participating Trustee shall remain in the Deferred Unit Plan following such termination and will be redeemable only in accordance with the terms of the Deferred Unit Plan.

The Trustee Deferred Unit Plan is administered by the Board and the Governance Committee.

#### *Annual Burn Rate*

The following table outlines the Burn Rate for the Trustee Deferred Unit Plan for the past three fiscal years.

	<b>2018</b>	<b>2017</b>	<b>2016</b>
Burn Rate <sup>(1)</sup>	0.06%	0.02%	0.06%

<sup>(1)</sup> The Burn Rate is calculated using the TSX prescribed methodology, which is the total number of units granted under the arrangement during the applicable fiscal year, divided by the weighted average number of units outstanding for the fiscal year.

#### *Number of Units Reserved for Issuance*

The maximum number of Units issuable pursuant to the Trustee Deferred Unit Plan can, in the aggregate, not exceed 1% of the total issued and outstanding, on a fully diluted basis, as of March 27, 2018 (being 750,332 Units).

Notwithstanding the above, subject to applicable law or the requirements of the TSX or any other stock exchange upon which the Units are listed and any Unitholder or other approval which may be required, the Board may, in its discretion, amend the Trustee Deferred Unit Plan to increase such limit without notice to Participant Trustees. As of December 31, 2018, there have been 97,108 Deferred Units granted under the Trustee Deferred Unit Plan, representing approximately 0.14% of the issued and outstanding Units. As of December 31, 2018, there were 653,224 Deferred Units available for grant under the Trustee Deferred Unit Plan, representing approximately 0.93% of the issued and outstanding Units.

The maximum value of the aggregate number of Units that may be subject to grants of Deferred Units under this Plan to any one Participant Trustee during any financial year of the REIT shall be no greater than \$150,000.00 (with the value of any grant being determined by reference to the market value of a unit on the applicable award date).

#### *Deferred Unit Grants and Accounts*

Deferred Units will be credited quarterly to each Participating Trustee's account and will be determined by dividing the amount the Participating Trustee elects to receive in Deferred Units by the volume weighted average trading price of a Unit on the TSX for the five trading days prior to the date on which the Deferred Units are credited. Additional Deferred Units will be automatically credited to a Participating Trustee's account under the Trustee Deferred Unit Plan when the REIT pays a cash distribution to Unitholders. The additional Deferred Units to be credited will be calculated by dividing (i) the amount determined by multiplying (a) the aggregate number of Deferred Units held on the relevant distribution record date by (b) the amount of distributions paid by the REIT on each Unit, by (ii) the market value of a Unit on the distribution payment date. For the purposes of (ii) market value means the volume weighted average price of all Units traded on the TSX for the five trading days immediately preceding such date.

In addition to the foregoing, Deferred Units may be granted from time to time to Participant Trustees at the discretion of the Board or the Governance Committee. Previous grants under the Trustee Deferred Unit Plan are not taken into account when considering new grants.

### *Insider Participation Limits*

The maximum aggregate number of Deferred Units issuable under the Trustee Deferred Unit Plan to Insiders (as defined in the TSX Company Manual) at any time, including those Units issuable under any other security-based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of Class B LP Units) on a non-diluted basis as of the award date of such Deferred Units and the maximum aggregate number of Units that may be issued pursuant to Deferred Units to such Insiders during any 12-month period, including those Units issuable under any other security-based compensation arrangement, shall not exceed 10% of the issued and outstanding Units (including Units issuable on the exchange of Class B LP Units) on a non-diluted basis.

### *Vesting of Deferred Units*

Subject to the Governance Committee's discretion to vary the manner in which Deferred Units vest pursuant to any grant of Deferred Units, Deferred Units granted to Participating Trustees will vest immediately upon grant, including additional Deferred Units credited to a Participating Trustee's account in connection with cash distributions. Additional Deferred Units shall vest on the same schedule as their corresponding Deferred Units and are considered issued on the same date as the Deferred Units in respect of which they were credited.

### *Redemption and Termination of Deferred Units*

The Deferred Units are redeemable by the Participating Trustee or the Participating Trustee's estate on or after the date they cease to be a trustee of the REIT, provided the redemption is not later than two years following the date the Participating Trustee ceases to be a trustee of the REIT. The former trustee of the REIT will receive Units issued by the REIT for the number of Deferred Units credited to his or her account, including any cash distributions paid by the REIT on the Units that have accrued in the form of Deferred Units or, at his or her election, subject to approval of the Governance Committee, in whole or in part, the cash equivalent thereof. Units (or where the former trustee of the REIT so elects, cash) will be issued to the former trustee of the REIT, subject to any applicable statutory source deductions.

Upon payment in full of the value of the Deferred Units, the Deferred Units shall be cancelled.

### *Amendment, Suspension or Termination*

The Governance Committee may review and confirm the terms of the Trustee Deferred Unit Plan from time to time and may, subject to applicable stock exchange rules, amend or suspend the Trustee Deferred Unit Plan in whole or in part as well as terminate the Trustee Deferred Unit Plan without prior notice as it deems appropriate.

Without limitation, the Governance Committee may, subject to the rules of the TSX, make changes:

- (a) to correct errors, immaterial inconsistencies or ambiguities in the Trustee Deferred Unit Plan;
- (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements);
- (c) to the vesting provisions applicable to Deferred Units issued under the plan;
- (d) to add a provision permitting the REIT to match a percentage of the elected amount for each Participating Trustee such that the aggregate number of Deferred Units issued to each such Participating Trustee annually shall be increased by such percentage; and
- (e) any other amendment that does not require Unitholder approval under applicable laws or rules of the TSX.

However, subject to the terms of the Trustee Deferred Unit Plan, no amendment may adversely affect the Deferred Units previously granted under the Trustee Deferred Unit Plan without the consent of the

affected Participating Trustee, and any amendment requiring Unitholder approval under the rules of the TSX may not be made without such approval.

In addition, any amendment to the Trustee Deferred Unit Plan that would, among other things: (i) result in any increase in the number of Deferred Units issuable under the Trustee Deferred Unit Plan; (ii) permit Deferred Units granted under the plan to be transferable or assignable other than for normal estate settlement purposes; (iii) increase the maximum value of the aggregate number of Units that may be subject to grants of Deferred Units under the Trustee Deferred Unit Plan to any one Participant Trustee during any financial year of the REIT; (iv) amend who is eligible to participate in the Trustee Deferred Unit Plan; or (v) amend an amending provision of the Trustee Deferred Unit Plan, will be subject to the approval of Unitholders.

#### *Assignment*

In no event may the rights or interests of a Participant Trustee under the Trustee Deferred Unit Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant Trustee, by will or as required by law.

Rights and obligations under the Trustee Deferred Unit Plan may be assigned by the REIT to a successor in the business of the REIT.

#### **Securities Authorized for Issuance under the Officer Deferred Unit Plan and the Trustee Deferred Unit Plan**

Plan Category	Number of Units to be issued upon exercise of outstanding options, warrants and rights (a) <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) <sup>(1)</sup>
Equity compensation plans approved by Unitholders	106,440	N/A	997,326
Equity compensation plans not approved by Unitholders	-	-	-
Total	106,440	N/A	997,326

<sup>(1)</sup> Units to be issued upon exercise and number of Units available for future issuance are all under the Officer Deferred Unit Plan and Trustee Deferred Unit Plan as of March 14, 2019.

#### **MANAGEMENT CONTRACTS**

The REIT appointed the Manager to provide the REIT with management services, including providing the REIT and its Subsidiaries with the strategic, advisory, asset management, administrative, property management, leasing, construction management and administrative services (the “**Asset Management Services**”) necessary to manage the day-to-day operations of the REIT and its properties. The Manager also provides in-house legal services to the REIT.

The Manager’s activities are subject to the supervision and direction of the trustees of the REIT. The Manager provides the Asset Management Services in accordance with the Management Agreement and makes available such administrative, executive and management personnel of the REIT to allow the Manager to comply with its obligations under the Management Agreement.

The Manager receives the following fees for its Asset Management Services:

- (a) a base management fee equal to 0.3% of the gross book value of the REIT’s assets;



- (b) a property management fee equal to 3.0% of the gross revenues collected and remitted from the REIT's assets;
- (c) an acquisition fee equal to: (i) 1.0% of the purchase price on the first \$100 million of properties acquired in each fiscal year; (ii) 0.75% of the purchase price on the next \$100 million of properties acquired each fiscal year, and (iii) 0.50% of the purchase price on properties in excess of \$200 million acquired in each fiscal year; provided that no acquisition fee was payable in respect of the Initial Properties and no acquisition fee is payable any properties owned by the Manager or any of its subsidiaries at the time of the closing of the REIT initial public offering if such properties are subsequently acquired by the REIT;
- (d) a financing fee equal to 0.25% of the value of any debt financing payable on transaction completion;
- (e) a leasing fee equal to 5.0% of the base rent for all new leases and 2.0% of base rent for all renewals of existing leases and expansion of leased premises, payable on the signing of a binding lease, extension, renewal or amending document; and
- (f) a construction management fee equal to 5.0% of all costs of any construction activity undertaken by the REIT, payable at the time payments for construction are made. Construction activities include all tenant and building improvements undertaken by the REIT but exclude maintenance capital expenditures.

The Manager is also entitled to receive reimbursement for all reasonable out-of-pocket costs and expenses incurred by the Manager in the performance of its duties under the Management Agreement, consistent with industry standards in such regard. The Manager does not charge any disposition fees.

The Manager was paid approximately \$16.7 million in fees pursuant to the Management Agreement for the period from January 1, 2018 to December 31, 2018, from which salaries of on-site personnel and fees to other third party service providers are paid by the Manager.

For other terms of the Management Agreement, see "*Management of the REIT*" in the Annual Information Form.

#### **INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED ON**

No informed person of the REIT at any time since the beginning of its last completed financial year, proposed trustee of the REIT, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting (other than the election of trustees or the appointment of auditors).

#### **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

There are no material interests, direct or indirect, of any informed person of the REIT, any proposed trustee of the REIT, or any associate or any associate or affiliate of any of the foregoing persons in any transaction since the commencement of the REIT's most recently completed financial year or any proposed transaction that has materially affected or would materially affect the REIT or any of its Subsidiaries, except for:

- (a) the arrangements contained in the Management Agreement described under the heading "*Management of the REIT*" in the Annual Information Form; and
- (b) the "Seven Asset Portfolio Acquisition" described under the heading "*General Development of the Business – Three Year History – Seven Asset Portfolio Acquisition*" in the Annual Information Form.

## **ADDITIONAL INFORMATION**

Additional information relating to the REIT may be found by visiting the REIT's website at: [www.slateofficereit.com](http://www.slateofficereit.com). In addition, more information, including additional financial information which is provided in the REIT's audited consolidated financial statements and management's discussion and analysis for the REIT's most recently completed financial year, the Annual Information Form, which includes the disclosure required by Part 5 of National Instrument 52-110 – *Audit Committees*, and any documents, or sections of documents, as applicable, incorporated by reference into this Information Circular, can be found on SEDAR by visiting [www.sedar.com](http://www.sedar.com). Unitholders may contact the REIT to request a copy of the REIT's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year, the Annual Information Form and any documents incorporated by reference into the Information Circular. Any such request should be directed to: 121 King Street West, Suite 200, Toronto, Ontario, M5H 3T9, (416) 644-4264, Attention: Investor Relations.

## **APPROVAL OF TRUSTEES**

The contents and distribution of this Information Circular, including the Notice of Annual Meeting, to each Unitholder entitled to receive notice of the annual meeting and to the auditors of the REIT have been approved and authorized by the trustees of the REIT on March 26, 2019.

### **BY ORDER OF THE BOARD OF TRUSTEES**

*"John O'Bryan"*

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JOHN O'BRYAN  
Chair, Board of Trustees  
Slate Office REIT  
March 26, 2019

## GLOSSARY

The following terms used in this Information Circular have the meanings set forth below.

**“affiliate”**, unless otherwise specified, when used to indicate a relationship with a person, has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*.

**“Board”** or **“Board of Trustees”** means the board of trustees of the REIT.

**“Business Day”** means any day except a Saturday, Sunday or a statutory holiday in the city of Toronto, Ontario.

**“Class B LP Units”** means the Office I LP Class B Units and the Office II LP Class B Units.

**“Declaration of Trust”** means the amended and restated declaration of trust of the REIT dated as of March 21, 2016, as amended on March 1, 2019, and as it may be further amended, supplemented or amended and restated from time to time.

**“Management Agreement”** means the amended and restated management agreement entered into on August 12, 2014, and effective as of November 4, 2014, between the REIT and the Manager.

**“Office GP”** means Slate Office GP Inc., a corporation incorporated under the laws of Ontario.

**“Office I LP”** means Slate Office I L.P., a limited partnership formed under the laws of Ontario.

**“Office I LP Class B LP Units”** means the Class B limited partnership units of Office I LP, which are economically equivalent to Units (subject to certain adjustments) and redeemable for cash or Units, as determined by Office GP in its sole discretion.

**“Office II LP”** means Slate Office II L.P., a limited partnership formed under the laws of Ontario.

**“Office II LP Class B LP Units”** means the Class B limited partnership units of Office II LP, which are economically equivalent to Units (subject to certain adjustments) and redeemable for cash or Units, as determined by Office GP in its sole discretion.

**“Resolutions”** means collectively, the Auditor Resolution and the Trustee Resolution.

**“SEDAR”** means System for Electronic Document Analysis and Retrieval.

**“Slate”** means Slate Asset Management L.P., a limited partnership formed under the laws of Ontario.

**“Subsidiary”** includes, with respect to any person, company, partnership, limited partnership, trust or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company, partnership, limited partnership, trust or other entity.

**“TSX”** means the Toronto Stock Exchange.

**APPENDIX A  
AUDITOR RESOLUTION**

**FOR CONSIDERATION AT THE ANNUAL MEETING OF UNITHOLDERS OF  
SLATE OFFICE REIT**

**BE IT RESOLVED THAT:**

1. KPMG LLP is hereby appointed the auditors of Slate Office REIT (the “REIT”) for the ensuing year and the trustees are hereby authorized to fix the remuneration of such auditors; and
2. any trustee or officer of the REIT is hereby authorized, for and on behalf of the REIT, to execute and deliver any and all other agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such trustee or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions as trustees or otherwise to be entered into by the REIT, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action.

**APPENDIX B  
TRUSTEE RESOLUTION**

**FOR CONSIDERATION AT THE ANNUAL MEETING OF UNITHOLDERS OF  
SLATE OFFICE REIT**

**BE IT RESOLVED THAT:**

1. Monty Baker, Nora Duke, Thomas Farley, Meredith Michetti, John O'Bryan, Blair Welch and Brady Welch, who have consented to act as trustees of Slate Office REIT (the "**REIT**"), are hereby appointed as trustees of the REIT for a term expiring upon the next annual election of trustees or when successors have been elected or appointed; and
2. any trustee or officer of the REIT is hereby authorized, for and on behalf of the REIT, to execute and deliver any and all other agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such trustee or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions as trustees or otherwise to be entered into by the REIT, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action.