



Annual Information Form

For the year ended December 31, 2023

February 14, 2024

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GLOSSARY OF TERMS

As used in this AIF, the following acronyms and terms have the respective meanings set out below:

"affiliate" with relation to any person means an associate or an affiliated, controlled or subsidiary company of such person, all such terms (except person) having the meaning ascribed thereto by National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto);

"AIF" means this Annual Information Form;

"annuitant" means the annuitant or beneficiary of an Exempt Plan or any other plan of which a Unitholder acts as trustee or carrier;

"ASPP" means automatic share purchase plan;

"associate" has the meaning ascribed thereto by the CBCA, as amended from time to time;

"Audit Committee" has the meaning set out under the heading "Audit Committee" in this AIF;

"CBCA" means the Canada Business Corporations Act, as amended, including the regulations promulgated thereunder;

"CDOR" means the Canadian Dollar Offered Rate and is a benchmark reference rate for bankers' acceptance borrowings denominated in Canadian dollars that is administered and posted daily by Refinitiv Benchmark Services (UK) Limited;

"committed occupancy" represents current in-place occupancy plus future occupancy of currently vacant space for which lease contracts are currently in place;

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator);

"CRU" means commercial retail units;

"CRU sales productivity" refers to the sales reported by the tenant attributable to a specific period of time, on the basis of the square footage in their leased premises.

"CSR" means corporate social responsibility;

"DBRS" means DBRS Morningstar;

"Declaration of Trust" means the declaration of trust of Primaris dated December 15, 2021, as amended, supplemented or amended and restated from time to time, as more particularly described under "Declaration of Trust and Description of Capital Structure" in this AIF;

"DRS Advice" means a direct registration system advice or similar document evidencing the electronic registration of ownership of Units or Exchangeable Units;

"Equity Repurchase Rules" has the meaning set out under the heading "Enterprise Risks and Risk Management - Risks Relating to Financial markets and Liquidity - Tax Risk" in this AIF;

"ESG" means Environmental, Social and Governance;

"ESG Plan" has the meaning as set out under the heading "Environmental, Social and Governance Issues" in this AIF;

"Exchange Ratio" has the meaning as set out under the heading "Declaration of Trust and Description of Capital Structure – Conversion of Series B Units" in this AIF;

“Exchangeable Units” means securities of any trust, limited partnership or corporation other than Primaris and other than the Convertible Preferred LP Units that are convertible or exchangeable directly for Units without the payment of additional consideration therefor;

“executive officer” has the meaning set out in National Instrument 51-102 – Continuous Disclosure Obligations;

“Exempt Plans” means, collectively, registered retirement savings plans, registered retirement income funds, deferred profit-sharing plans, registered education savings plans, registered disability savings plans, tax-free saving accounts, and first home savings accounts, each as defined in the Tax Act;

“FFO” means Funds from Operations and is a non-GAAP financial measure calculated in accordance with the definition provided by the Real Estate Property Association of Canada in its January 2022 publication Funds From Operations & Adjusted Funds From Operations for IFRS;

“FFO Payout Ratio” is a supplementary measure calculated as cash distributions per unit divided by FFO per diluted unit;

“Financial Statements” means Primaris’ consolidated financial statements and the accompanying notes for the years ended December 31, 2023 and 2022;

“GAAP” means generally accepted accounting principles;

“GLA” means gross leasable area;

“H&R REIT” means H&R Real Estate Investment Trust, a trust established under the laws of the Province of Ontario on November 4, 1996;

“HOOPP Properties” means the portfolio of eight investment properties that were indirectly acquired by Primaris from HOOPP on December 31, 2021 pursuant to the HOOPP Transaction, and includes: Devonshire Mall, Highstreet Mall, New Sudbury Centre, Quinte Mall, Lansdowne Place, Lansdowne Industrial, Marlborough Mall and Marlborough Professional Centre;

“HOOPP” means, collectively, HOOPP Realty Inc., Lansdowne Mall Inc. and Lansdowne Industrial Inc., affiliates of Healthcare of Ontario Pension Plan, each of which is arm’s length to Primaris;

“HOOPP Transaction” has the meaning ascribed to it under “General Development of the Business – General – Three Year History” in this AIF;

“in-place occupancy” means, for a particular period, the percentage of gross leasable area that is occupied;

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board, and as adopted by the Chartered Professional Accountants of Canada in Part I of the CPA Canada Handbook – Accounting, as amended from time to time;

“Initial Subscription Note” means the demand promissory note in the principal amount of \$10.00 issued by H&R REIT to Primaris on the formation of Primaris;

“MD&A” means the management’s discussion and analysis of the results of operations and financial position of Primaris for the three months and years ended December 31, 2023 and 2022;

“mortgage” means any mortgage, charge, hypothec, bond, debenture, note or other evidence of indebtedness, in each case which is directly or indirectly secured by real property;

“NAV” or Net Asset Value and is a non-GAAP financial measure calculated as total assets less total liabilities as calculated under IFRS with the exception of excluding, from liabilities, any outstanding Convertible Preferred LP Units or accrued amounts under the ASPP;

"NAV per unit" is a non-GAAP financial measure calculated by dividing NAV by the Trust Units and Convertible Preferred LP Units outstanding;

"NCIB" means normal course issuer bid;

"NI 52-110" means National Instrument 52-110 - Audit Committees;

"NI 52-112" means National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure;

"Nominating Unitholder" has the meaning as set out under the heading "Declaration of Trust and Description of Capital Structure – Meetings of Unitholders and Special Voting Unitholders" in this AIF;

"Non-Resident" means a non-resident of Canada (within the meaning of the Tax Act) or a partnership that is not a "Canadian partnership" within the meaning of the Tax Act;

"offeror" means a person, other than an agent, who makes a take-over bid, and includes two or more persons who, directly or indirectly, make a take-over bid jointly or in concert; or intend to exercise jointly or in concert voting rights attached to the Units for which a take-over bid is made;

"Other Securities" has the meaning as set out in "Declaration of Trust – Issuance of Units" in this AIF;

"participating securities" means securities that give the holder of the securities a right to share in the earnings of the person that issued the securities and after the liquidation, dissolution, or winding up of the person that issued the securities or, in the case of Primaris, upon the termination of Primaris, a right to share in its assets; for greater certainty, participating securities includes the Units;

"Plan of Arrangement" has the meaning ascribed to it under "General Development of the Business – General – Three Year History" in this AIF;

"Convertible Preferred LP Units" means the preferred units that have been issued by subsidiary limited partnerships of the Trust that, in certain circumstances, are exchangeable into Trust Units, in accordance with their terms;

"Primaris Properties" means the portfolio of 27 investment properties that were spun-out to Primaris through the Plan of Arrangement on December 31, 2021;

"Primaris REIT", "Primaris", "the REIT", or "the Trust" means an unincorporated open-ended unit trust established under the laws of the Province of Ontario called Primaris Real Estate Investment Trust;

"Prime" also known as the prime lending rate or prime interest rate refers to the interest rate that large commercial banks charge on loans and products held by their customers with the highest credit rating;

"Purchase Agreement" means the purchase and sale agreement between H&R REIT, HOOPP, and the other parties thereto, dated October 26, 2021, as amended December 18, 2021, providing for the sale of the HOOPP Properties by HOOPP to Primaris;

"real property" means property which in law is real property and includes, whether or not the same would in law be real property, leaseholds, mortgages, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy, co-ownership, partnership, joint venture or otherwise), any interests in any of the foregoing and securities of corporations, trusts, or partnerships whose sole or principal purpose and activity is to invest in, hold and deal in real property;

"Redemption Date" has the meaning as set out under the heading "Declaration of Trust and Description of Capital Structure – Redemption Price and Payment" in this AIF;

"Redemption Notes" means the unsecured subordinated promissory notes of Primaris or a subsidiary of Primaris having a maturity date and interest rate to be determined at the time of issuance by the Trustees, such promissory notes to

provide that Primaris or such subsidiary, as the case may be, shall at any time be allowed to prepay all or any part of the outstanding principal without notice or bonus;

“Redemption Notice” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Redemption of Units” in this AIF;

“Redemption Price” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Redemption Price and Payment” in this AIF;

“Registration Rights Agreement” has the meaning as set out under the heading "Interest of Management and Other in Material Transactions" in this AIF;

“REIT” or **“Primaris REIT”** or **“Primaris”** means an unincorporated open-ended unit trust established under the laws of the Province of Ontario called Primaris Real Estate Investment Trust;

“REITA values” mean Primaris' cultural values of Respect, Empowerment, Integrity, Teamwork and Accountability;

“Related Party” means, with respect to Primaris, a person who is a “related party” as that term is defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions of the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto);

“resident Canadian” means an individual (including a trust) or corporation who is a resident of Canada for purposes of the Tax Act, or a partnership that is a “Canadian partnership” for purposes of the Tax Act;

“Series A Units” means units of participating interest in Primaris designated in the Declaration of Trust as “Series A Units”, each such unit representing an equal undivided beneficial interest, together with the Series B Units, in Primaris;

“Series B Units” means non-voting units of participating interest in Primaris designated in the Declaration of Trust as “Series B Units”, each such unit representing an equal undivided beneficial interest, together with the Series A Units, in Primaris;

“SIFT Rules” has the meaning set out under the heading “Enterprise Risks and Risk Management - Risks Relating to Financial Markets and Liquidity - Tax Risk” in this AIF;

“SIFT Tax” means the tax payable by a SIFT trust pursuant to paragraph 122(1)(b) of the Tax Act or by a SIFT partnership pursuant to section 197 of the Tax Act;

“SIFT trust” has the meaning ascribed thereto in subsection 122.1(1) of the Tax Act;

“Special Voting Unit” means a non-participating special voting unit of Primaris issued in accordance with the provisions of the Declaration of Trust from time to time and includes a fraction of a Special Voting Unit;

“Special Voting Unitholders” means the holders of the Special Voting Units, and **“Special Voting Unitholder”** means any one of them;

“Special Voting Units” means, collectively, the units of Primaris designated as **“Special Voting Units”** under the Declaration of Trust, and “Special Voting Unit” means any one of them;

“take-over bid” has the meaning ascribed to such term in the Securities Act (Ontario), as amended from time to time;

“Tax Act” means the Income Tax Act (Canada) and the regulations thereunder, as amended;

“Tax Proposals” has the meaning set out under the heading "Enterprise Risks and Risk Management - Risks Relating to Financial Markets and Liquidity - Tax Risk" in the AIF;

“Trustees” means the individuals who act as trustees of Primaris;

“TSX” means the Toronto Stock Exchange;

“Unitholders” means the holders of Units and Special Voting Units (as the context may require), and **“Unitholder”** means any one of them;

“Units” or **“Trust Units”** means the Series A Units and the Series B Units, or any of them as the context may require, but for the avoidance of doubt does not include Special Voting Units;

“Voting Units” means, collectively, the Series A Units and Special Voting Units; and

FORWARD-LOOKING INFORMATION

Certain information in this AIF contains forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements) including, among others, statements made or implied relating to Primaris' future plans, including Primaris' ESG initiatives and objectives, significant development projects, Primaris' expectation with respect to the activities of its development properties, the timing of construction, the timing of occupancy, the timing of lease-up, and the expected total cost of development properties, future intensification opportunities including the timing of approvals for re-zoning and site plan applications, the continued recovery of occupancy and rents, the impact of the COVID-19 pandemic on Primaris and its tenants, management's expectations regarding the growth of the markets in which its shopping centres are located, management's belief that bricks and mortar stores are and will continue to be essential to the omni-channel strategy of retailers, management's belief that the improving enclosed mall and retail environment will lead to rising rents for financially strong retailers and that there will be significant opportunities for growth and for attractive acquisitions, management's belief that Primaris can maintain financial stability and strength in the current interest rate environment, Primaris' expected credit losses, expectations regarding tenant retention and closures, the expected rental revenues from leases with replacement tenants, including any offset of a reduction in gross revenues relating to store closures, the significant revenue opportunity represented by percentage rent participation, the state of the retail market, expected operating capital expenditures, discount rates, terminal capitalization rates and cash flow models used to estimate fair values, management's expectations regarding the Trust's leverage and portfolio quality, management's expectations regarding future distributions, management's belief that Primaris has sufficient funds and liquidity for future commitments, management's expectation to be able to meet all of its ongoing obligations, expected benefits from activities under the normal course issuer bid, expected benefits or future results and performance relating to acquisitions (including the acquisitions of Conestoga Mall and the Halifax Shopping Complex), and management's belief that Primaris satisfies certain prescribed conditions relating to the nature of its assets and revenue under the Tax Act. Forward-looking statements generally can be identified by words such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "project", "budget" or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect Primaris' current beliefs and are based on information currently available to management.

Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements are not guarantees of future performance and are based on estimates and assumptions that are inherently subject to risks and uncertainties, and other factors. Primaris cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results, performance or achievements of Primaris may differ materially from the forward-looking statements contained in this AIF.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that the general economy is currently volatile; interest rates have risen and may continue to rise further in the near term as a result of persistent inflation; and debt markets will continue to provide access to capital at a reasonable cost, notwithstanding recent interest rate hikes. Additional risks and uncertainties include, among other things, risks related to: owning and operating real property; real property valuations; geographic concentration of properties; credit risk and tenant concentration; reliance on anchor tenants and tenant bankruptcies; lease rollover risk; competition for real property investments; asset class concentration risk; construction risks; supply chain risks; development risks; capital expenditures risk; co-ownership interest in properties; financial markets and liquidity risk; cyber security risk; environmental and climate change risk; litigation risk; general uninsured losses; dependence on key personnel, talent management and succession planning; potential acquisition, investment and disposition opportunities and joint venture arrangements; potential undisclosed liabilities associated with acquisitions; Trust Unit price risk; availability of cash for distributions; ability to access capital markets; dilution; Unitholder liability; redemption right risk; tax

risk, and additional tax risk applicable to Unitholders. Certain of these risks, and others, are discussed in more detail under the Enterprise Risks and Risk Management section of this AIF.

Primaris cautions that these lists of factors, risks and uncertainties are not exhaustive. Other risks and uncertainties not presently known to Primaris could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Although the forward-looking statements contained in this AIF are based upon what Primaris believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements.

Readers are also urged to examine Primaris' materials filed with the Canadian securities regulatory authorities from time to time as they may contain discussions on risks and uncertainties which could cause the actual results and performance of Primaris to differ materially from the forward-looking statements contained in this AIF. All forward-looking statements in this AIF are qualified by these cautionary statements. These forward-looking statements are made as of February 14, 2024, and Primaris, except as required by applicable securities laws, assumes no obligation to update or revise them to reflect new information or the occurrence of future events or circumstances.

NON-GAAP MEASURES

The Financial Statements have been prepared in accordance with IFRS. However, in this AIF, certain measures are presented which do not have a standardized meaning prescribed under GAAP in accordance with IFRS. These non-GAAP measures include non-GAAP financial measures and non-GAAP ratios, each as defined in NI 52-112. Non-GAAP measures in this AIF are denoted by the suffix "***".

Management believes these non-GAAP measures are useful to assessing Primaris' performance period over period and its ability to meet its financial obligations. However, none of the non-GAAP measures should be construed as an alternative to financial measures calculated in accordance with GAAP. Furthermore, these non-GAAP measures may not be comparable to similar measures presented by other real estate entities and should not be construed as an alternative to financial measures determined in accordance with IFRS.

Additional information regarding these non-GAAP measures, including definitions and reconciliations to the most directly comparable GAAP figure, where applicable, can be found in the MD&A which is available on the Primaris website at www.primarisreit.com and on the SEDAR+ website at www.sedarplus.ca. See Section 12, "Non-GAAP Measures" of the MD&A for the descriptions of each non-GAAP measure used in this AIF, Section 9.1, "Components of Net Income (Loss)" of the MD&A for the quantitative reconciliation to the most directly comparable GAAP figures for Cash NOI**, Section 9.2, "FFO** and AFFO**" of the MD&A for the quantitative reconciliations to the most directly comparable GAAP figure for FFO** and Section 10.4, "Capital Structure" of the MD&A for the quantitative reconciliations to the most directly comparable GAAP figure for each of NAV**, Total Debt**, Average Net Debt** and Adjusted EBITDA**. These sections are incorporated by reference herein.

USE OF OPERATING METRICS

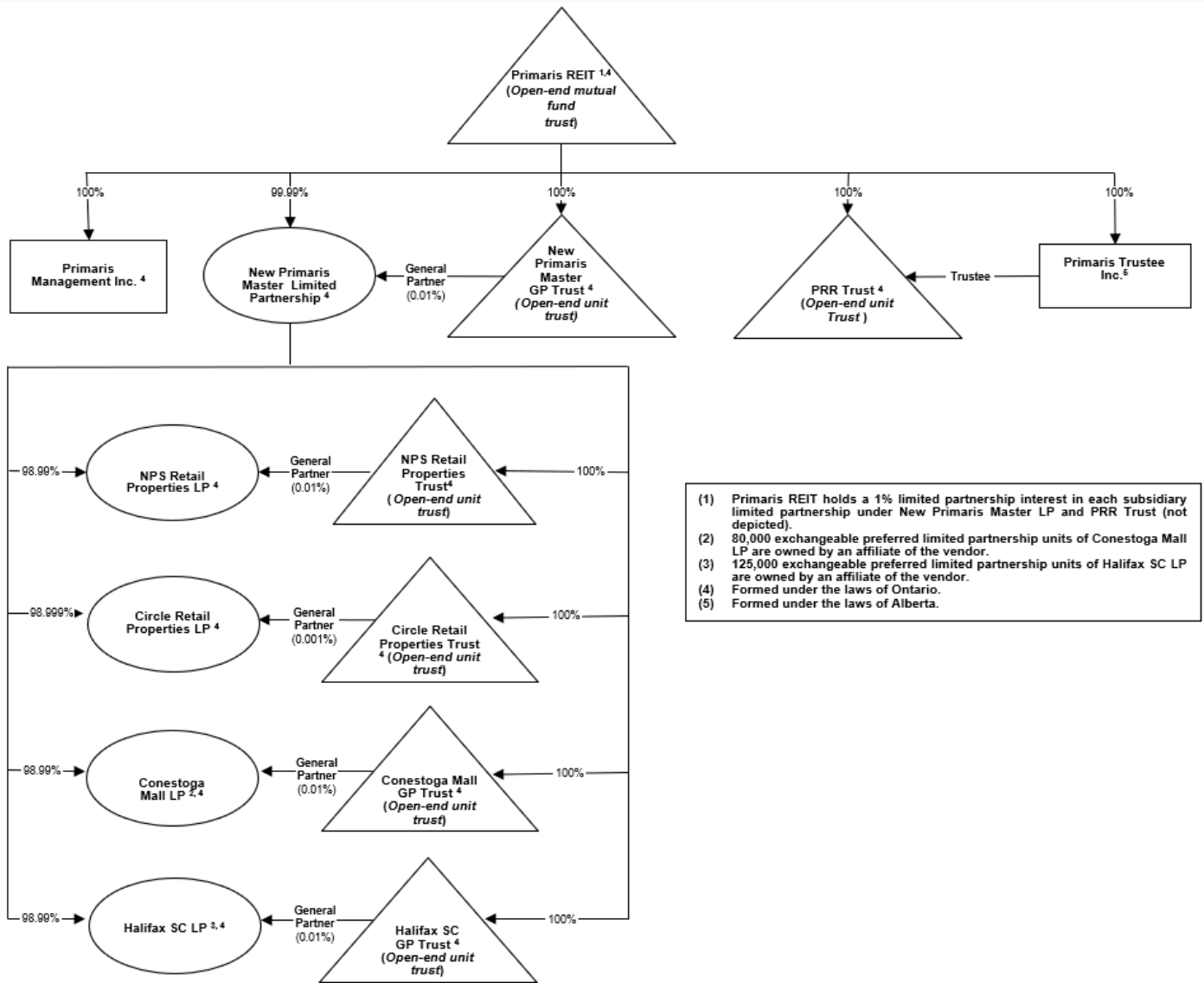
Primaris uses certain operating metrics to monitor and measure the operational performance of its portfolio. Operating metrics in this AIF include, among others, investment property count, GLA, occupied area, in-place occupancy, committed occupancy, weighted average net rent per occupied square foot, CRU sales productivity, and weighted average lease term. Certain of these operating metrics, including weighted average net rent per occupied square foot, may constitute supplementary financial measures as defined in NI 52-112. These supplementary measures are not derived from directly comparable measures contained in the Financial Statements but may be used by management and disclosed on a periodic basis to depict the historical or future expected financial performance, financial position or cash flow of the Trust. For an explanation of the composition of weighted average net rent per occupied square foot see Section 8.2, "Weighted Average Net Rent" of the MD&A, which section is incorporated by reference herein.

ORGANIZATIONAL STRUCTURE

Primaris is an open-ended, internally managed unit trust established under the laws of the Province of Ontario. Primaris' head office is located at 181 Bay Street, Suite 2720, Toronto, Ontario M5J 2T3.

Intercorporate Relationships

The following chart summarizes the intercorporate relationships among Primaris and its material subsidiaries as at December 31, 2023.



- (1) Primaris REIT holds a 1% limited partnership interest in each subsidiary limited partnership under New Primaris Master LP and PRR Trust (not depicted).
- (2) 80,000 exchangeable preferred limited partnership units of Conestoga Mall LP are owned by an affiliate of the vendor.
- (3) 125,000 exchangeable preferred limited partnership units of Halifax SC LP are owned by an affiliate of the vendor.
- (4) Formed under the laws of Ontario.
- (5) Formed under the laws of Alberta.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2021

Following the acquisition by H&R REIT of certain assets of Primaris in April 2013, the business of Primaris was operated by H&R REIT as part of its retail segment. On October 27, 2021, H&R REIT announced that its board of trustees approved the spin-out of its Primaris division to a new stand-alone real estate investment trust pursuant to a statutory plan of arrangement (the "**Plan of Arrangement**").

On December 31, 2021, the internal reorganization of H&R REIT pursuant to which H&R REIT's enclosed shopping mall business and certain other assets were spun-out to Primaris was completed. Under the Plan of Arrangement, H&R REIT unitholders received one unit of Primaris for every four units of H&R held immediately prior to closing of the Plan of Arrangement. The completion of the Plan of Arrangement was announced jointly by H&R REIT and Primaris on January 4, 2022. H&R REIT contributed the Primaris Properties, which had an appraised value of approximately \$2.4 billion. The appraised value, net of secured debt totaling approximately \$723 million, equated to a Net Asset Value** of the Primaris spin-out of \$5.57 per H&R REIT unit before any working capital adjustments.

Immediately following the Plan of Arrangement, Primaris entered into a transaction with HOOPP (the "**HOOPP Transaction**") pursuant to which it acquired the HOOPP Properties, which had an appraised value of \$0.8 billion. As a result of the Plan of Arrangement and the HOOPP Transaction, Primaris owned interests in 35 investment properties with an appraised value of approximately \$3.1 billion as at December 31, 2021, encompassing 11.5 million square feet of gross leasable area.

Pursuant to the Plan of Arrangement and the HOOPP Transaction, an aggregate of approximately 98.3 million Series A Units were issued. Primaris also issued 3,336,016 Exchangeable Units to H&R REIT under the Plan of Arrangement.

2022

On January 4, 2022 Primaris established a \$700 million unsecured syndicated revolving credit facility (the "**Revolving Credit Facility**") maturing January 4, 2025. See "Debt Profile" in this AIF.

On January 5, 2022, the Series A Units began trading on the TSX under the symbol PMZ.UN.

On January 5, 2022 Primaris repaid a \$200.2 million non-interest-bearing note payable to HOOPP in connection with the acquisition of the HOOPP Properties, utilizing a draw on its Revolving Credit Facility.

On January 6, 2022 Primaris declared its first monthly distribution of \$0.0667 per unit for the month of January, paid on February 15, 2022, reflecting \$0.80 per unit on an annualized basis.

On January 10, 2022, H&R REIT exchanged 3,336,016 Exchangeable Units for Series A Units and the Special Voting Units issued in relation to those Exchangeable Units were cancelled.

On February 28, 2022, Primaris received final acceptance from the TSX of Primaris' notice of intention to make a NCIB. The NCIB commenced March 9, 2022 and expired March 8, 2023. See "Market for Securities - Normal Course Issuer Bid" in this AIF.

On March 4, 2022, DBRS issued Primaris a rating of BBB with a Stable Trend. See "Ratings" in this AIF.

On March 30, 2022, the REIT completed a private placement of \$350 million aggregate principal amount of senior unsecured debentures. See "Debt Profile" in this AIF.

On March 30, 2022, as a result of the debenture issuance, the commitment under the Revolving Credit Facility reduced from \$700 million to \$400 million.

On March 31, 2022 the REIT established an automatic securities purchase plan ("ASPP") in respect of its previously announced NCIB. See "Market for Securities - Normal Course Issuer Bid" in this AIF.

On August 8, 2022, the REIT announced that it had entered into a \$200 million unsecured syndicated non-revolving delayed-draw term facility (the "**Non-revolving Credit Facility**") that carries an annual rate of CDOR + 150 basis points, maturing on February 5, 2026. See "Debt Profile" in this AIF.

As of August 26, 2022, the Series A Units were listed on the List of Securities Eligible for Reduced Margin ("**LSERM**") which provides margin lending guidance for investment dealers.

On November 2, 2022, the REIT announced a distribution increase of 2.5%, from \$0.80 to \$0.82 per Unit on an annualized basis effective for the December 2022 distribution that was paid in January 2023.

On December 20, 2022 the term of the Revolving Credit Facility was extended to January 4, 2026;

2023

On March 7, 2023, Primaris received acceptance from the TSX of Primaris' notice to renew its NCIB. The NCIB commenced March 9, 2023 and will expire March 8, 2024. On March 7, 2023, Primaris also entered into a new ASPP. See "Market for Securities - Normal Course Issuer Bid" in this AIF.

On March 15, 2023, DBRS issued Primaris a rating upgrade to BBB High, maintaining a Stable Trend. A copy of DBRS' published rating is available at www.dbrsmorningstar.com. See "Ratings" in this AIF.

On March 29, 2023, the REIT completed a private placement of \$250 million aggregate principal amount of senior unsecured debentures. See "Debt Profile" in this AIF.

On July 12, 2023, the REIT acquired Conestoga Mall in Waterloo, Ontario from one of Canada's 10 largest pension plans for aggregate consideration comprised of \$165 million of cash, the issuance of \$25 million of Trust Units at an issue price of \$21.49 per unit, and the issuance of \$80 million of 6.0% Convertible Preferred LP Units, which shall be exchangeable into Trust Units at an exchange price equal to \$21.49 per unit. See "Real Estate Portfolio" in this AIF.

On November 22, 2023, the REIT completed a private placement of \$400 million aggregate principal amount of senior unsecured debentures. See "Debt Profile" in this AIF.

On November 30, 2023, the REIT acquired the Halifax Shopping Complex from one of Canada's 10 largest pension plans for aggregate consideration comprised of \$200 million of cash, the issuance of \$45 million of Trust Units at an issue price of \$21.74 per unit, and the issuance of \$125 million of 6.0% Convertible Preferred LP Units, which shall be exchangeable into Trust Units at an exchange price equal to \$21.74 per unit. See "Real Estate Portfolio" in this AIF.

On December 21, 2023, Primaris published its inaugural ESG report.

On December 22, 2023, the REIT amended and restated its Revolving Credit Facility to increase the commitment to \$600 million and to extend the term by one year to January 4, 2027. See "Debt Profile" in this AIF.

DESCRIPTION OF THE BUSINESS

Overview

Primaris is Canada's only enclosed shopping centre focused REIT, with ownership interests primarily in leading enclosed shopping centres in growing markets. The portfolio totals 39 properties and 12.5 million square feet. Economies of scale are achieved through its fully internal, vertically integrated, full-service national management platform. Primaris' scale, portfolio composition, and capital structure are designed to enable Primaris to grow and thrive in the evolving retail landscape.

Primaris' vision is to champion and elevate retail for Canadians. Through operating as one dedicated team and, leveraging its specialized shopping centre platform, Primaris' mission is to drive value for its stakeholders and broader communities through proactive and responsible management. Primaris is committed to driving value by executing on its strategy while acting in a manner consistent with its REITA values.

Strategy

Primaris' strategy focuses on three key tactical pillars:

1. Retailer affordability through operational management

Primaris focuses on retailer affordability, offering attractive and economic store locations, through a disciplined approach to cost management, achieving economies of scale from its management platform, and collaborative relationship building with tenant partners. The resulting lower cost operating structure significantly improves retailer profitability, and therefore, tenants' willingness to commit to the Primaris shopping centres.

Retailers continuously assess the number of stores they need in any given trade area to enhance profitability while maintaining strong brand awareness. They right-size and adapt their business models to better serve the evolving needs of today's shoppers. By maintaining a disciplined cost operating structure, Primaris provides attractive and affordable shopping centres for retailers.

2. Consolidation opportunity

Management believes there is a significant opportunity for Primaris to leverage its scale and consolidate the enclosed shopping centre space, a market that currently has limited institutional competition for assets. Primaris is uniquely positioned as Canada's only REIT focused on owning and managing enclosed shopping centres, with an established, fully internal and scalable management platform, and low leverage capital structure to support growth. The REIT plans to leverage its scale and management capability to deliver strong financial and operating performance from its existing portfolio and take advantage of acquisition opportunities as some of Canada's largest owners of enclosed shopping centres elect to sell some of these properties to reposition their portfolios to increase exposure to other property types. These assets are typically well-maintained and offer opportunities for Primaris to surface additional value through operating efficiencies, new leasing opportunities, and margin expansion. Since December 31, 2021, Primaris has acquired over \$1 billion of large format shopping centres.

3. Disciplined capital allocation

Primaris has a strong balance sheet with a conservative capital structure and a low dividend payout ratio allowing it to maintain and upgrade its properties as needed and to take advantage of strategic acquisitions. The strength of Primaris' capital structure provides an attractive profile for public market investors and positions it as an ideal partner for institutional real estate owners. Primaris will continue to adhere to a disciplined capital allocation strategy, striving to minimize its cost of capital while maximizing value for its Unitholders.

Primaris established certain targets for managing the Trust's financial condition and maintaining a conservative capital structure. The table below depicts the Trust's performance relative to those established targets.

	Target
Average Net Debt** to Adjusted EBITDA** ¹	4.0x – 6.0x
Funds from Operations Payout Ratio**	45% - 50%
Secured debt to Total Debt**	<40%

** Denotes a non-GAAP measure. See "Non-GAAP Measures" section of this AIF.

¹ The debt ratios are non-GAAP ratios calculated on the basis described in the trust indenture and supplemental indentures that govern the Trust's senior unsecured debentures (collectively, the "Trust Indentures"). See Section 10.4, "Capital Structure".

Management Team and Employees

Primaris' management team creates value by leveraging its decades of experience in property acquisitions, operations, leasing, property development, capital markets, financing, risk management, and stakeholder relations. Each member of the management team has been selected for the strength, capabilities and reputations that they bring to their respective roles. As of the date of this AIF, Primaris has approximately 450 employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES

In 2022, Primaris developed a Board-led three-year ESG strategic plan that aligns to the Trust's vision, mission, REITA values and strategy, and supports long-term value creation. The 2023-2025 ESG strategic plan (the "ESG Plan") identifies Primaris' key ESG priorities, goals, actions, and performance measures. The ESG Plan is a 'living document' that will evolve over time as Primaris progresses and adapts to the changing needs of operating and investing environments.

The ESG Plan aligns to current investor focused ESG standards and frameworks:

- Sustainability Accounting Standards Board ("SASB") Real Estate Standard (IF-RE);
- recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD");
- IFRS S1 "Sustainability Disclosure Standard" and IFRS S2 "Climate Related Disclosures"; and
- GRESB, the global ESG benchmark for real assets.

Primaris' objective is to conform all elements of the ESG Plan to industry standard by 2025, with a longer-term ambition of selectively developing a leading edge position in a number of areas. A detailed three-year implementation roadmap has been created alongside the ESG Plan to achieve the objectives.

ESG Commitment

In addition to adhering to environmental laws and regulations, Primaris is committed to achieving its strategic objectives, while acting in a manner consistent with its REITA values and following best practices. This includes consideration of the impacts its assets have on the environment and the communities where they operate, and fostering strong relationships with employees, tenants, transaction counterparties and investors.

Material ESG-Related Risks and Opportunities

The ESG materiality assessment, conducted in 2022, identified the inherent ESG-related risks and opportunities that need to be managed by Primaris. In the ESG materiality assessment, the definition of material is based on whether or not the information would affect financial decisions by capital market participants if the information was omitted or misstated. Material ESG factors that are currently impacting, or have the potential to impact, company value, performance or access to capital within the short term and are likely to remain financially material over longer timeframes are considered core to the ESG Plan. The material ESG factors are organized under the key elements as follows:

Environment	Social	Governance
Reduce the environmental footprint and use resources efficiently	Be an inclusive employer and landlord of choice, and a community gathering place	Integrate ESG into strong governance and disclosure practices
Energy management ^c	Tenant relations ^c	Business ethics and transparency ^c
GHG ¹ emissions and climate change ^c	Employee relations ^c	Supply chain
Water and waste management	Community relations	
Tenant sustainability impacts		
Green buildings		

^c Core ESG factors

¹ Greenhouse gas ("GHG")

The ESG Plan was designed to align with Primaris' strategic objectives and support long term value creation. The below table illustrates the alignment between the ESG-related risks and opportunities with strategy.

Material ESG Factors	Strategic Pillars		
	Retailer Affordability	Consolidation Opportunity	Disciplined Capital Allocation
Environmental factors			
Energy management	strong alignment	weak alignment	moderate alignment
GHG emissions and climate change	moderate alignment	moderate alignment	moderate alignment
Water and waste management	strong alignment		moderate alignment
Tenant sustainability impacts	strong alignment	weak alignment	
Green buildings	moderate alignment	moderate alignment	moderate alignment
Social factors			
Tenant relations	strong alignment	strong alignment	
Employee relations	moderate alignment	weak alignment	weak alignment
Community relations	moderate alignment	weak alignment	weak alignment
Governance factors			
Business ethics and transparency	weak alignment	weak alignment	weak alignment
Supply chain	moderate alignment	weak alignment	weak alignment

Furthermore, many of the key performance indicators that management uses to monitor the Trust's performance against strategy also link to material ESG factors (indicated by shaded areas in the chart below).

Strategic Pillars		
Retailer Affordability	Consolidation Opportunity	Disciplined Capital Allocation
Improve gross margin to >60%	Mid-sized markets with growing populations	Average Net Debt** to Adjusted EBITDA** ¹ in the target range 4.0x - 6.0x
Gross rent to tenant sales <15%	Trade area population of >100,000	
Common area maintenance costs <20%	Diversified economic drivers	FFO Payout Ratio** in the target range 45% - 50%
Improve recovery ratios	CRU annual sales volume >\$80 million	
Property tax expense management	Excess land located proximate to mass transit	Secured debt to Total Debt**
Disciplined tendering and procurement		Maintain investment grade credit rating
Green lease language		Laddered debt maturities
		Sustainability-linked / green financing

** Denotes a non-GAAP measure. See "Non-GAAP Measures" section of this AIF.

¹ The debt ratios are non-GAAP ratios calculated on the basis described in the trust indenture and supplemental indentures that govern the Trust's senior unsecured debentures.

ESG Governance Structure and Systems

The success of the ESG Plan relies on commitment and oversight from the Board of Trustees. The Compensation, Governance and Nominating Committee (the "CG&N Committee") oversees and monitors Primaris' performance against the ESG Plan.

The CG&N Committee is responsible for overseeing management's identification and assessment of social and sustainability matters as well as climate-related issues, including, but not limited to, monitoring the Trust's progress on integrating ESG factors and climate-related factors into business strategy and decision making, and adopting ESG and climate-related policies. The CG&N Committee also reviews and approves periodic ESG reports and monitors ongoing compliance with the reported initiatives.

Two members of the Board attend management's regularly scheduled ESG management committee meetings to gain insight into implementation of ESG initiatives under the ESG Plan and assess the potential for the advancement of the ESG strategy, policies and practices. The Chair of the CG&N Committee and the Chief Financial Officer lead the ESG management committee which is comprised of senior leaders across the organization. The Board's ability to provide effective oversight is supported by the REIT's governance structure and processes.

Key aspects of ESG governance structure and systems include:

- ESG training for the Board of Trustees and two Trustees designated as climate experts;
- CG&N Committee Charter includes ESG oversight;
- ESG disclosure controls review included in Audit Committee charter;
- Chair of the CG&N Committee leads the ESG management committee (total of two Trustees on the ESG management committee);
- Chief Financial Officer designated as the senior executive accountable for ESG program oversight;
- Regular reporting to Board of Trustees on progress against ESG Plan; and
- ESG materiality assessment updated every three years.

Key 2023 Milestones in ESG Journey

- On June 30, 2023, Primaris completed its inaugural GRESB Real Estate Assessment submission. The results of which were publicly available in October 2023. The submission was the culmination of months of data collection and analysis. The data collected for the GRESB submission formulates the baseline environmental and social data sets from which management will be able to develop targets for the REIT's core environmental and social factors. The results of the GRESB benchmarking exercise will also highlight key areas of focus to advance the ESG Plan.
- In July 2023, Primaris completed its inaugural CDP Climate Change questionnaire.
- In September 2023, Primaris completed an employee engagement survey achieving an 87% participation rate and a 79% employee engagement score, earning certification as "Great Place to Work".
- In October 2023, Primaris received its inaugural GRESB results and received 2 green stars, within its peer group range.
- In October 2023, Primaris entered into a contract for an information system to collect and manage environmental and social data. The implementation plan to rollout the software is being finalized.
- In December 2023, Primaris published its inaugural annual ESG report.

Next Steps

In 2024, Primaris will be focused on:

- Developing targets for core environmental and social factors;
- Implementing systems to collect and manage environmental and social data;
- Designing reporting requirements to meet the new IFRS sustainability standards;
- Developing a robust tenant engagement program including the enhancement of data collection of tenant sustainability;
- Integrating ESG targets into executive compensation; and
- Continuing to support community engagement programs at our shopping centres.

ESG is an essential component in Primaris' overall strategy from both risk mitigation and opportunity optimization standpoints.

REAL ESTATE PORTFOLIO

INVESTMENT PROPERTIES

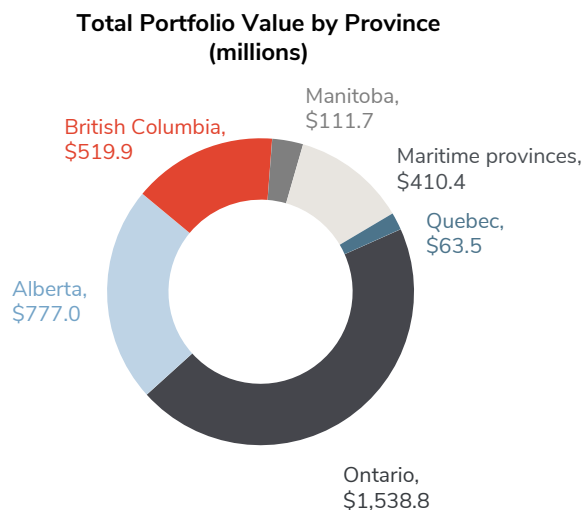
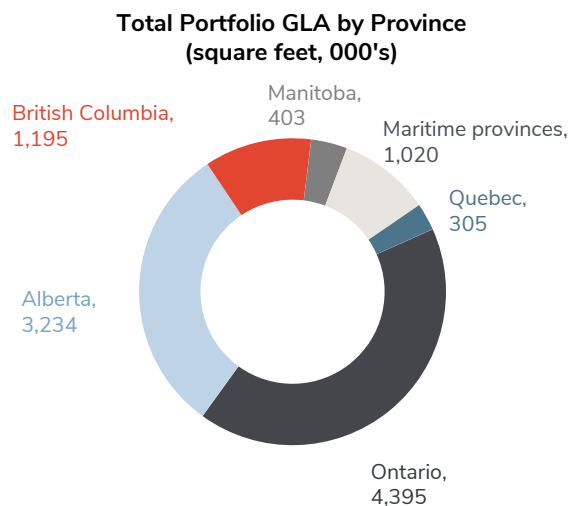
Primaris owns, manages, leases, and develops retail properties in Canada. As at December 31, 2023, the portfolio consisted of 39 properties. The portfolio is geographically diversified across Canada to reduce concentration risk and to enhance the long-term reliability of its revenue stream.

The shopping centre portion of the portfolio comprises 24 assets nationwide (including 23 enclosed malls) and is situated on approximately 900 acres of land. The properties are located close to major transportation nodes and public transit, with broad zoning permitting a wide range of uses beyond retail, enabling potential future value creation. The shopping centres generated approximately 90% of the portfolio's Cash NOI** for the year ended December 31, 2023.

As at December 31, 2023		Total Portfolio			Shopping Centres ¹				Other Properties ²	
(\$ millions and thousands of square feet, unless otherwise indicated)	Fair Value	Count	GLA	In-place Occupancy	Fair Value	Count	GLA	In-place Occupancy	GLA	In-place Occupancy
Ontario	\$ 1,583.4	11	4,774	94.4 %	\$ 1,538.8	9	4,395	94.0 %	379	99.3 %
Alberta	997.4	17	4,005	90.8 %	777.0	7	3,234	91.0 %	771	89.9 %
British Columbia	519.9	2	1,195	91.5 %	519.9	2	1,195	91.5 %	—	— %
Maritime provinces	478.9	5	1,638	89.7 %	410.4	3	1,020	84.0 %	618	99.2 %
Manitoba	142.2	3	565	96.1 %	111.7	2	403	94.5 %	162	100.0 %
Quebec	63.5	1	305	92.0 %	63.5	1	305	92.0 %	—	— %
Portfolio	\$ 3,785.3	39	12,482	92.4 %	\$ 3,421.3	24	10,552	91.8 %	1,930	95.6 %

¹ Shopping centres include 23 enclosed malls and 1 open air centre, Highstreet Shopping Centre in Abbotsford, BC.

² Other properties include 10 plazas, 4 office buildings and 1 industrial building.



The table below lists all of the investment properties as at December 31, 2023 with the location, property segment, ownership percentage, GLA, store count and major tenants as of that date.

Shopping Centres

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share ('000' sq. ft.)	Store Count	Major Tenants
1	Catarauqui Town Centre	Kingston	Ontario	Enclosed	50%	291.9	111	Hudson's Bay, Sport Chek, Marshalls, Indigo, Dollarama, Urban Planet, Shoppers Drug Mart, Trillium College
2	Conestoga Mall	Waterloo	Ontario	Enclosed	100%	587.1	132	Hudson's Bay, Galaxy Cinemas, Indigo, Sport Chek, Shoppers Drug Mart, Winners, Old Navy, H&M
3	Devonshire Mall	Windsor	Ontario	Enclosed	100%	669.2	159	Cineplex Cinemas, Sport Chek, Metro, Goodlife Fitness, Indigo, Shoppers Drug Mart, Old Navy and H&M
4	Dufferin Mall	Toronto	Ontario	Enclosed	100%	574.7	119	Walmart, No Frills, Marshalls, Winners, City of Toronto, Toys "R" Us, Urban Planet, H&M
5	Grant Park	Winnipeg	Manitoba	Enclosed	50%	202.5	63	Canadian Tire, Red River Co-Op, Goodlife Fitness, Landmark Cinemas, Winners
6	Halifax Shopping Centre	Halifax	Nova Scotia	Enclosed	100%	578.2	137	Sport Chek, Victoria's Secret, Lawtons Drugs, Gap, H&M, Zara, Investors Group
7	Highstreet Shopping Centre	Abbotsford	British Columbia	Open Air	100%	544.4	52	Walmart, Cineplex Cinemas, Marshalls, H&M, Structube
8	Kildonan Place	Winnipeg	Manitoba	Enclosed	50%	200.9	102	Marshalls, Cineplex Odeon, Save On Foods, H&M, Urban Planet
9	Lansdowne Place	Peterborough	Ontario	Enclosed	100%	396.1	101	Loblaws, Sport Chek, Old Navy, H&M
10	Marlborough Mall	Calgary	Alberta	Enclosed	100%	542.3	100	Walmart, Makami College, Shoppers Drug Mart
11	McAllister Place	Saint John	New Brunswick	Enclosed	50%	201.7	91	Sport Chek, Toys "R" Us, Goodlife Fitness, Marshalls, The Brick, Mark's, Urban Planet
12	Medicine Hat Mall	Medicine Hat	Alberta	Enclosed	100%	467.8	83	Hudson's Bay, Freshco, Galaxy Cinemas, Marshalls, Home Sense, Best Buy, Shoppers Drug Mart,
13	New Sudbury Centre	Sudbury	Ontario	Enclosed	100%	488.1	105	Walmart, Sport Chek, H&M, Shoppers Drug Mart
14	Orchard Park	Kelowna	British Columbia	Enclosed	100%	651.1	161	Hudson's Bay, Sport Chek, Best Buy, Mark's, Leons, Indigo, Urban Planet, Shoppers Drug Mart, Old Navy, Planet Fitness
15	Park Place Mall	Lethbridge	Alberta	Enclosed	100%	473.3	99	Cineplex Odeon, Winners, Sport Chek, Staples, Shoppers Drug Mart, JYSK, Old Navy
16	Peter Pond Mall	Fort McMurray	Alberta	Enclosed	100%	207.5	60	Rivers Casino, Sport Chek, Dollarama
17	Place D'Orleans	Orleans	Ontario	Enclosed	50%	347.7	124	Hudson's Bay, Sport Chek, Public Works and Government, Services Canada, Aubainerie, Farm Boy, H&M, Marks, Urban Planet

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share ('000' sq. ft.)	Store Count	Major Tenants
18	Place du Royaume	Chicoutimi	Quebec	Enclosed	50%	304.8	112	Walmart, Winners, Sports Experts, Best Buy, Cinemas Odyssee, Winners, Best Buy, H&M, Urban Planet, Shoppers Drug Mart, Old Navy
19	Quinte Mall	Belleville	Ontario	Enclosed	100%	566.5	126	Galaxy Cinemas, Toys "R" Us, Winners, Sport Chek, Staples, Chapters, Shoppers Drug Mart, Old Navy, Home Sense, Goodlife Fitness
20	Regent Mall	Fredericton	New Brunswick	Enclosed	50%	239.9	91	Walmart, The Brick, Cineplex Odeon, Sport Chek, Chapters, Old Navy, Toys "R" Us, Urban Planet, Lawtons Drugs, Dollarama
21	Sherwood Park Mall	Sherwood Park	Alberta	Enclosed	100%	386.1	77	Sobeys, Galaxy Cinemas, Goodlife Fitness, Indigo, Shoppers Drug Mart, Urban Planet, Dollarama, Ardene
22	Stone Road Mall	Guelph	Ontario	Enclosed	100%	473.6	133	Sport Chek, Home Sense, Marshalls, Indigo, Mark's, Toys R Us, H&M, Ardene, Old Navy, Urban Planet
23	St. Albert Centre	St. Albert	Alberta	Enclosed	100%	352.9	64	Hudson's Bay, London Drugs, Sport Chek, Winners, Mark's, Ardene
24	Sunridge Mall	Calgary	Alberta	Enclosed	100%	803.6	155	Hudson's Bay, Alberta Health Services, Sport Chek, Best Buy, Winners, Daily Fresh Produce, Urban Planet, Mark's, Shoppers Drug Mart, Ardene, Fit 4 Less, Dollarama
						10,552.1		

Other Properties

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share ('000' sq. ft.)	Store Count	Major Tenants
1	Carry Drive Plaza	Medicine Hat	Alberta	Open Air	100%	30.1	10	Sushi & Thai, CosmoProf
2	Dunmore Plaza	Medicine Hat	Alberta	Open Air	100%	28.3	5	EasyHome, Lammle's Western Wear Ltd.
3	Edinburgh Market Place	Guelph	Ontario	Open Air	100%	113.3	15	Metro, Staples Canada Inc.
4	Garden City Square	Winnipeg	Manitoba	Open Air	100%	162.3	14	Staples Canada Inc., Mark's, Marshalls, JYSK, Planet Fitness
5	Halifax Annex	Halifax	Nova Scotia	Open Air	100%	431.0	31	Walmart, Sobeys, Planet Fitness, Winners, Glow The Event Store, Department of Veterans Affairs, Ardene, Mark's Work Warehouse, Credit Union Atlantic
6	Mumford Professional Centre	Halifax	Nova Scotia	Office	100%	187.3	41	Shoppers Drug Mart, Canadian College of Massage, Dalhousie Campbell Medical, ISANS, Apple Self Storage
7	Lansdowne Industrial	Peterborough	Ontario	Industrial	100%	265.1	5	Crayola Canada, Covia Canada Ltd, Nexicom System

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share ('000' sq. ft.)	Store Count	Major Tenants
8	Marlborough Professional Centre	Calgary	Alberta	Office	100%	50.6	19	Calgary Housing Company, Mosaic Primary Care
9	Northland Professional Centre	Calgary	Alberta	Office	100%	52.4	21	Dentistry, Medical, Chiropractic
10	Northland Village	Calgary	Alberta	Open Air	100%	296.1	10	Walmart, Best Buy, Winners, Goodlife Fitness
11	Northpointe Town Centre	Calgary	Alberta	Open Air	100%	200.6	15	Landmark Cinemas, Canadian Tire
12	Park Plaza	Medicine Hat	Alberta	Open Air	100%	35.5	8	Dollarama, Olympia Liquor
13	Park Place Professional Centre	Sherwood Park	Alberta	Office	100%	30.7	10	Sherwood Dental Inc.
14	Scotia Plaza	Medicine Hat	Alberta	Open Air	100%	11.4	2	Scotiabank
15	Sunridge Corner	Calgary	Alberta	Open Air	100%	35.3	9	CIBC, Petland
						1,929.9		

Co-ownership Arrangements

Primaris has co-ownership interests in several properties, as listed below, that are subject to joint control and are accounted for as joint operations. The chart below depicts Primaris' proportionate share of the GLA of these properties. Primaris performs the management services on behalf of the co-owners of these properties for which it earns fee income. There were no changes to the co-ownership arrangements in the year ended December 31, 2023.

Property	Location	Ownership interest as at December 31, 2023
McAllister Place	Saint John, NB	50%
Regent Mall	Fredericton, NB	50%
Place Du Royaume	Chicoutimi, QC	50%
Place D'Orleans Shopping Centre	Ottawa, ON	50%
Cataraqui Town Centre	Kingston, ON	50%
Grant Park	Winnipeg, MB	50%
Kildonan Place	Winnipeg, MB	50%

Redevelopment and Development Activities

Primaris' redevelopment projects include projects to re-demise space vacated by former anchor tenants, the project to de-mall Northland Village and creating pad sites on excess density. During 2023, the Trust completed projects as shown in the table below.

Property	Tenants	GLA	Rent Commencement
Quinte Mall	Winners	30,000	Q1 2023
Medicine Hat Mall	Freschco	35,000	Q3 2023
Northland Village	Winners, Edo Japan, Cha House	31,900	Q3/Q4 2023

Primaris has ongoing construction projects to deliver bank pads at Lansdowne Place, in Peterborough, Ontario, at Marlborough Mall, in Calgary, Alberta and at Kildonan Place, in Winnipeg, Manitoba.

Three former anchor spaces remain to be addressed: Park Place Mall in Lethbridge, Alberta, where management is reviewing various options; Devonshire Mall in Windsor, Ontario where the vacated Sears space plus the adjoining lands comprise approximately 18 acres; and the newly acquired Halifax Shopping Centre where construction is progressing.

Given the significant opportunity at Devonshire Mall, Primaris is formalizing a property management plan which includes the demolition of the former two-level Sears space. Demolition is anticipated to commence in the spring.

The redevelopment of the former Sears space is substantially completed at the Halifax Shopping Centre. The costs of the project were factored into the purchase price and do not form part of Primaris' capital expenditures.

Tenants	GLA	Rent Commencement
Simons	56,200	Q1 2024
Winners	38,500	Q1 2024
Dollarama	12,900	Q1 2024
Pet Smart	15,100	Q1 2024

Northland Village, situated on 32 acres in northwest Calgary, Alberta, is being redeveloped into a 390,000 square foot mixed-use development of retail and office space. Walmart, Best Buy and Winners will remain as anchors of the retail development. Approximately 2 acres were sold in 2022 to a third-party residential developer that has substantially completed construction on 219 rental residential units. In the summer of 2022, the interior portion of Northland Village was demolished, Walmart completed a renovation to their store, and Primaris commenced construction of a fully pre-leased outparcel building. The project will be completed over multiple phases with an estimated completion date of Q4 2025.

Upon completion, the property GLA is expected to total approximately 390,000 square feet. Approximately 370,000 square feet is completed or under development, leaving approximately 20,000 square feet of future development of additional pads.

The chart below details the expected rent commencement dates for the Northland Village tenants as construction is completed.

Tenants	GLA in square feet	Rent Commencement
Walmart, Best Buy (open throughout redevelopment)	168,000	N/A
Winners	29,650	Q3 2023
Edo Japan, Cha House	2,250	Q4 2023
Dollarama, Cobs Bread, LensCrafters, Vega's Burger, Northland Village Dental	24,000	Q1 2024
Paramount Animal Hospital, Adrenalin Source	32,800	Q2 2024
Goodlife Fitness, Chipotle, TBA	38,800	Q4 2024
Vine Arts, TBA	14,000	Q1 2025
Specialty grocery, TBA	53,800	Q1 2026

Dufferin Mall is located on Dufferin Street just south of Bloor Street West in a high-density urban neighbourhood in central Toronto, Ontario. Within 250 meters of the Dufferin subway station, Dufferin Mall is a 575,000 square foot enclosed shopping centre, situated on 21 acres, and anchored by Walmart, No Frills, Marshalls, Winners, City of Toronto, Toys "R" Us, Urban Planet and H&M. Primaris has received severance and city approvals to redevelop approximately 4 acres of underutilized land, primarily parking lot, into a mixed-use centre that builds on the success of Dufferin Mall by adding over 1,100 residential units, a public park and the additional new retail uses. Management is considering alternative plans to monetize the value of the land such as through a sale or joint venture.

Leasing Activities

Primaris' leasing activities are focused on driving value by actively managing the tenant and merchandising mix at its investment properties. The future performance of income-producing properties is a function of a number of factors. The principal factors include occupancy rates, trends in rental rates achieved on leasing or renewing space currently leased, retail sales productivity, and the contractual increases over the life of the lease.

Primaris' tenant base includes:

- Commercial retail unit tenants that lease units up to 15,000 square feet and include food court and kiosk tenants;
- Large format tenants that lease units in excess of 15,000 square feet; and
- Office tenants that are ancillary to the retail mix of tenants.

As illustrated in the following chart, during the year ended December 31, 2023, the REIT completed 626 leasing deals totaling 2.0 million square feet.

	Count	GLA (in thousands of square feet)	Weighted Average Lease Term (in years)	Weighted Average Net Rent per occupied square foot ¹	Weighted Average Spread on Renewing Rents	Tenant Allowances and Leasing Costs	
						Count	Costs per square foot
CRU							
New tenants	121	251	7.8	\$ 34.70			
Renewing tenants	333	721	4.1	\$ 37.80	3.9 %		
	454	972		\$ 37.00		85	\$ 58
Large format							
New tenants	6	104	9.2	\$ 28.50			
Renewing tenants	19	604	5.0	\$ 12.60	6.8 %		
	25	708		\$ 14.90		6	\$ 99
Office							
New tenants	3	7	6.0	\$ 15.90			
Renewing tenants	10	28	4.4	\$ 14.00	4.7 %		
	13	35		\$ 14.40		2	\$ 47
Short term ² and percent rent in lieu	134	319	N/A	N/A			
Total leasing	626	2,034					
Renewing tenants only	362	1,353			4.6 %		

¹ Supplementary financial measure, see "Use of Operating Metrics".

² Leases for a term of less than one year.

Included in the leasing activity for the year ended December 31, 2023 were 134 new leases that were for a lease term of less than one year, or for percentage rent in lieu of base rent. These lease structures have always been a tool to manage tenant relocations, the timing of development plans, and to work in partnership with tenants.

Occupancy

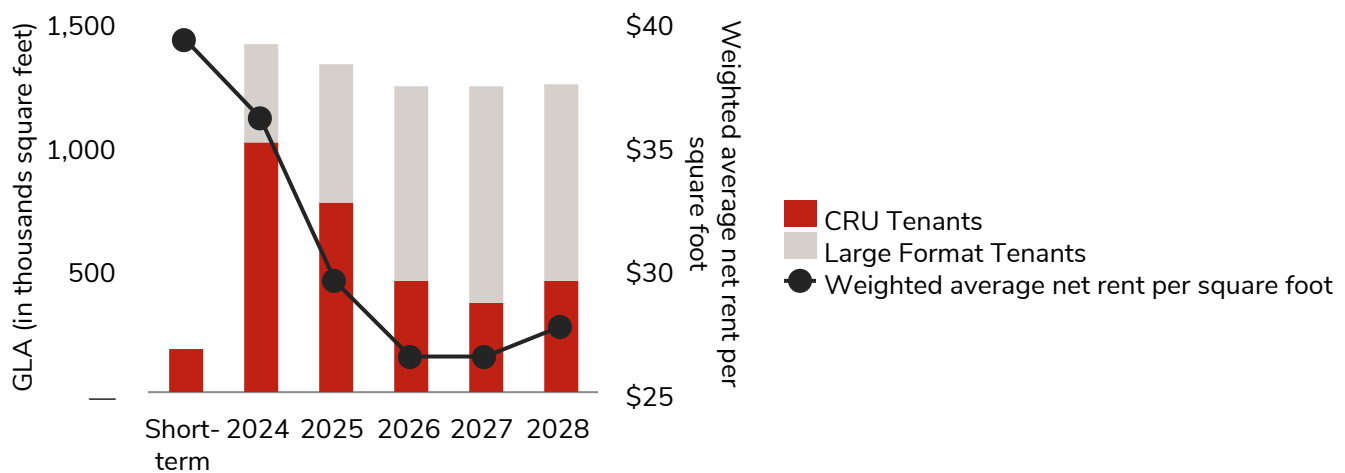
	Gross Leasable Area ¹ (in thousands of square feet)	Occupied Area ¹ (in thousands of square feet)	In-place Occupancy ¹
December 31, 2022	10,858	9,890	91.1 %
Tenant departures:			
Net rent tenants		(183)	
Gross rent tenants		(351)	
Percent rent in lieu tenants		(93)	
		(627)	
Tenant possessions:			
Net rent tenants		221	
Gross rent tenants		357	
Percent rent in lieu tenants		48	
		626	
Development activity	36	36	
Acquisition activity	1,784	1,607	
Other activity including remeasurements ²	(196)	—	
December 31, 2023	12,482	11,532	92.4 %
Tenant renewals:			
Square footage renewed (in thousands)		1,869	
Renewal rate		88.4 %	

¹ Supplementary financial measure, see "Use of Operating Metrics".

² Includes adjustments for demolition of vacant space.

As at December 31, 2023, the portfolio had an in-place occupancy rate of 92.4%, and a committed occupancy rate of 94.2%. Average in-place occupancy is calculated using the occupied square feet and total GLA for each month in the measurement period. For the three months ended December 31, 2023 average in-place occupancy was 91.5%.

Lease Maturity Profile - Portfolio



Lease Maturities

As at December 31, 2023, the weighted average lease term for the portfolio was 4.3 years, 3.4 years for CRU tenants and 6.0 years for large format tenants. The following table sets out the lease maturity profile for the Trust's portfolio.

	Number of leases	GLA (in thousands of square feet)	% of Total GLA	Weighted average net rent per square foot ^{2,3}
Portfolio:				
Short-term ¹	107	182	1.6%	\$ 39.21
2024	641	1,414	12.3%	\$ 36.04
2025	418	1,329	11.5%	\$ 29.43
2026	295	1,244	10.8%	\$ 26.40
2027	244	1,242	10.8%	\$ 26.40
2028	298	1,245	10.8%	\$ 27.61
Thereafter	575	4,876	42.2%	\$ 22.71
Total portfolio	2,578	11,532	100.0%	\$ 26.73
CRU tenants only:				
Short-term ¹	107	182	1.6%	\$ 39.21
2024	623	1,016	8.8%	\$ 42.20
2025	400	768	6.7%	\$ 41.12
2026	274	453	3.9%	\$ 48.91
2027	207	365	3.2%	\$ 47.29
2028	268	458	4.0%	\$ 49.85
Thereafter	469	1,597	13.8%	\$ 43.43
Total CRU tenants	2,348	4,839	42.0%	\$ 44.06
Large format tenants only				
Short-term ¹	—	—	—%	—
2024	18	398	3.5%	\$ 19.16
2025	18	561	4.9%	\$ 11.94
2026	21	791	6.9%	\$ 12.49
2027	37	877	7.6%	\$ 17.53
2028	30	787	6.8%	\$ 14.64
Thereafter	106	3,279	28.3%	\$ 15.74
Total large format tenants	230	6,693	58.0%	\$ 15.35

¹ Includes month-to-month leases and leases on overhold

² Based on rental rates in the last term of the lease

³ See "Use of Operating Metrics".

While CRU tenants comprise approximately 42% of the portfolio's occupied GLA, they represented approximately 69% of the average minimum rent (based on the weighted average net rental rates in the last term of the expiring leases).

Top 30 Tenants

As at December 31, 2023, 46.6% of Primaris' annualized minimum rent came from a group of 30 tenants. Primaris' top 10 tenants represent many of Canada's leading national retailers.

	Top Tenants ¹	Tenant Sector	Annualized Minimum Rent (% of Total)	Store Count (all banners)	Total GLA	% of occupied GLA	WALT ² (in years)	Credit Ratings (S&P/ Moody's/ DBRS)
1	Canadian Tire	Value Retail	5.2%	32	808,194	7.0%	3.8	BBB / - / BBB
2	Walmart	Value Retail	3.8%	8	1,050,234	9.1%	7.2	AA / Aa2 / AA
3	Loblaws	Grocery	3.2%	19	401,671	3.5%	5.3	BBB / - / BBB(H)
4	TJX	Value Retail	2.8%	21	509,506	4.4%	4.6	A / A2 / -
5	Bell Canada	Telecom	2.3%	101	75,080	0.7%	1.9	BBB+ / Baa2 / BBB
6	Cineplex	Entertainment	2.2%	10	336,338	2.9%	7.0	-
7	Gap	Apparel	1.8%	19	241,759	2.1%	2.7	BB / Ba2 / -
8	Comark	Apparel	1.7%	36	114,999	1.0%	1.7	-
9	Rogers	Telecom	1.6%	90	39,604	0.3%	2.3	BBB+ / Baa1 / BBB(H)
10	Telus	Telecom	1.6%	59	44,639	0.4%	3.4	BBB+ / Baa1 / BBB(H)
	Top 10 tenants		26.2%	395	3,622,024	31.4%		
11	Dollarama	Value Retail	1.6%	21	221,722	1.9%	5.9	BBB / Baa2 / BBB
12	Indigo Books & Music	Other Retail	1.4%	15	182,829	1.6%	4.2	BBB/-/-
13	HBC	Dept Store	1.4%	7	720,008	6.2%	5.5	-
14	Sobeys	Grocery	1.3%	8	212,283	1.8%	9.6	BBB- / - / BBB(L)
15	American Eagle Outfitters	Apparel	1.2%	18	90,631	0.8%	2.1	-
16	Best Buy	Other Retail	1.2%	15	152,066	1.3%	3.3	BBB+ / A3 / -
17	MTY Group	Food	1.1%	48	21,991	0.2%	3.6	-
18	YM	Apparel	1.1%	57	311,230	2.7%	2.6	-
19	Luxottica Retail	Personal Care	1.0%	30	58,309	0.5%	3.3	A / A2 / -
20	La Vie en Rose	Apparel	1.0%	28	68,399	0.6%	4.6	-
21	H&M	Apparel	0.9%	12	203,848	1.8%	3.5	BBB / - / -
22	Foot Locker	Apparel	0.9%	15	56,173	0.5%	2.7	- / Ba1 / -
23	Goodlife	Personal Care	0.8%	8	151,257	1.3%	5.5	-
24	Dynamite	Apparel	0.8%	24	77,222	0.7%	4.1	-
25	Recipe Unlimited	Food	0.8%	25	44,991	0.4%	4.3	-
26	Zale Canada	Apparel	0.8%	17	25,364	0.2%	1.7	-
27	Limited Brands	Apparel	0.8%	20	66,373	0.6%	2.6	BB / Ba3 / -
28	CIBC	Financial Services	0.8%	10	55,699	0.5%	3.7	A+ / Aa2 / AA
29	Soft Moc	Apparel	0.8%	19	46,213	0.4%	4.3	-
30	Ardene	Apparel	0.7%	19	148,774	1.3%	4.4	-
	Top 30 tenants		46.6%	811	6,537,406	56.7%		

¹ The names noted above may be the names of the parent entities and are not necessarily the tenant covenants under the leases.

² Weighted average lease term ("WALT")

³ See "Use of Operating Metrics".

DESCRIPTION OF PRIMARIS SHOPPING CENTRES

Below are detailed descriptions of the investment properties that have a net rentable area of more than 400,000 square feet. Trade area population statistics and growth rates were derived by Statistics Canada and Environics Analytics.

Cataraqui Town Centre

Cataraqui Centre is located at the intersection of Gardiners Road and Princess Street in Kingston, Ontario which has a population of approximately 136,000 people. The total trade area population of the mall in 2023 was approximately 297,000 people and it is expected to grow 3.6% by 2028. Cataraqui Centre is an approximately 587,000 square foot two-level shopping centre anchored by Hudson's Bay, Sport Chek, Marshalls, Indigo, H&M, Urban Planet, L.L. Bean, Dollarama, Shoppers Drug Mart, and Trillium College. The average CRU sales productivity was \$594 per square foot for the rolling twelve-months ended December 31, 2023. The Centre was built in 1982 and underwent extensive renovations in 1999, 2000, 2005/2006 and 2018. The total site area is approximately 39 acres. Cataraqui Centre had 79.2% in-place occupancy as of December 31, 2023 which includes the yet to be leased portion of the redeveloped former anchor tenant space (in-place occupancy of CRU tenants was 89.5%). Excluding the yet to be leased portion of the redevelopment, the committed occupancy was 96.0% as of December 31, 2023.

Conestoga Mall

Conestoga Mall is located at King Street's interchange with the Conestoga Parkway in Waterloo, Ontario. Waterloo is a growing region with a population of 515,700 and is an approximate one-hour drive to Toronto Pearson Airport. Sometimes referred to as Silicon Valley North, or the Technology Triangle, the region is home to many technology companies, incubators, and universities, including the Perimeter Institute for Theoretical Physics, Wilfrid Laurier University, and the University of Waterloo. The total trade area of the mall in 2023 was approximately 559,000 people and is expected to grow 10.8% by 2028. Conestoga Mall is an approximately 587,000 square foot regional shopping centre anchored by HBC, Galaxy Cinema, Sport Check, Indigo and H&M, and shadow anchored by a Zehrs grocery store with direct access to the mall. Unique CRU tenants include Apple, Lululemon, Nespresso, Aritzia, Sephora, Aerie, Old Navy and Brown's Shoes. The average CRU sales productivity was \$924 per square foot for the rolling twelve-months ended December 31, 2023. Initially built in 1978, the mall is located on 49 acres of land, for an approximate 33% site coverage and the mall was last renovated in 2018. Conestoga Mall had in-place occupancy of 96.4% and committed occupancy of 97.4% as of December 31, 2023.

Devonshire Mall

Devonshire Mall is a super-regional mall in Windsor, Ontario located proximate to the United States border. Windsor has a population of 365,000 people in its census metropolitan area. The trade area population of the mall in 2023 was approximately 499,000 people and it is expected to grow 4.8% by 2028. Devonshire Mall is an approximately 669,000 square foot regional shopping centre anchored by Sport Chek, Metro, Cineplex, Indigo, H&M, Old Navy, Shoppers Drug Mart, Urban Planet and Mark's. Hudson's Bay is a shadow anchor of the property and has direct interior access into the mall. The average CRU sales productivity was \$687 per square foot for the rolling twelve-months ended December 31, 2023. The mall, initially developed in 1970, is situated on approximately 73 acres and was last renovated in 2019. Devonshire Mall had 95.7% in-place occupancy and 96.4% committed occupancy as of December 31, 2023.

Dufferin Mall

Dufferin Mall is located on Dufferin Street just south of Bloor Street West in a high-density urban neighbourhood in central Toronto, Ontario. The Greater Toronto Area (GTA) census metropolitan area has a population of 6.8 million people. The total trade area population of the mall in 2023 was approximately 503,000 people and is expected to grow 6.1% by 2028. Dufferin Mall is an approximately 575,000 square foot enclosed shopping centre anchored by Walmart, No Frills, Marshalls, Winners, City of Toronto, Toys "R" Us, Urban Planet and H&M. Dufferin Mall is situated on approximately 21 acres and was originally developed over several phases between 1956 and 1976, with a number of renovations and expansions occurring since, including the most recent being a renovation of the food court in 2016. The average CRU sales productivity was \$659 per square foot for the rolling twelve-months ended December 31, 2023. Dufferin Mall had 98.9% in-place and committed occupancy as of December 31, 2023. Approximately four acres of land primarily used as parking, received city approvals in late 2022 to be redeveloped into a mixed use neighbourhood that builds on the success of Dufferin Mall by adding more than 1,100 residential units.

Grant Park Shopping Centre

Grant Park Shopping Centre is located on the south side of Grant Avenue in an area known as River Heights in Winnipeg, Manitoba. Winnipeg has a census metropolitan area population of 889,000 people and is the capital of Manitoba. The total trade area population of the mall in 2023 was approximately 370,000 people and it is expected to grow 9.5% by 2028. Grant Park is an approximately 405,000 square foot community shopping centre with a second-floor office component. The shopping centre is anchored by Canadian Tire, Red River Co-Op, Goodlife Fitness, Winners and Landmark Cinemas. The average CRU sales productivity was \$504 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1962, the mall is situated on approximately 32 acres and was expanded in 1968, 1989 and 1996. The mall was fully renovated in 2011. Grant Park had 97.9% in-place and committed occupancy as of December 31, 2023.

Halifax Shopping Centre

Halifax Shopping Centre is at Mumford Road's interchange with East Perimeter Road directly off Highway #102 and within minutes of downtown Halifax. Halifax is experiencing significant population growth and has been in the top-five fastest-growing census metropolitan area in Canada for the past four consecutive years, according to Statistics Canada. In July 2023, the city recorded one-year population growth of 4.5%, the highest ever recorded for the city, and is currently the second fastest growing census metropolitan area in Canada. The region is expected to grow by 18.4% by 2033. The total trade area of the centre in 2023 was approximately 668,449 people and is expected to grow 7.1% by 2028. Halifax Shopping Centre is an approximately 578,000 square foot regional shopping centre anchored by Sport Check, H&M and Zara. Unique CRU tenants include Apple, Lululemon, Aritzia, Gap, Sephora, Hollister and Brown's Shoes. The average CRU sales productivity was \$1,019 per square foot for the rolling twelve-months ended December 31, 2023. Initially built in 1962, the mall is located on 20.9 acres of land, for an approximate 70% site coverage. Halifax Shopping Centre had in-place occupancy of 74.0% as of December 31, 2023 which included approximately 129,000 square feet of vacant space related to the former Sears. The space is currently being redeveloped for Pet Smart, Dollarama, Winners and Simons. The committed occupancy was 96.9% as of December 31, 2023.

Highstreet Shopping Centre

Highstreet Shopping Centre is located along the intersection of the TransCanada and Fraser Highways in the west end of Abbotsford, British Columbia. The Abbotsford-Mission census metropolitan area had a population of 211,100 people in 2023. The total trade area population of the mall in 2023 was approximately 168,000 people and it is expected to grow 9.0% by 2028. Highstreet Shopping Centre is an approximately 544,000 square foot three level open air shopping centre. The shopping centre is anchored by Walmart, Cineplex, Marshalls, H&M and Structube. Initially developed in 2013, the mall is situated on approximately 20 acres. Highstreet Shopping Centre had 82.9% in-place occupancy and

89.0% committed occupancy as of December 31, 2023. Occupancy rates were negatively impacted by the departure of London Drugs during 2023.

Kildonan Place

Kildonan Place Shopping Centre is located on Regent Avenue in northeast Winnipeg. Winnipeg has a census metropolitan area population of 889,000 people and is the capital of Manitoba. The total trade area population of the mall in 2023 was approximately 386,000 people and it is expected to grow 7.9% by 2028. Kildonan Place is an approximately 402,000 square foot regional shopping centre anchored by Save-On-Foods, Marshalls, Cineplex, H&M and Urban Planet. The average CRU sales productivity was \$583 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1980, the mall is situated on 56 acres and was last renovated in 2021. Approximately eight acres of the site is undeveloped representing a residential intensification opportunity. A new pad is scheduled to open on the property in 2025. Kildonan Place Shopping Centre had 91.1% in-place and committed occupancy as of December 31, 2023.

Lansdowne Place

Lansdowne Place is located at the intersection of Lansdowne Street and Monaghan Road in Peterborough, Ontario, which has a population of 134,000 people. The total trade area population of the mall in 2023 was approximately 192,000 people and is expected to grow 6.2% by 2028. Lansdowne Place is an approximately 396,000 square foot two-level shopping centre anchored by Real Canadian Superstore, Old Navy, Dollarama, H&M and Sport Chek. The CRU sales productivity was \$725 per square foot for the rolling twelve-months ended December 31, 2023. The Centre was built in 1980 and underwent extensive renovations in 2009 and again in 2021 when the former Sears store was re-developed and the second floor was removed. A new pad is scheduled to open on the property in 2025. The total site area is approximately 35 acres. Lansdowne Place had 88.8% in-place and committed occupancy as of December 31, 2023.

Marlborough Mall

Marlborough Mall is located in northeast Calgary proximate to the TransCanada Highway. Calgary's census metropolitan area has a population of 1.6 million people. The trade area population for the property in 2023 was 312,400 people and it is expected to grow 5.3% by 2028. Marlborough Mall, including Marlborough Professional Centre, is an approximately 542,000 square foot regional shopping centre anchored by Walmart, Makami College and Shoppers Drug Mart. The average CRU sales productivity was \$425 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1971, the mall is situated on 46 acres and was last renovated in 2020. The City of Calgary Light Rail Transit has a stop at the property creating the potential for redevelopment of the site for mixed use. A new pad is scheduled to open on the property in 2025. Marlborough Mall had in-place and committed occupancy, excluding the professional centre, of 90.9% as of December 31, 2023.

McAllister Place

McAllister Place is located in Saint John, New Brunswick. The Saint John census metropolitan area has a population of 135,710 people. The total trade area population of the mall in 2023 was approximately 180,000 people and is expected to grow 3.3% by 2028. McAllister Place is an approximately 404,000 square foot regional shopping centre anchored by Sport Chek, Toys "R" Us, Goodlife Fitness, Marshalls, Urban Planet, The Brick and Mark's. The average CRU sales productivity was \$515 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1978, the mall is situated on approximately 46 acres and was last renovated in 2020. McAllister Place had 93.4% in-place occupancy and 94.2% committed occupancy as of December 31, 2023.

Medicine Hat Mall

Medicine Hat Mall is located adjacent to the TransCanada Highway in Medicine Hat, Alberta. Medicine Hat has a population of 79,800 people and is located approximately 2.5 hours from Calgary by vehicle. The total trade area population of the mall in 2023 was approximately 146,000 people and is expected to grow 0.10% by 2028. Medicine Hat Mall is an approximately 468,000 square foot regional shopping centre anchored by Hudson's Bay, Cineplex, Marshalls, Home Sense, Shoppers Drug Mart and Best Buy. The average CRU sales productivity was \$478 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1980, the mall is situated on approximately 50 acres and was last renovated in 2019. Medicine Hat Mall had 90.4% in-place occupancy and 94.7% committed occupancy as of December 31, 2023.

New Sudbury Centre

New Sudbury Centre is located in Sudbury, Ontario. The Sudbury census metropolitan area has a population of 174,800 people and is located in northern Ontario approximately 400 kilometres northeast of Toronto. The trade area population of the mall in 2023 was approximately 561,500 people and is expected to grow 1.6% by 2028. New Sudbury Centre is an approximately 488,000 square foot regional shopping centre anchored by Walmart, Sport Chek, H&M and Shoppers Drug Mart. The average CRU sales productivity was \$737 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1956, the mall is situated on approximately 40 acres and was last renovated in 2020. New Sudbury Centre had 93.9% in-place and committed occupancy as of December 31, 2023.

Orchard Park Shopping Centre

Orchard Park Shopping Centre is a regional shopping centre, located in Kelowna, British Columbia, four kilometres east of the city's downtown core. The Kelowna census metropolitan area has a population of 239,000 people. The total trade area population of the mall in 2023 was approximately 469,000 people and it is expected to grow 9.5% by 2028. Orchard Park is the largest regional enclosed mall between the Greater Vancouver Area and Calgary, situated in British Columbia's interior region. Orchard Park is an approximately 651,000 square foot single-level enclosed regional shopping centre anchored by Hudson's Bay, Sport Chek, Best Buy, Mark's, Leon's, Indigo, Shoppers Drug Mart, Urban Planet and Old Navy. The property is situated on approximately 51 acres, five acres of which is land leased by Primaris until May 31, 2031. Primaris has an ongoing right of first refusal throughout the lease term, as well as an option to purchase the land on June 1, 2031 at the appraised value. The property was built in 1971, redeveloped in 2000 and 2006/07 and most recently renovated in 2021. The average CRU sales productivity was \$813 per square foot for the rolling twelve-months ended December 31, 2023. Orchard Park Shopping Centre had in-place and committed occupancy of 98.8% as of December 31, 2023.

Park Place Shopping Centre

Park Place Shopping Centre is located at the intersection of 1st Avenue South and Scenic Drive in Lethbridge, Alberta, which has a population of 132,700 people. The total trade area population of the mall in 2023 was approximately 256,000 people and is expected to grow 5.5% by 2028. Park Place Shopping Centre is an approximately 473,000 square foot regional shopping centre anchored by Cineplex, Winners, Sport Chek, Staples, Shoppers Drug Mart, JYSK and Old Navy. Park Place Shopping Centre is situated on an approximate 38 acre site, which is leased from the City of Lethbridge for a term ending July 31, 2028, with seven ten-year options to extend thereafter. Park Place Mall Holdings Inc., as tenant under the ground lease, has an ongoing right of first refusal and a right of first offer to purchase the lands throughout the lease term. Park Place Shopping Centre was built in 1988, expanded in 1996 and most recently renovated in 2017. The average CRU sales productivity was \$729 per square foot for the rolling twelve-months ended December 31, 2023. Park Place Shopping Centre had 76.2% in-place occupancy as of December 31, 2023, which includes approximately 106,000 square feet of space vacated by Sears. Excluding the Sears vacancy, committed occupancy was 98.8% as at December 31, 2023.

Place d'Orleans Shopping Centre

Place d'Orleans is located in the eastern quadrant of Ottawa, Ontario, the capital city of Canada. The Ottawa-Gatineau census metropolitan area is Canada's fourth largest metropolitan area with a population of 1.58 million people. The total trade area population of the mall in 2023 was approximately 248,000 people and is expected to grow 8.9% by 2028. The shopping centre is located adjacent to the Queensway, the primary highway in the region, at Place d'Orleans Drive and, in addition to already accommodating a bus loop at the site, the property is scheduled to have a light rail transit stop in 2025. Place d'Orleans is an approximately 695,000 square foot enclosed regional shopping centre and is anchored by Hudson's Bay, Sport Chek, Public Works and Government Services Canada, Aubainerie, Farm Boy, H&M, Mark's and Urban Planet. The shopping centre is situated on approximately 43 acres and was developed in several phases between 1979 and 1999. In 2019, the second floor was redeveloped for office use and leased to Public Works. The average CRU sales productivity was \$519 per square foot for the rolling twelve-months ended December 31, 2023. Place d'Orleans had in-place and committed occupancy of 88.9% as of December 31, 2023.

Place du Royaume

Place du Royaume is located on Talbot Boulevard in the Chicoutimi borough of Saguenay, Québec. Talbot Boulevard is directly linked to Highway 175 leading to Québec City. The Greater Saguenay Area, with a population of 164,600 people in 2023, is 250 kilometres north of Québec City. The total trade area population of the mall in 2023 was approximately 278,000 people. The shopping centre was originally constructed in 1973 and was renovated in 2000, 2001 and 2007/08. The property is situated on approximately 54 acres. Place du Royaume is an enclosed regional mall of approximately 610,000 square feet, anchored by Walmart, Winners, Sports Experts, Best Buy, Cinéma Odyssee, H&M, Urban Planet and Shoppers Drug Mart. Canadian Tire is a shadow anchor. The average CRU sales productivity was \$507 per square foot for the rolling twelve-months ended December 31, 2023. Place du Royaume had in-place and committed occupancy of 92.0% as of December 31, 2023.

Quinte Mall

Quinte Mall is located in Belleville, Ontario. Belleville has a census metropolitan area population of approximately 116,000 people. The trade area population of the mall in 2023 was approximately 222,000 people and is expected to grow 4.9% by 2028. Quinte Mall is an approximately 567,000 square foot regional shopping centre comprised of an enclosed mall, an office building and a several pad buildings. Quinte Mall is anchored by Sport Chek, Winners, Goodlife Fitness, Toys "R" Us, Staples, Chapters, Shoppers Drug Mart, HomeSense, Old Navy, and Cineplex. The average CRU sales productivity was \$577 per square foot for the rolling twelve-months ended December 31, 2023. The mall is situated on approximately 61 acres, was initially developed in 1971 and was last renovated in 2019. Quinte Mall had 94.8% in-place occupancy and 95.7% committed occupancy as of December 31, 2023.

Regent Mall

Regent Mall is located in Fredericton, New Brunswick. Fredericton is the capital city of New Brunswick and has a census metropolitan area population of 116,600 people. The total trade area population of the mall in 2023 was approximately 244,000 people and is expected to grow 3.8% by 2028. Regent Mall is an approximately 480,000 square foot regional shopping centre anchored by Walmart, Cineplex, Sport Chek, Chapters, Toys "R" Us, Urban Planet, Old Navy, Lawtons Drugs, The Brick and Dollarama. The average CRU sales productivity was \$684 per square foot for the rolling twelve-months ended December 31, 2023. Initially developed in 1976, the mall is situated on approximately 47 acres and was most recently renovated in 2020. Regent Mall had in-place and committed occupancy of 100.0% as of December 31, 2023.

Stone Road Mall

Stone Road Mall is located in Guelph, Ontario which has a population of 176,400 people and is an approximate one-hour drive to Toronto. The trade area population of the mall in 2023 was approximately 220,000 people and is expected to grow 11.4% by 2028. Stone Road Mall is an approximately 474,000 square foot enclosed regional shopping centre anchored by Sport Chek, Home Sense, Marshalls, Indigo, Mark's, Toys "R" Us, H&M, Ardene, Old Navy and Urban Planet. Stone Road Mall is situated on an approximate 36 acre site and was built in 1975. The mall was expanded in 1989 and, in 2005, an addition of 28,000 square feet was completed to accommodate Old Navy. In 2008, Primaris completed a substantial re-development project at Stone Road Mall and a renovation was completed in 2020 to accommodate three new anchor tenants as well as to upgrade the food court. The average CRU sales productivity was \$608 per square foot for the rolling twelve-months ended December 31, 2023. Stone Road Mall had in-place occupancy of 99.0% and committed occupancy of 99.2% as of December 31, 2023.

Sunridge Mall

Sunridge Mall is located in northeast Calgary, Alberta, within the Sunridge Commercial Area, proximate to the TransCanada Highway. In addition, the property is adjacent to one of Calgary's largest hospitals, Peter Lougheed Hospital, and there is a light rail transit stop at the property. Calgary has a population of 1.6 million people. The trade area population for the mall in 2023 was approximately 338,000 people and is expected to grow 5.3% by 2028. Sunridge Mall is a two-level, approximately 804,000 square foot enclosed shopping centre that is anchored by Hudson's Bay, Alberta Health Services, Sport Chek, Best Buy, Winners, Daily Fresh Produce, Urban Planet, Mark's, Shoppers Drug Mart, Ardene, Fit 4 Less and Dollarama. The average CRU sales productivity was \$545 per square foot for the rolling twelve-months ended December 31, 2023. The mall is situated on approximately 66 acres and was initially developed in 1981, extensively renovated in 2005 and most recently renovated in 2019. Given the large site and the proximity to light rail transit, future master planning for the site may include residential intensification. Sunridge Mall had in-place occupancy of 95.0% and committed occupancy of 98.3% as of December 31, 2023.

DEBT PROFILE

The Declaration of Trust provides that the aggregate of the total indebtedness of Primaris and its subsidiaries (including the amount of any indebtedness to be assumed) is restricted to 65% of total assets. As at December 31, 2023, Primaris' Total Debt** to Total Asset** ratio was 38.3%.

Future principal repayments of Primaris' outstanding debt are as follows:

Years ended December 31 (\$000)	Senior Unsecured Debentures	Mortgages Payable	Credit Facilities	Total Debt	% Due
2024	\$ —	\$ 91,177	\$ —	\$ 91,177	6.1%
2025	200,000	3,975	—	203,975	13.6%
2026	—	4,120	200,000	204,120	13.7%
2027	250,000	64,810	—	314,810	21.1%
2028	250,000	2,017	—	252,017	16.9%
Thereafter	300,000	127,704	—	427,704	28.6%
	\$ 1,000,000	\$ 293,803	\$ 200,000	\$ 1,493,803	100.0%
Unamortized financing costs and debt discounts	(8,398)	(629)	—	(9,027)	
	\$ 991,602	\$ 293,174	\$ 200,000	\$ 1,484,776	

Mortgages payable

At December 31, 2023, Primaris had \$293.8 million mortgages payable bearing interest at fixed rates with a weighted average effective interest rate of 4.03% and a weighted term to maturity of 4.1 years.

Unsecured credit facilities

Revolving Credit Facility

On January 4, 2022, Primaris entered into the Revolving Credit Facility. On March 30, 2022, the commitment under the Revolving Credit Facility reduced from \$700 million to \$400 million. In December 2022, Primaris exercised its option to extend the maturity of the Revolving Credit Facility by one-year to January 4, 2026.

On December 22, 2023, Primaris amended and restated its Revolving Credit Facility to increase the commitment to \$600 million (from \$400 million) and to extend the maturity date by one year to January 4, 2027. The Revolving Credit Facility bears interest at variable rates of either: (i) Prime plus 0.35% per annum, or (ii) Adjusted CORRA plus 1.35% per annum. As at December 31, 2023, Primaris had no amount drawn on the Revolving Credit Facility.

Non-Revolving Credit Facility

On August 8, 2022, Primaris entered into the Non-revolving Credit Facility. As at December 31, 2023, Primaris was fully drawn on this facility.

Debentures

As at December 31, 2023, the Trust's senior unsecured debentures had a weighted average effective interest rate of 5.45%, after considering the debt discounts, and a weighted average term to maturity of 3.8 years.

2023

On November 22, 2023, Primaris completed a private placement of \$400 million aggregate principal amount of senior unsecured debentures, consisting of i) \$300 million aggregate principal amount of Series D debentures due June 30, 2029, and ii) \$100 million aggregate principal amount reopening of the Series A debentures due March 30, 2027.

The Series D debentures were issued at a price equal to \$999.88 per thousand principal amount and bear interest at a fixed annual rate of 6.374%, with semi-annual installments of interest due on June 30th and December 30th in each year, commencing on June 30, 2024 until maturity, unless redeemed at an earlier date. The additional Series A debentures were issued at a price of \$952.30 per thousand principal amount, with an effective yield to maturity of 6.325% and otherwise have the same terms and conditions and constitute part of the same series as the \$150 million aggregate principal amount of the Series A debentures issued by the Trust on March 30, 2022.

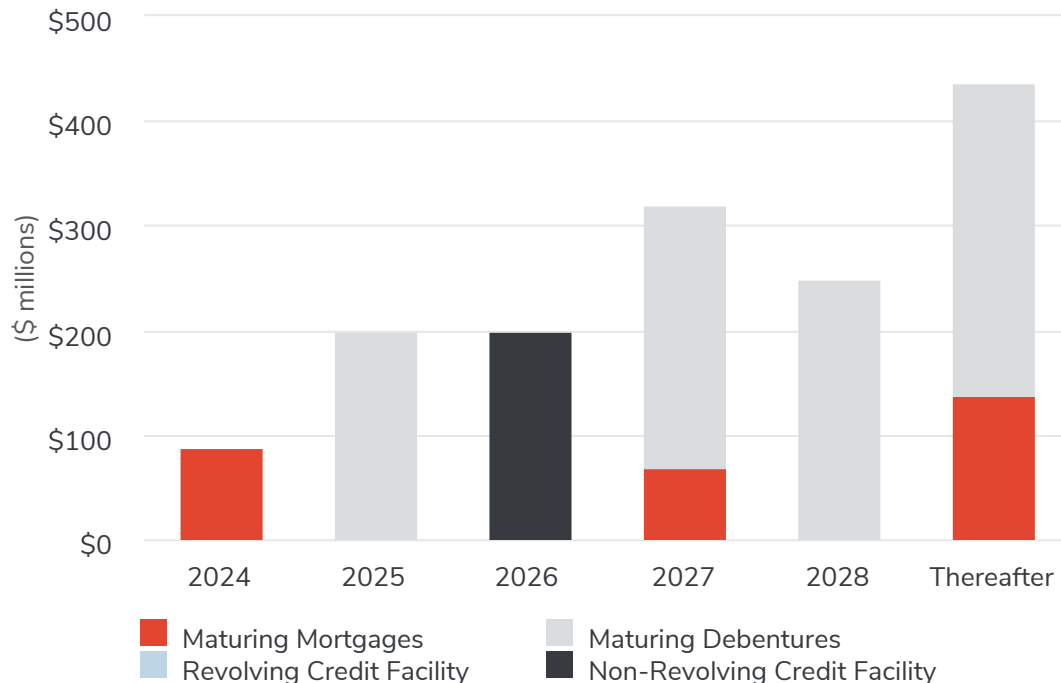
On March 29, 2023, Primaris completed a private placement of \$250 million aggregate principal amount of Series C senior unsecured debentures due March 29, 2028. The Series C debentures bear interest at a fixed annual rate of 5.934%, with semi-annual installments of interest due on March 29th and September 29th until maturity, unless redeemed at an earlier date. The Series A debentures and Series B debentures bear interest at a fixed annual rate of 4.727% and 4.267%, respectively, with semi-annual installments of interest due on March 30th and September 30th in each year until maturity, unless redeemed at an earlier date.

2022

On March 30, 2022, Primaris completed a private placement of \$350 million aggregate principal amount of senior unsecured debentures, consisting of a (i) \$150 million aggregate principal amount of Series A debentures due March 30, 2027, and (ii) \$200 million aggregate principal amount of Series B debentures due March 30, 2025. The Series A debentures and Series B debentures bear interest at a fixed annual rate of 4.727% and 4.267%, respectively, with semi-annual installments of interest due on March 30th and September 30th in each year until maturity, unless redeemed at an earlier date.

The debentures are direct senior unsecured obligations of the Trust and rank equally and rateably with all other unsecured and unsubordinated indebtedness of the REIT, except to the extent prescribed by law.

Debt Maturity Profile as of December 31, 2023



Guarantees

In the normal course of operations, Primaris issues letters of credit in connection with developments, financings, operations and acquisitions. As at December 31, 2023, Primaris had outstanding letters of credit totaling \$0.7 million.

Primaris has co-owners on various properties. As a rule, Primaris does not provide guarantees or indemnities for these co-owners because should such guarantees be provided, recourse would be available against Primaris in the event of a default of the co-owners. In such case, Primaris would have a claim against the underlying real estate investment. However, in certain circumstances, subject to compliance with the Declaration of Trust and the determination of management that the fair value of the co-owner's investment is greater than the mortgages payable which require Primaris' guarantee, such guarantees may be provided.

As at December 31, 2023, Primaris had issued guarantees relating to co-owners' share of mortgage liabilities amounting to \$89.3 million, which expire between 2024 and 2027.

Financing Strategy

Primaris' overall strategy is underpinned by its commitment to its financial model, with low leverage and a low FFO Payout Ratio**, that allows it to significantly reduce its reliance on accessing external capital, and specifically equity markets, to fund its business. Primaris' financing strategy is to maintain financial leverage appropriate to its real estate portfolio, conservatively below the levels available from lenders, to ensure financial stability and adequate capital availability to fund the capital requirements of the business. Primaris aims to maintain an investment grade rating, and will rely on a combination of unsecured credit facilities and unsecured debentures as the primary forms of financing, with secured mortgages providing a further alternative source of debt capital.

Interest rates and debt maturities will be reviewed regularly by the Trustees in order to ensure that appropriate debt management strategies are implemented. Debt maturities will be managed to avoid having 20% or more of total debt maturing in a single year to minimize refinancing risk, taking into account the availability of financing, market conditions and Primaris' liquidity.

Primaris may, from time to time, enter into instruments to hedge the amount of interest to be paid by Primaris on future debt and to reduce its exposure to refinancing risks, provided that such hedging will not affect Primaris' status as a "real estate investment trust" for purposes of the Tax Act.

Liquidity Strategy

Primaris' liquidity strategy will reflect Primaris' financing strategy and overall strategy. Low leverage and a low FFO Payout Ratio** are expected to provide significant free cash flow after distributions and ordinary course re-investments into Primaris' portfolio, while an emphasis on unsecured debt will reduce the magnitude of amortization payments more common with secured mortgage debt.

TRUSTEES AND EXECUTIVE OFFICERS

As of the date of the AIF, the Board consists of six Trustees, five of whom are independent Trustees within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices. The Trustees are elected by Unitholders at each annual meeting of Unitholders entitled to vote and hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed and are eligible for re-election or re-appointment. The following tables set forth the name, province and country of residence, positions held within Primaris (or functions performed on behalf of Primaris) and principal occupation of each Trustee and executive officer of Primaris.

TRUSTEES		
Name Province/State of Residence	Position(s) with Primaris REIT	Principal Occupations During the Preceding Five Years
Alex Avery Ontario, Canada	Trustee (Non-independent) and Chief Executive Officer since 2021 Investment Committee	Chief Executive Officer, Primaris REIT (2021 – present) Executive Vice President, Asset Management & Strategic Initiatives, H&R REIT, an open-ended real estate investment trust specializing in commercial real estate (2020-2021) Portfolio Manager, FrontFour Real Asset Alternatives, an investment fund issuer (2017-2020)
Avtar Bains British Columbia, Canada	Trustee (Independent) since 2021 Investment Committee Chair	President, Premise Properties, a privately-owned real estate investment and development company (2011-present)
Anne Fitzgerald Ontario, Canada	Trustee (Independent) since 2021 Compensation, Governance and Nominating Committee Investment Committee	Director, NOVA Inc. (2022 - present) Director, LifeSpeak Inc. (2021 - 2023) Chair of the Board of Directors, Outward Bound Canada (2015 - present) Chief Legal Officer & Corporate Secretary, Cineplex Inc., an entertainment company and Executive Vice President, Real Estate at Cineplex Inc. (various titles 2005-2022)
Louis Forbes Ontario, Canada	Trustee (Independent) since 2021 Audit Committee Chair Compensation, Governance and Nominating Committee	Trustee, Flagship Communities REIT, an unincorporated closed-end real estate investment trust (2020-present) Trustee, Automotive Properties REIT, an unincorporated closed-end real estate investment trust (2017 – 2022) Senior Vice President and Chief Financial Officer, CT Real Estate Investment Trust, an unincorporated closed-end real estate investment trust (2013-2018)
Tim Pire Wisconsin, United States	Trustee (Independent) since 2021 Chair of the Board of Trustees Audit Committee	Corporate Director & Adjunct Professor, University of Wisconsin (2016 – present) Trustee, TerraFina, Technical Committee, Debt Committee and Audit Committee, an industrial real estate investment trust (2021 – present) University of Wisconsin’s Applied Real Estate Investment Track program (2016 – present) Director, Monogram Residential Trust, a multi-family real estate investment trust (2016-2018)
Deborah Weinswig New York, United States	Trustee (Independent) since 2021 Audit Committee Compensation, Governance and Nominating Committee	Founder and CEO of Coresight Research, a research company delivering data-driven insights focusing on retail and technology (2018 – present) Director, XCEL Brands and member of the Audit Committee (2018 - present) Director, Guess? Inc. and member of the Audit Committee (2018 - present) Director, Nogin, Corp Gov Committee (2022-2023) Director, and member of the Audit Committee CHW Acquisition Corporation (2021 - 2021)

EXECUTIVE OFFICERS

Name Province/State of Residence	Position(s) with Primaris REIT	Principal Occupations During the Preceding Five Years
Alex Avery Ontario, Canada	Chief Executive Officer since 2021	Executive Vice President, Asset Management & Strategic Initiatives, H&R REIT, an unincorporated closed-end real estate investment trust (2020-2021) Portfolio Manager, FrontFour Real Asset Alternatives, an investment fund issuer (2017-2020)
Patrick Sullivan Alberta, Canada	President and Chief Operating Officer since 2021	Chief Operating Officer, Primaris (predecessor and H&R REIT's former subsidiary) (2013-2021)
Rags Davloor Ontario, Canada	Chief Financial Officer since 2021	Executive Vice President, Finance and Strategy, Tridel, a developer and builder of condominium residences(2019-2021) President and Chief Operating Officer, RioCan REIT, an unincorporated closed-end real estate investment trust (2014-2018)
Mordecai Bobrowsky Ontario, Canada	Senior Vice President, Legal & Corporate Secretary since 2021	Vice President, Legal, Primaris (predecessor and H&R REIT's former subsidiary) (2013-2021)
Leslie Buist Ontario, Canada	Senior Vice-President, Finance since 2022	Senior Director, Corporate Accounting, First Capital REIT, an unincorporated closed-end real estate investment trust (2019 – 2022) Senior Director, Corporate Finance, Choice Properties REIT, an unincorporated closed-end real estate investment trust (2013 – 2019)
Graham Procter Ontario, Canada	Senior Vice President, Asset Management since 2021	Vice President, Asset Management, Primaris (predecessor and H&R REIT's former subsidiary) (2017-2021)
Leigh Murray Ontario, Canada	Senior Vice President and Head, National Leasing since 2024	Vice President, Leasing East, Primaris REIT (2022 - 2023) Vice President, Leasing East, Primaris (predecessor and H&R REIT's former subsidiary) (2013-2021)
Louise Sullivan Ontario, Canada	Vice-President, People and Culture since 2023	CEO, & Founder, People + Culture Matters Inc., HR Consulting Firm (2022 - 2023) Head of People + Culture, Dream Unlimited, Asset Management Business to Dream REITs (2013 - 2022)
Joseph Martino Ontario, Canada	Vice-President, Information Technology since 2021	Adastra Corp, Toronto, ON — Consultant, Digital Transformation (2019 - 2021) Fleet Complete, Toronto, ON — Global VP, Business Solutions (2017-2019)

Pursuant to the Declaration of Trust, the Board has established three committees which are to be composed of at least three Trustees: the Audit Committee, the Compensation, Governance and Nominating Committee and the Investment Committee. Each of the Audit Committee and Compensation, Governance and Nominating Committee must be comprised entirely of independent Trustees. The Investment Committee must have a majority of independent Trustees. The nominees for election as Trustees are determined by the Compensation, Governance and Nominating Committee in accordance with the provisions of the Declaration of Trust and the charter of the Compensation, Governance and Nominating Committee.

The composition of the Audit Committee, the Compensation, Governance and Nominating Committee and the Investment Committee was as follows.

Audit Committee	Compensation, Governance and Nominating Committee	Investment Committee
Louis Forbes, Chair Tim Pire Deborah Weinswig	Anne Fitzgerald, Chair Louis Forbes Deborah Weinswig	Avtar Bains, Chair Anne Fitzgerald Patrick Sullivan

As a group, the Trustees and executive officers beneficially own, or control or direct, directly or indirectly, 775,048 Units, representing 0.8% of the issued and outstanding Units as at February 14, 2024.

Penalties or Sanctions

None of the Trustees or executive officers, and to the best of the Trustees' knowledge, no Unitholder holding a sufficient number of the Primaris securities to affect materially the control of Primaris, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Bankruptcies

None of the Trustees or executive officers, and to the best of the Trustees' knowledge, no Unitholder holding a sufficient number of the Primaris securities to affect materially the control of Primaris, (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or Unitholder.

Corporate Cease Trade Orders

Except as noted below, none of the Trustees or executive officers is, as at the date hereof, or has been within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that

- a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Mr. Forbes served as a director of CHC Student Housing Corp. from 2014 to 2017. On May 8, 2017, the Ontario Securities Commission issued a management cease trade order restricting all trading in securities of CHC Student Housing Corp. by management and insiders of CHC Student Housing Corp. due to a failure to file its annual financial statements, management's discussion and analysis and related certifications within the time period prescribed by securities legislation. The management cease trade order expired on July 4, 2017 following the filing of the annual financial statements, management's discussion and analysis and related certifications.

Independent Trustee Matters

In addition to requiring the approval of a majority of the Trustees, to become effective, the following matters require the approval of at least a majority of Primaris' independent Trustees.

- (a) an acquisition of a property or an investment in a property, whether by co-investment or otherwise, or the provision of any financing, or development or leasing services in respect of a property, in which any Related Party of Primaris has any direct or indirect interest, whether as owner, operator or manager;
- (b) a material change to any agreement with a Related Party of Primaris or any approval, consent, waiver or other decision of the Trustees thereunder, or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
- (c) the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by Primaris or any of its subsidiaries, or the making, directly or indirectly, of any co-investment, in each case, with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity;
- (d) the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity; or
- (e) decisions relating to any claims by or against one or more parties to any agreement with any Related Party to Primaris.

The Board of Trustees has adopted a related party policy that creates a framework for the fair consideration and approval of related party transactions. A related party transaction will be entered into or continued only if the Board approves or ratifies the transaction in accordance with the guidelines set out in the policy having determined that the transaction is on terms that are in or not inconsistent with the best interest of the REIT.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "conflict of interest" provisions similar to those applicable to corporations under Section 120 of the CBCA, which serve to protect Unitholders without creating undue limitations on Primaris. Given that the Trustees and officers will be engaged in a wide range of real estate and other business activities, the Declaration of Trust requires each of the Trustees and officers to disclose to Primaris if he or she is a party to a material contract or transaction or proposed material contract or transaction with Primaris or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Primaris. The Board has also adopted a written code of conduct and ethics that applies to all of the Trustees, officers and employees of Primaris and its subsidiaries and addresses, among other matters, conflicts of interests, competition and fair dealing, compliance with laws, raising concerns, privacy, diversity and health and safety.

Certain of the Trustees may have conflicts of interest as a result of their current full-time positions and these conflicts will be expressly acknowledged. See "Enterprise Risks and Risk Management" in the AIF.

ENTERPRISE RISKS AND RISK MANAGEMENT

Primaris is exposed to various risks and uncertainties, many of which are beyond its control, the occurrence of which could materially and adversely affect Primaris' investments, prospects, cash flows, results of operations or financial condition and the ability to make cash distributions to Unitholders and negatively affect the value of the Units.

The Trust is committed to the practice of enterprise risk management to identify and manage the potential events that represent risks to Primaris achieving its strategic objectives. The foundation of the Trust's enterprise risk management is good governance practices that includes a comprehensive set of governance policies that, together with the Declaration of Trust, requires the identification, assessment, monitoring, mitigation and reporting on the Trust's key and emerging risks.

Management believes the risk factors described below are the most material risks that are faced by Primaris; however, they are not the only ones. Additional risk factors not presently known to management, or that management currently believes are immaterial could also materially and adversely affect Primaris' investments, prospects, cash flows, results of operations or financial condition and ability to make cash distributions to Unitholders and negatively affect the value of the Units.

Risks Associated with Owning and Operating Real Property

All real property investments are subject to a degree of risk and uncertainty. Such investments are affected by various factors including general economic conditions, local real estate markets, demand for leased premises, competition from other available premises, and various other factors.

The value of real property, and any improvements thereto, may also depend on the credit and financial stability of the tenants. Distributable cash and Primaris' income would be adversely affected if one or more key tenants or a significant number of tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in the properties, in which Primaris has an interest, is not able to be leased on economically favourable lease terms. In the event of default by a tenant, delays, or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting Primaris' investment may be incurred. Furthermore, at any time, a tenant of any of the properties in which Primaris has an interest may seek the protection of bankruptcy, insolvency, or similar laws that could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the cash flow available to Primaris.

Primaris may, in the future, be exposed to a general decline of demand by tenants for space in properties. As well, certain of the leases of the properties held by Primaris have early termination provisions which, if exercised, would reduce the average lease term. However, such termination rights are generally exercisable only at a cost to the tenant and the amount of space in the Trust's portfolio of properties which could be affected is not significant.

The ability to rent unleased space in the properties in which Primaris has an interest will be affected by many factors and costs may be incurred in making improvements or repairs to property required by a new tenant. A prolonged deterioration in economic conditions could increase and exacerbate the foregoing risks. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on Primaris' financial condition.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. If Primaris is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

A mortgage on any one property may, from time to time, exceed the estimated current market value of the related property. The cash flow from such a property may not be sufficient to cover debt servicing for that property. The cash

flow from the portfolio of properties currently held by Primaris is, however, expected by management to be sufficient to cover any cash flow shortfalls on such a property.

Current economic environment

Primaris will be subject to risks involving the economy in general, including inflation, deflation or stagflation, recession, depression, rising interest rates, unemployment, geopolitical issues, and a local, regional, national or international outbreak of a contagious disease. Poor economic conditions could adversely affect Primaris' ability to generate revenues, thereby reducing its operating income and earnings. It could also have an adverse impact on the ability of Primaris to maintain occupancy rates which could harm Primaris' financial condition. In weak economic environments, Primaris' tenants may be unable to meet their rental payments and other obligations due to Primaris, which could have a material and adverse effect on Primaris. In addition, fluctuation in interest rates or other financial market volatility may adversely affect Primaris' ability to refinance existing indebtedness on its maturity or on terms that are as favourable as the terms of existing indebtedness, which may impact negatively on Primaris' performance, may restrict the availability of financing for future prospective purchasers of Primaris' investments, and could potentially reduce the value of such investments, and/or may adversely affect the ability of Primaris to complete acquisitions on financially desirable terms.

Real property valuations

Valuations of real property reflect an assessment of value based on the facts and circumstances as of the date the valuations were made. Such valuations may not have incorporated all relevant facts or may have relied on incorrect assumptions which may have been too optimistic or not sufficiently optimistic. Furthermore, valuations conducted at one point in time may not be reflective of value at another point in time, nor may the valuation be reflective of the value that could be obtained on a sale or other transaction.

Land leases

To the extent that the properties in which Primaris has or will have an interest are located on leased land, the land leases may be subject to periodic rate resets that may fluctuate. This may result in significant rental rate adjustments and therefore have a potential negative effect on the cash flow of Primaris.

Geographic concentration

Primaris' portfolio of properties is limited to Canadian retail properties, the majority of which are located in Ontario and Alberta. As a result, Primaris' performance, the market value of the properties and the income generated by Primaris are particularly sensitive to changes in the economic condition and regulatory environment of Ontario and Alberta. Adverse changes in the economic condition or regulatory environment of Ontario and Alberta may have a material adverse effect on Primaris' business, cash flows, financial condition and results of operations and its ability to make distributions.

Credit risk and tenant concentration

Primaris will be exposed to credit risk as an owner of real estate in that tenants may become unable to pay the contracted rents. Management mitigates this risk by carrying out appropriate credit checks and related due diligence on its significant tenants. In addition, management ensures that no tenant or related group of tenants, other than investment grade tenants, accounts for a significant portion of the cash flow.

In that regard, the Declaration of Trust restricts the leasing or subleasing of real property, premises or space to any person where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 20% of Total Assets (as defined in the Declaration of Trust), unless the lease or sublease is for a renewal or where the lessee or sublessee is, or the lease or sublease is guaranteed by, the Government of Canada, the Government of the United States, any province or territory of Canada, any state of the United States, any municipality or city in Canada or the United States, or any agency or crown corporation thereof, certain issuers, the securities of which meet stated investment criteria or are investment grade, or a

Canadian chartered bank or a trust company or insurance company registered or licensed federally or under the laws of a province of Canada.

Reliance on anchor tenants and tenant bankruptcies

Retail shopping centres have traditionally relied on anchor tenants (department stores, discount department stores, and grocery stores), and therefore they are subject to the risk of such anchor tenants either moving out of the property or going out of business. Anchor tenants generally occupy large amounts of leasable area, pay a significant portion of the total rents at a property, and contribute to the success of other tenants by drawing significant numbers of customers to a property. Certain of the Trust's anchor tenants are permitted to cease operating from their leased premises at any time at their option, however they remain liable to pay all remaining rent in accordance with their leases. Other anchor tenants are permitted to cease operating from their leased premises or to terminate their leases if certain events occur. The exercise of such rights by an anchor tenant may have a negative effect on a property. There can be no assurance that such rights will not be exercised by an anchor tenant in the future.

Primaris' profit could be adversely affected in the event of a downturn in the business or the bankruptcy, or insolvency of any anchor tenant. The closing of one or more anchor stores at a multi-tenant property could have an adverse effect on that property. At a multi-tenant property, vacated anchor tenant space tends to adversely affect the entire shopping centre because of the loss of the departed anchor tenant's power to draw customers to the property, which in turn may cause other tenants' operations to suffer and adversely affect such other tenants' ability to pay rent or perform any other obligations under their leases. Moreover, a lease termination by an anchor tenant or a failure by that anchor tenant to occupy the premises may entitle other tenants of the property to cease operating from their premises, to a reduction of rent payable under their leases, and/or to terminate their leases. No assurance can be given that Primaris will be able to quickly re-lease space vacated by an anchor tenant on favourable terms, if at all. If any anchor tenant were to leave a property, the property could be negatively affected, which could have an adverse effect on Primaris' financial condition and results of operations, and could decrease the amount of cash available to pay distributions.

Bankruptcy filings by retailers occur periodically in the normal course of operations for reasons such as increased competition, out-dated business models, internet sales, changing demographics, poor economic conditions, rising costs, and changing shopping trends. Primaris continually seeks to re-lease vacant space resulting from any tenant bankruptcies.

Lease rollover risk

Lease rollover risk arises from the possibility that Primaris may experience difficulty renewing leases as they expire, or in re-leasing space vacated by tenants upon lease expiry, or that Primaris may not achieve rental rate increases upon such renewals. In order to mitigate this risk, management's strategy is to sign creditworthy tenants to leases that are long-term in nature, have staggered lease maturities, and use built-in rental escalations, each of which assists in Primaris' pursuit to maintain predictable cash flow. The ability to rent unleased space in the properties in which Primaris has an interest will be affected by many factors. The failure to rent unleased space on a timely basis, or at all, or to achieve rental rate increases would likely have an adverse effect on Primaris' financial condition and could decrease the amount of cash available for distribution.

Competition

The real estate business is competitive. Numerous other developers, managers, and owners of properties compete with Primaris in seeking tenants. Some of the properties that compete with the Trust's properties may be newer, better located, less levered, or have stronger anchor tenants than Primaris' properties. Some property owners with properties that compete with Primaris' properties may be better capitalized and stronger financially, and hence better able to withstand an economic downturn. Competitive pressures in such markets could have a negative effect on Primaris' ability to lease space in its properties, and on the rents charged or concessions granted, which could have an adverse effect on Primaris' financial condition and results of operation and decrease the amount of cash available for distribution.

Primaris competes for suitable real property investments with individuals, corporations, other real estate investment trusts, and institutions (both Canadian and foreign) which are presently seeking, or which may seek in the future, real property investments similar to those desired by Primaris. Many of these investors have greater financial resources than Primaris, or operate without Primaris' investment restrictions, or according to more flexible conditions. An increase in the availability of investment funds and interest in real property investments, would tend to increase competition for real property investment, thereby increasing purchase prices and reducing the yields thereon.

Asset class concentration

Primaris' portfolio of retail properties is primarily comprised of dominant enclosed shopping centre properties, with the remainder of the properties comprised of unenclosed shopping centres, mixed-use properties and one industrial centre. Significant deterioration of the retail shopping centre market in general, or the financial health of key tenants in particular, could have an adverse effect on Primaris' business, financial condition or results of operations. As well, shifting consumer preferences toward e-commerce may result in a decrease in the demand for physical space by retail tenants. The failure of Primaris to adapt to changes in the retail landscape, including finding new tenants to replace any lost income stream from existing tenants that reduce the amount of physical space they lease from Primaris could adversely affect Primaris' financial performance.

Construction risks

It is likely that Primaris will be involved in various development projects. Primaris' obligations in respect of properties under construction, or which are to be constructed, are subject to risks which include (i) the potential insolvency of a third-party developer (where Primaris is not the developer); (ii) a third-party developer's failure to use advanced funds in payment of construction costs; (iii) construction or other unforeseeable delays, (iv) cost overruns; (v) the failure of tenants to occupy and pay rent in accordance with existing lease agreements, some of which are conditional; (vi) the incurring of construction costs before ensuring rental revenues will be earned from the project; and (vii) increases in interest rates during the period of the development. Management strives to mitigate these risks where possible by entering into fixed price construction contracts with general contractors (and, to the extent possible, on a bonded basis) and by attempting to obtain long-term financing as early as possible during construction.

Operating capital expenditures

Operating capital expenditures are incurred in irregular amounts and may exceed actual cash available from operations during certain periods. Primaris may be required to use part of its debt capacity or reduce distributions in order to accommodate such expenditures. Operating capital outlays for recoverable improvements may exceed recovery of amounts from tenants.

Co-ownership interest in properties

In certain situations, Primaris may be adversely affected by a default by a co-owner of a property under the terms of a mortgage, lease, or other agreement. Although all co-owners' agreements, to which Primaris is or may in the future become a party, provide for remedies to Primaris in such circumstances, such remedies may not be exercisable in all circumstances, or may be insufficient or delayed, and may not cure a default in the event that such default by a co-owner is deemed to be a default of Primaris.

Potential acquisition, investment and disposition opportunities and joint venture arrangements

Primaris regularly evaluates business and growth opportunities and is expected to consider a number of acquisition, investment and disposition opportunities and joint venture arrangements to achieve its business and growth strategies. In the normal course, Primaris may have outstanding non-binding letters of intent and/or conditional agreements or may otherwise be engaged in discussions with respect to potential acquisitions and financing of new assets, the refinancing of existing assets, potential dispositions, establishment of new joint venture arrangements, the viability and status of its joint venture arrangements, and changes to its capital structure, each of which, individually or in the aggregate, may or

may not be material if they were to progress. However, there can be no assurance that any of these discussions will result in a definitive agreement and, if they do, what the terms or timing of any acquisition, investment or disposition would be or that such acquisition, investment, or disposition will be completed by Primaris. Similarly, there can be no assurance that Primaris will enter into new joint venture arrangements or continue any existing joint venture arrangements. If Primaris does complete such transactions, Primaris cannot provide assurance that they will ultimately strengthen its competitive position or that they will not be viewed negatively by customers, securities analysts, or investors. Such transactions may also involve significant commitments of Primaris' financial and other resources. Any such activity may not be successful in generating revenue, income or other returns to Primaris, and the resources committed to such activities will not be available to Primaris for other purposes.

Acquisitions of properties by Primaris are subject to the normal commercial risks and satisfaction of closing conditions that may include, among other things, lender approval, Competition Act (Canada) approval, receipt of estoppel certificates, and obtaining title insurance. Such acquisitions may not be completed or, if completed, may not be on terms that are exactly the same as initially negotiated. In the event that Primaris does not complete an acquisition, it may have an adverse effect on the operations and results of Primaris in the future and its cash available for distribution.

Potential undisclosed liabilities associated with acquisitions

Primaris is expected to acquire properties that are subject to existing liabilities, some of which may be unknown at the time of the acquisition or which Primaris may fail to uncover in its due diligence. Unknown liabilities might include liabilities for cleanup or remediation of undisclosed environmental conditions, claims by tenants, suppliers of goods and services or other persons dealing with the vendor or predecessor entities (that have not been asserted or threatened to date), and accrued but unpaid liabilities incurred in the ordinary course of business. Representations and warranties given by third parties to Primaris regarding acquired properties may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. While in some instances Primaris may have the right to seek reimbursement against an insurer or another third party for certain of these liabilities, Primaris may not have recourse for all of these liabilities.

Public health crises

The Trust's business, cash flows, financial condition and results of operations could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises beyond the Trust's control, including future waves of the COVID-19 outbreak. Reactions to the spread or worsening of an outbreak may lead to, among other things, significant restrictions on travel, business closures, quarantines, social distancing and other containment measures and a general reduction in consumer activity. While these effects may be temporary, the duration of any business disruptions and related financial impact cannot be reasonably estimated, and may be instituted, terminated and re-instituted from time to time as an outbreak worsens or waves of an outbreak occur from time to time. Certain aspects of the Trust's business and operations that could potentially be impacted by such an event include rental income, occupancy, tenant inducements, future demand for space and market rents, changes in the preferences of tenants and prospective tenants, temporary or long-term labour shortages or disruptions, temporary or long-term impacts on domestic and global supply chains, increased risks to IT systems and networks, impairments and/or write-downs of assets, and the deterioration of worldwide credit and financial markets that could limit the Trust's ability to access capital and financing on acceptable terms or at all.

Cyber security risk

Cyber security has become an increasingly problematic issue for issuers and businesses in Canada and around the world. Cyberattacks against large organizations are increasing in sophistication and are often focused on financial fraud, compromising sensitive data for inappropriate use, or disrupting business operations. A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity, or availability of Primaris' information resources. More specifically, a cyber-incident is an intentional attack or an unintentional event that can include gaining unauthorized

access to information systems to disrupt operations, corrupt data, or steal confidential information. As Primaris' reliance on technology has increased, so have the risks posed to its systems. Primaris' primary risks that could directly result from the occurrence of a cyber-incident include operational interruption, damage to its reputation, damage to Primaris' business relationships with its tenants, disclosure of confidential information regarding its tenants, employees and third parties with whom Primaris interacts, and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, and litigation. Primaris has implemented processes, procedures, and controls to help mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber-incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Data governance and decision support

Primaris depends on relevant and reliable information to operating its business. As the volume of data being generated and reported continues to increase, data accuracy, quality, and governance are required for effective decision making. Failure by Primaris to leverage data in a timely manner may adversely affect its ability to execute its strategy and therefore impact its financial performance.

Environmental and climate change risk

As an owner of interests in real property in Canada, Primaris is subject to various Canadian federal, provincial, and municipal laws relating to environmental matters. These laws impose a liability for the cost of removal and remediation of certain hazardous materials released or deposited on properties owned by Primaris or adjacent properties.

In accordance with best management practices, Phase I environmental audits are completed on all properties prior to acquisition. Further investigation will be conducted if Phase I tests indicate a potential problem. Primaris has operating policies to monitor and manage risk. In addition, the standard tenant lease utilized requires tenants to comply with environmental laws and regulations and restricts tenants from carrying on environmentally hazardous activities or having environmentally hazardous substances on site.

Natural disasters and severe weather such as floods, ice storms, blizzards, and rising temperatures may result in damage to Primaris' properties. The extent of Primaris' casualty losses and loss in net operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. Primaris is also exposed to risks associated with inclement winter weather, including increased need for maintenance and repair of Primaris' buildings. In addition, climate change, to the extent it causes changes in weather patterns, could have effects on Primaris' business by increasing the cost to recover and repair the Trust's properties and/or by increasing property insurance costs to insure a property against natural disasters and severe weather events.

Primaris has taken proactive steps to mitigate the risk of climate change on its business and its properties and to address Primaris' environmental impact.

Dependence on key personnel, talent management and succession planning

Primaris' continued growth is dependent on its ability to hire, retain and develop its leaders and other key personnel. Any failure to effectively attract and retain talented and experienced employees and to establish adequate succession planning and retention strategies could result in a lack of requisite knowledge, skill and experience. This could erode Primaris' competitive position or result in increased costs and competition for, or high turn-over of, employees. Any of the foregoing could have an adverse effect on Primaris.

Potential conflicts of interest

Primaris may be subject to various conflicts of interest because of the fact that members of management and the Trustees may be engaged in a wide range of real estate and other business activities and Primaris may become involved in transactions which conflict with the interests of the foregoing.

Management of Primaris and the Trustees may from time-to-time deal with persons, firms, institutions, or corporations with which Primaris may be dealing, or which may be seeking investments similar to those desired by Primaris. The interests of these persons could conflict with those of Primaris. In addition, from time to time, these persons may be competing with Primaris for available investment opportunities.

Any decisions regarding the enforcement by Primaris of the terms of any agreement entered into by Primaris with a non-independent Trustee or with an associate of a non-independent Trustee may be made by a majority of the independent Trustees. There is a risk that non-independent Trustees may attempt to influence the independent Trustees in this regard.

Litigation and regulatory risk

Primaris' operations are subject to a wide variety of laws and regulations across all of its operating jurisdictions and Primaris faces risks associated with legal and regulatory changes and litigation. In the normal course of operations, Primaris may become involved in various legal actions, including claims relating to personal injury, property damage, property taxes, land rights, and contractual and other commercial disputes and the resolution of such actions may have an adverse effect on the Trust's financial position or results of operations. Primaris retains external legal consultants to assist it in remaining current and compliant with legal and regulatory changes and to respond to litigation.

Uninsured losses

Primaris carries comprehensive general liability, environmental, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (including, but not limited to, environmental contamination or catastrophic events such as war, insurrection, rebellion, revolution, civil war, usurped power, or action taken by a government authority in hindering, combating or defending against such an event, nuclear reaction or nuclear radiation or radioactive contamination or acts of terrorism) which are either uninsurable, in whole or in part, or not insurable on an economically viable basis. Should an uninsured or under-insured loss occur, Primaris could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and Primaris would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

Risks Relating to Financial Markets and Liquidity

Interest rate and other debt-related risks

Primaris will be exposed to financing risk on maturing debt and interest rate risk on its borrowings. It will minimize this risk by negotiating fixed rate term debt with staggered maturities targeting less than 20% of total debt maturing in any one year. Consistent with a debt strategy employing significant unsecured financings, Primaris will strive to maintain undrawn credit facility capacity to accommodate 18-24 months of forward debt maturities.

If Primaris indebtedness is replaced by new debt that has less favourable terms or if Primaris is unable to secure adequate funding, distributions by Primaris to Unitholders may be adversely impacted. In addition, failure by Primaris to comply with its obligations under the documents governing such indebtedness (including in the case of the credit facilities, the failure to meet certain financial ratios and financial conditions tests) may adversely impact cash distributions on the Units.

Liquidity risk

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit Primaris' ability to vary its portfolio promptly in response to changing economic or investment conditions. If, for whatever reason, liquidation of assets is required, there is a risk that sale proceeds realized might be less than the previously estimated market value

of Primaris' investments or that market conditions, including geopolitical events, would prevent prompt disposition of assets.

Ability to access capital markets

As Primaris distributes a portion of its income to Unitholders, Primaris may need to obtain additional capital through capital markets and Primaris' ability to access the capital markets through equity issues and forms of secured or unsecured debt financing may affect the operations of Primaris as such financing may be available only on disadvantageous terms, if at all. If financing is not available on acceptable terms, acquisitions or ongoing development projects may be curtailed and cash available for distributions or to fund future commitments may be adversely affected.

Credit Rating Risk

Any credit rating that is assigned to the Trust's senior unsecured debentures may not remain in effect for any given period of time or may be lowered, withdrawn or revised by one or more of the rating agencies if, in their judgment, circumstances so warrant. Any lowering, withdrawal or revision of a credit rating may have an adverse effect on the market price of the debentures and the other securities of the Trust, may adversely affect a securityholder's ability to sell its debentures or other securities of the Trust and may adversely affect the Trust's access to financial markets and its cost of borrowing.

Risks Relating to Securities of the Trust

Prices of Primaris securities

Publicly traded Units will not necessarily trade at values determined solely by reference to the underlying value of Primaris assets. Accordingly, Units may trade at a premium or a discount to the underlying value of the assets of Primaris.

One of the factors that may influence the quoted price of Units is the annual yield on Units. Accordingly, an increase in market interest rates may lead investors in Units to demand a higher annual yield which could adversely affect the quoted price of Units. In addition, the quoted price of Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of Primaris.

Challenging market conditions, the health of the economy as a whole and numerous other factors beyond the control of Primaris, including geopolitical events, may have a material effect on the business, financial condition, liquidity, and results of operations of Primaris. Financial markets have previously experienced significant price and volume fluctuations that have particularly affected the market prices of securities of issuers and that have often been unrelated to the operating performance, underlying asset values, or the prospects of such issuers. There can be no assurance that such fluctuations in price and volume will not occur again. Accordingly, the market price of Units may decline even if Primaris' operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such increased levels of volatility and market turmoil occur, Primaris' operations could be adversely impacted, and the trading price of Units may be adversely affected.

Availability of cash for distributions

Although Primaris intends to make distributions of its available cash to Unitholders in accordance with its distribution policy, these cash distributions may be reduced or suspended. The actual amount distributed by Primaris will depend on numerous factors including capital market conditions, the financial performance of Primaris' properties, Primaris' debt covenants and other obligations (including payment of distributions on the Convertible Preferred LP Units), its working capital requirements, its future capital requirements, its development commitments, and fluctuations in interest rates. Cash available to Primaris for distributions may be reduced from time to time because of items such as principal repayments on debt, tenant allowances, leasing commissions, capital expenditures, or any other business needs that Trustees deem reasonable. Primaris may be required to use part of its debt capacity in order to accommodate any or all of

the above items. The market value of Units may decline significantly if Primaris suspends or reduces distributions. Trustees retain the right to re-evaluate the distribution policy from time to time as they consider appropriate.

Tax risk

The Tax Act includes rules (referred to herein as the “**SIFT Rules**”) which effectively tax certain income of a publicly traded trust that is distributed to its investors or of a publicly traded partnership on the same basis as would have applied had the income been earned through a taxable corporation and distributed by way of dividend to its shareholders. The SIFT Rules apply only to “SIFT trusts”, “SIFT partnerships” (each as defined in the Tax Act) and their investors. A trust that qualifies as a “real estate investment trust” (as defined in the Tax Act) for a taxation year will not be considered to be a SIFT trust in that year (the “**REIT Exemption**”).

Based on a review of Primaris’ assets and revenues, management believes that Primaris will satisfy the tests to qualify for the REIT Exemption for its current taxation year and intends to conduct the affairs of Primaris so that it will continue to qualify for the REIT Exemption at all future times. However, as the REIT Exemption includes complex revenue and asset tests, no assurances can be provided that Primaris will qualify for the REIT Exemption for the current taxation year or any subsequent taxation year. A subsidiary trust or partnership of the Trust will not be subject to the SIFT Rules provided it is an “excluded subsidiary entity”, which among other things, requires that only specified persons own units of such subsidiary trust or partnership. Two of the Trust’s lower-tier subsidiary partnerships, each holding a single recently acquired property, do not presently qualify as excluded subsidiary entities. Management nonetheless does not believe that such subsidiaries are subject to the SIFT Rules, or that such subsidiaries would be subject to a material amount of tax under the SIFT Rules if that were not the case, but there can be no assurances in this regard.

The likely effect of the SIFT Rules on the market for Units, and on the REIT’s ability to finance future acquisitions through the issue of Units or other securities, is unclear. If the SIFT Rules were to apply to the REIT or any of its subsidiaries, they may adversely affect the marketability of the Units, the amount of cash available for distributions and the after-tax return to investors.

The Trust currently qualifies as a mutual fund trust for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency, including in respect of the treatment of mutual fund trusts or SIFT trusts and SIFT partnerships will not be changed in a manner which adversely affects the Trust or its subsidiaries, or holders of Units. If the Trust does not qualify as a “mutual fund trust” under the Tax Act or were to cease to so qualify, the income tax considerations applicable to the Trust and an investment in Units of the Trust would be materially and adversely different. In particular, if the Trust were to cease to qualify as a mutual fund trust and Units cease to be listed on a designated stock exchange (which currently includes the TSX), Units would cease to be qualified investments for Exempt Plans.

On November 28, 2023, the Minister of Finance released revised proposals (the “**Tax Proposals**”) to amend the Tax Act (the “**EIFEL Proposals**”) that are intended, where applicable, to limit the deductibility of interest and other financing-related expenses by an entity to the extent that such expenses, net of interest and other financing-related income, exceed a fixed ratio of the entity’s tax EBITDA. The Trust does not expect the EIFEL Proposals to have an adverse impact on the Trust or its Unitholders, but there can be no assurances in this regard. If these rules were to apply to restrict deductions otherwise available to the Trust, the taxable component of distributions paid by the Trust to Unitholders may be increased, which could reduce the after-tax return associated with an investment in Units. The EIFEL Proposals are proposed to be effective for taxation years beginning on or after October 1, 2023.

The Tax Proposals released on November 28, 2023 also include a proposed tax on repurchases of equity, which is proposed to be effective for transactions that occur on or after January 1, 2024 (the “**Equity Repurchase Rules**”). Under these proposals, a trust the equity of which is listed on a “designated stock exchange” (which currently includes the TSX) that is a real estate investment trust for purposes of the Tax Act will be subject to a 2% tax on the value of the trust’s net equity repurchases (which would include purchases of Units by the Trust under the NCIB) in a taxation year, as calculated

in accordance with the detailed rules contained in the proposals, subject to a de minimis exception where the trust's gross equity repurchases in the year does not exceed \$1,000,000. If the Trust is required to pay tax under the Equity Repurchase Rules, the amount of cash available for distribution to investors would be reduced.

If Primaris experiences a "loss restriction event", as defined in the Tax Act (i) it will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of undistributed net income and net realized capital gains, if any, at such time to Unitholders to the extent necessary to ensure that Primaris is not liable for income tax on such amounts under Part I of the Tax Act), and (ii) it will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward unused losses to future taxation years. Generally, Primaris will be subject to a loss restriction event if a person becomes a "majority-interest beneficiary", or a group of persons becomes a "majority-interest group of beneficiaries", of Primaris, each as defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of a trust is a beneficiary of the trust whose beneficial interests in the income or capital of the trust, as the case may be, together with the beneficial interests in the income or capital of the trust, as the case may be, of persons and partnerships with whom such beneficiary is affiliated for the purposes of the Tax Act, represent greater than 50% of the fair market value of all the interests in the income or capital of the trust, as the case may be.

Dilution

The number of Units Primaris is authorized to issue is unlimited. The Trustees have the discretion to issue additional Units in certain circumstances, including under Primaris' Unit Option Plan and Incentive Unit Plan. In addition, Primaris may issue Units pursuant to any distribution reinvestment plan and/or unit purchase plan adopted in the future. Any issuance of Units may have a dilutive effect on the investors of Units.

Unitholder liability

The Declaration of Trust provides that no Unitholder, Special Voting Unitholder, or annuitant under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier will be held to have any personal liability as such, and that no resort shall be had to, nor shall recourse or satisfaction be sought from, the private property of any unitholder, special voting unitholder, or annuitant for any liability whatsoever, in tort, contract or otherwise, to any person in connection with property of Primaris or the affairs of Primaris including, without limitation, for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of Primaris or of the Trustees or any obligation which a Unitholder, Special Voting Unitholder, or annuitant would otherwise have to indemnify the Trustee for any personal liability incurred by the Trustee as such. Only assets of Primaris are intended to be liable and subject to levy or execution for satisfaction of such liability.

Notwithstanding the foregoing, personal liability may arise in respect of claims against Primaris that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities. The possibility of any personal liability of this nature arising is considered remote as the nature of Primaris' activities are such that most of its obligations arise by contract and non-contractual risks are largely insurable. In the event that payments of Primaris' obligations were to be made by a Unitholder or Special Voting Unitholder, such holder would be entitled to reimbursement from the available assets of Primaris.

The Trustees will cause the activities of Primaris to be conducted with the advice of counsel, in such a way and in such jurisdictions as to avoid, to the extent they determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Unitholders and Special Voting Unitholders, any material risk of liability on the Unitholders and Special Voting Unitholders for claims against Primaris.

Legislation has been enacted in the Province of Ontario and certain other provinces that is intended to provide unitholders in those provinces with limited liability. The Trust Beneficiaries' Liability Act, 2004 (Ontario) provides that unitholders of a trust that is a reporting issuer and governed by the laws of Ontario are not liable, as beneficiaries, for any

act, default, obligation, or liability of the trust or any of its trustees that arise after the legislation came into force. A trust is considered governed by the laws of Ontario if its declaration of trust or other constating instrument contains the customary provision to that effect. The Declaration of Trust contains such a provision, and accordingly, the Unitholders and Special Voting Unitholders are protected by this legislation. However, there remains a risk, which Primaris considers to be remote in the circumstances, that a Unitholder and Special Voting Unitholder could be held personally liable for Primaris' obligations to the extent that claims are not satisfied out of Primaris' assets. It is intended that Primaris' affairs will be conducted to seek to minimize such risk wherever possible.

Redemption right

Unitholders are entitled to have their Units redeemed at any time on demand. It is anticipated that this redemption right will not be the primary mechanism for Unitholders to liquidate their investments. The entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by Primaris in respect of those Units and all other Units tendered for redemption in the same calendar month does not exceed \$50,000 (subject to certain adjustments and provided that the Trustees may waive this limitation at their sole discretion); (ii) at the time such Units are tendered for redemption, the outstanding Series A Units shall be listed for trading or quoted on a stock exchange or traded or quoted on another market which, in the sole discretion of the Trustees, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which Units are listed (or, if not so listed, on any market on which Units are quoted for trading) on the Redemption Date or for more than five trading days during the ten-day trading period commencing immediately prior to such date. In certain circumstances, the Declaration of Trust provides for the in-specie distribution of property of Primaris and/or Redemption Notes in the event of a redemption of Units. The Redemption Notes which may be distributed in specie to Unitholders in connection with a redemption will not be listed on any stock exchange and are not expected to be qualified investments for Exempt Plans, no established market is expected to develop for such notes, and they may be subject to resale restrictions under applicable securities laws.

Investment eligibility

The Tax Act imposes penalties for the acquisition or holding of non-qualified or prohibited investments (as defined in the Tax Act) by certain Exempt Plans. Primaris will endeavour to ensure that Units continue to be qualified investments for Exempt Plans, but there can be no assurances in this regard. Holders, annuitants, and subscribers of Exempt Plans should consult their own tax advisors with respect to whether Units would be prohibited investments having regard to their particular circumstances.

Statutory remedies

Primaris is not a legally recognized entity within the relevant definitions of the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and, in some cases, the Winding Up and Restructuring Act. As a result, in the event a restructuring of Primaris were necessary, Primaris would not be able to access the remedies available thereunder.

The rights granted in the Declaration of Trust are granted as contractual rights afforded to Unitholders. Similar to other existing rights contained in the Declaration of Trust (e.g. take-over bid provisions and conflict of interest provisions), making these rights and remedies and certain procedures available by contract is structurally different from the manner in which the equivalent rights and remedies or procedures (including the procedure for enforcing such remedies) are made available to shareholders of a corporation, who benefit from those rights and remedies or procedures by the corporate statute that governs the corporation, such as the Canada Business Corporations Act. As such, there is no certainty how these rights, remedies or procedures may be treated by the courts in the non-corporate context or that a Unitholder will be able to enforce the rights and remedies in the manner contemplated by the Declaration of Trust. Furthermore, how the courts will treat these rights, remedies and procedures will be at the discretion of the court, and a court may choose to not accept jurisdiction to consider any claim contemplated in the Declaration of the Trust.

AUDIT COMMITTEE AND FEES

Audit Committee

NI 52-110 and the Declaration of Trust require the Board to have an Audit Committee consisting of at least three Trustees, all of whom must be independent trustees, to enhance the independence of Primaris' external auditors and oversee the financial reporting and risk management of Primaris. A copy of the written charter for the Audit Committee is attached to this AIF as Schedule A. All of the members of the Trust's Audit Committee (the "Audit Committee") are financially literate and independent (as such terms are defined in NI 52-110 and assigned "Financial Expertise" by the Board as per the Skills matrix developed by the CG&N Committee and approved by the Board.

The Board has appointed an Audit Committee of three members consisting of, namely, Mr. Forbes, Mr. Pire and Ms. Weinswig. The education and professional experience of each member of the Audit Committee relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Mr. Forbes was the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust from its inception in 2013 until the end of 2018. For the ten years prior to that time, he was the Executive Vice President and Chief Financial Officer of Primaris Retail REIT, the predecessor to Primaris REIT which was acquired by H&R REIT in 2013. Before that position, he served as Vice President, Director and Senior Canadian Real Estate Equities Analyst at Merrill Lynch Canada, and as Vice President Finance and Chief Financial Officer of Revenue Properties Company Ltd. Mr. Forbes is also chair of the Audit Committee of another TSX-listed real estate investment trust. He holds a Bachelor of Science degree from McMaster University and a Master of Business Administration degree from Queen's University. He also holds the Chartered Professional Accountant designation and completed the Chartered Director Program at the Directors College at McMaster University.

Mr. Pire is a corporate director & lecturer at University of Wisconsin's Applied Real Estate Investment Track program. Mr. Pire served as a Managing Director with Heitman LLC, a Chicago based real estate investment manager from 1992 to 2016, where he was responsible for analyzing and managing global portfolios of publicly traded real estate securities. Mr. Pire served as a member of Heitman's Management Committee, Board of Directors and Global Real Estate Securities Investment Committee. Mr. Pire was a director on the board and Chair of the Audit Committee of Monogram REIT. Mr. Pire received his Master of Science in Real Estate & Urban Land Economics and his Bachelors in Business Administration from the University of Wisconsin Madison. Mr. Pire is also a Chartered Financial Analyst (CFA), a member of the National Associate of Real Estate Investment Trust (NAREIT), a member of Pension Real Estate Association (PREA), and a member of the National Association of Corporate Directors (NACD) where he serves as a Governance Fellow.

Ms. Weinswig is the founder and CEO of Coresight Research. Between 2014 to early 2018, Ms. Weinswig served as Managing Director of Fung Global Retail and Technology (FGRT), the think tank of the Fung Group. Previously, she was Managing Director and Head of the Global Staples & Consumer Discretionary team at Citi Research. She serves on the board of directors and audit committees for publicly listed GUESS?, Inc., and Xcel Brands, Inc. She holds a Master in Business Administration from University of Chicago and holds the CPA designation.

The Audit Committee pre-approves the nature and fees of any non-audit services to be provided to Primaris by the external auditors and considers whether the nature and extent of such services could detract from the independence of the external auditors in carrying out the audit function. At no time since the commencement of Primaris' most recently

completed financial year has Primaris relied on exemptions in relation to “De Minimus Non-Audit Services” or any exemption provided by Part 2 of NI 52-110.

Audit Fees

The following table sets forth all services rendered by KPMG LLP, Primaris’ external auditors, by category, together with the corresponding fees billed by KPMG LLP for each category of service for the financial year ended December 31, 2023.

Category of fees	December 31, 2023	
Audit Services	\$	624,895
Audit-Related Services		544,573
Tax Services		238,920
All Other Services		—
Total	\$	1,408,388

DECLARATION OF TRUST AND DESCRIPTION OF CAPITAL STRUCTURE

The following is a summary of certain material provisions of the Declaration of Trust and does not purport to be complete and is subject to, and is qualified in its entirety by, reference to the Declaration of Trust, as filed on SEDAR+.

Units and Special Voting Units

The beneficial interests in Primaris are divided into two classes of trust units: Units and Special Voting Units. The Units are further divided into two series, described and designated as “Series A Units” and “Series B Units”. The number of Units and Special Voting Units which Primaris may issue is unlimited. The legal ownership of the assets of Primaris and the right to conduct the affairs of Primaris are vested exclusively in the Trustees and no Unitholder has or is deemed to have any right of ownership in any of the assets of Primaris. Each Series A Unit and Special Voting Unit confers the right to one vote at all meetings of the Unitholders and Special Voting Unitholders. Holders of Series B Units are entitled to receive notice of and to attend all meetings of the Unitholders and Special Voting Unitholders but, except as otherwise provided in the Declaration of Trust or as required by law (including applicable securities laws), the holders of Series B Units shall not have the right to vote.

Each Unit represents an equal undivided interest in Primaris with all outstanding Units, all Units outstanding from time to time shall participate pro rata in any distributions by Primaris and, in the event of termination of Primaris, in the net assets of Primaris remaining after satisfaction of all liabilities. No Unit shall have any preference or priority over another.

Special Voting Units may be issued in series and shall only be issued concurrently with or in relation to the issuance of Exchangeable Units, on such terms and conditions as may be determined by the Trustees. Special Voting Units shall not be transferable separately from the Exchangeable Units to which they are attached and will automatically be transferred upon the transfer of any such Exchangeable Units. Special Voting Units will be automatically cancelled, without any further action of the Trustees or Primaris, and the former holder of such Special Voting Units will cease to have any rights with respect thereto, concurrently with the issuance of Units on the conversion, exchange or cancellation of the related Exchangeable Units. At all meetings of Unitholders and Special Voting Unitholders and in respect of any written resolution of the Unitholders and Special Voting Unitholders, a Special Voting Unit is entitled to the number of votes equal to the number of Units into which the Exchangeable Units to which such Special Voting Unit relates are exchangeable or convertible. Holders of Special Voting Units are not entitled to any distribution from Primaris and do not have any legal or beneficial interests in any assets of Primaris on termination or winding-up of Primaris.

Exchangeable Units to which Special Voting Units relate are intended to be, to the greatest extent practicable, the economic equivalent of Units. Holders of Exchangeable Units are entitled to receive distributions paid by the applicable subsidiary limited partnership, which distributions or advances will be equal on a per unit as-exchanged basis, to the greatest extent practicable, to the amount of distributions paid by Primaris to Unitholders. In the case of a distribution declared on the Units in property (other than (i) cash, or (ii) a distribution of Units and immediate consolidation thereafter such that the number of outstanding Units both immediately prior to and following such transaction remains the same), holders of Exchangeable Units would generally be entitled to receive, subject to applicable law, distributions in such type and amount of property as is the same as, or economically equivalent to (as determined by the board of trustees (or other governing body) of the general partner of the applicable subsidiary limited partnership, in good faith and in its sole discretion), the type and amount of property declared as a distribution on each Unit. Each Exchangeable Security would be exchangeable for one Unit, subject to the customary anti-dilution adjustments set out in the applicable exchange agreement. Exchangeable Units would not be transferable except in connection with an exchange for Units or those certain limited exceptions set out in the applicable limited partnership agreement governing the Exchangeable Units. The Exchangeable Units are not listed on the TSX or on any other stock exchange or quotation system.

Subject to applicable regulatory approval, the issued and outstanding Units and Special Voting Units may be subdivided or consolidated from time to time by the Trustees without notice to or approval of the Unitholders or Special Voting Unitholders. No certificates or DRS Advice documents for fractional Units or fractional Special Voting Units will be issued and fractional Units and fractional Special Voting Units will not entitle the holders thereof to vote except to the extent that they may represent in the aggregate one or more whole Units or Special Voting Units, as applicable.

Conversion of Series B Units

To the extent any Series B Units are issued, a holder of Series B Units shall be entitled at any time to exercise their right to convert all or any number of the Series B Units held by them into Series A Units on a one-for-one basis, subject to adjustment (the **"Exchange Ratio"**). The Declaration of Trust provides for certain events, including, but not limited to, an issuance or distribution of Units, rights, options, warrants or other securities exchangeable for or convertible into or carrying rights to acquire Units, or evidences of indebtedness or assets, to the holders of all or substantially all of the then-outstanding Series A Units (subject to certain exceptions), a subdivision or consolidation of Series A Units into a greater or lesser number of Series A Units without the concurrent and equivalent change in the Series B Units, and a reclassification, capital reorganization or similar change in the Series A Units (each such event, a **"Unit Reorganization"**), pursuant to which the Exchange Ratio shall be adjusted to be the number of Series A Units that would be received by a holder of a Series B Unit immediately following the Unit Reorganization if the holder of Series B Units had exercised their conversion right in respect of the Series B Unit immediately prior to the Unit Reorganization (assuming full exercise of any such rights, options, warrants or other exchangeable or convertible securities). Certain business combinations of Primaris that result in a reclassification of the outstanding Series A Units or an exchange of outstanding Series A Units for other securities, cash or property, will also lead to adjustment of the conversion right in a manner approved by the Trustees, acting reasonably, to ensure that holders of Series B Units will be entitled to receive, in lieu of the number of Series A Units to which they would otherwise have been entitled in respect of one Series B Unit if such Series B Unit had been exchanged for Series A Units pursuant to the conversion right, the kind and number or amount of securities, cash or property that they would have been entitled to receive as a result of such event if, on the effective date thereof, they had been the registered holders of the number of Series A Units that they would have received had such Series B Units been exchanged for Series A Units pursuant to the conversion right immediately before the effective date of any such event. The Exchange Ratio may also be adjusted for other actions of Primaris which affect the rights of the holders of Series B Units in such manner as the Trustees determine to be fair and equitable in the circumstances to holders of Series B Units.

Transferability of Units and Special Voting Units

The Series A Units are freely transferable and, other than as provided in the Declaration of Trust, the Trustees shall not impose any restriction on the transfer of the Series A Units. The Series B Units are not transferable, except to an affiliate of the initial holder thereof. Special Voting Units shall not be transferable separately and apart from the Exchangeable Units to which they are attached.

Purchases of Units

Primaris may from time to time purchase Units for cancellation in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange or regulatory policies.

Redemption of Units

The right of redemption provides Unitholders with a right to require Primaris to redeem their Units on demand upon delivery to Primaris of a duly completed and properly executed notice (the **"Redemption Notice"**) requesting redemption. Upon receipt of the Redemption Notice by Primaris, the Unitholder will thereafter cease to have any rights with respect to each Unit tendered for redemption other than to receive the **"Redemption Price"** (as defined below).

Redemption Price and Payment

The **"Redemption Price"** is the price per unit equal to the amount that is the lesser of: (i) 90% of the **"market price"** (as defined in the Declaration of Trust) of a Unit during the 10-trading day period commencing immediately prior to the date on which a Unit is tendered to Primaris for redemption (the **"Redemption Date"**); and (ii) the **"closing market price"** (as defined in the Declaration of Trust) of a Unit on the Redemption Date, provided that, for purposes of the redemption of Series B Units, the **"market price"** and **"closing market price"** shall be the applicable price with respect to Series A Units multiplied by the applicable Exchange Ratio for Series B Units then in effect.

The aggregate redemption price payable by Primaris in respect of any Units surrendered for redemption during a particular calendar month will be satisfied by the mailing to the redeeming Unitholder of a payment by cheque no later than the last day of the month following the month during which Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the conditions that: (i) the total amount payable by Primaris in respect of those Units and all other Units tendered for redemption in the same calendar month does not exceed \$50,000 (subject to certain adjustments and provided that Trustees may, in their sole discretion, waive this limitation in respect of all Units tendered for redemption in any calendar month); (ii) at the time Units are tendered for redemption, the outstanding Series A Units are listed for trading or quoted on any stock exchange or market which, in the sole discretion of the Trustees, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not so listed, on any market on which Units are quoted for trading) on the Redemption Date or for more than five trading days during the ten-day trading period commencing immediately prior to such date.

If a redemption in cash is not applicable to all, or any, of the Units tendered for redemption by a Unitholder as a result of one or more of the foregoing conditions, the Redemption Price, or balance thereof, if applicable, will, subject to any applicable regulatory approvals (which Primaris shall use reasonable commercial efforts to obtain), be redeemed by way of a distribution in specie of property of Primaris and/or Redemption Notes. The Redemption Notes will be unsecured subordinated promissory notes of Primaris or one of its subsidiaries and have a maturity date and interest rate determined at the time of issuance by the Trustees and provide for prepayment, in whole or in part and at any time, of the outstanding principal. Each Redemption Note distributed shall be in the principal amount of \$100 or such other amount as may be determined by the Trustees in their sole discretion. No fractional Redemption Notes shall be distributed and where the number of Redemption Notes to be received upon redemption by a Unitholder would otherwise include a fraction, that number shall be rounded down to the next lowest whole number.

Take-over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid is made for Units within the meaning of the Securities Act (Ontario) and not less than 90% of Units (other than Units held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire Units held by Unitholders who did not accept the offer, either at the election of such Unitholders, on the terms offered by the offeror, or at the fair value of such Unitholders' Units determined in accordance with the procedures set out in the Declaration of Trust.

Offers

If an offer, issuer bid (other than an issuer bid exempt from the formal bid requirements under applicable securities laws), take-over bid (other than a take-over bid exempt from the formal bid requirements under applicable securities laws) or similar transaction with respect to the Units or Series A Units, as the case may be, is proposed by Primaris or is proposed to Primaris or Unitholders and is recommended by the Trustees, or is otherwise effected or to be effected, whether or not with the consent or approval of the Trustees (each, an **"Offer"**), and the Exchangeable Units and/or Series B Units are not acquired by the related issuing entity in accordance with their terms or exchanged in accordance with the applicable exchange agreement, Primaris will, to the extent possible in the circumstances, expeditiously and in good faith, take all such actions and do all such things as are necessary or desirable to enable and permit holders of Exchangeable Units and/or Series B Units, as applicable, to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Series A Units or Units, as applicable, without discrimination and to ensure that holders of Exchangeable Units and/or Series B Units, as applicable, may participate in such Offer without being required to exercise their right to exchange their Exchangeable Units and/or Series B Units, as the case may be (or, if so required, to ensure that any such exchange will be effective only upon, and will be conditional upon, the successful completion of the Offer and only to the extent necessary to tender to or deposit under the Offer).

Meetings of Unitholders and Special Voting Unitholders

The Declaration of Trust provides that meetings of Unitholders and Special Voting Unitholders must be called and held for the appointment, election or removal of Trustees, the appointment or removal of the auditors of Primaris, the approval of amendments to the Declaration of Trust (except as described under *"– Amendments to the Declaration of Trust"* below), the sale or transfer of the assets of Primaris as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of Primaris as approved by Trustees) and the termination of Primaris. Meetings of Unitholders and Special Voting Unitholders will be called and held annually for the election of Trustees and the appointment of auditors of Primaris and for transacting such other business as Trustees may determine or as may properly be brought before the meeting.

A meeting of Unitholders and Special Voting Unitholders may be convened at any time and for any purpose by Trustees and must be convened, except in certain circumstances, if requisitioned by Unitholders and Special Voting Unitholders holding in the aggregate not less than 5% of Units and Special Voting Units then outstanding. A requisition must state in writing and in reasonable detail the business proposed to be transacted at the meeting. Unitholders and Special Voting Unitholders have the right to obtain a list of registered Unitholders and Special Voting Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Holders of Series A Units and Special Voting Unitholders may attend and vote at all meetings of the Unitholders and Special Voting Unitholders either in person or by proxy and a proxyholder need not be a holder of Series A Units or Special Voting Unitholder. The Declaration of Trust contains provisions as to quorum, the notice required and other procedures with respect to the calling and holding of meetings of Unitholders and Special Voting Unitholders. In particular, the Declaration of Trust provides that only persons who are nominated in accordance with the procedures set out in the Declaration of Trust will be eligible for election as Trustees (the **"Advance Notice Policy"**). Nominations of

persons for election as Trustees may be made at any annual meeting of Unitholders and Special Voting Unitholders, or at any special meeting of Unitholders and Special Voting Unitholders, if one of the purposes for which the special meeting was called was the election of Trustees: (i) by or at the direction of the Trustees, including pursuant to a notice of meeting; (ii) by or at the direction or request of one or more Unitholders pursuant to a requisition of the Unitholders or Special Voting Unitholders made in compliance with the Declaration of Trust; or (iii) by any person (a **“Nominating Unitholder”**) who (A) at the close of business on the date of the giving of the notice provided for such purposes in the Declaration of Trust and on the record date for notice of such meeting, is entered in the register as a holder of one or more Units or Special Voting Units carrying the right to vote at such meeting or who beneficially owns Units or Special Voting Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth for such purposes in the Declaration of Trust. In addition to any other applicable requirements, for such a nomination to be made by a Nominating Unitholder, the Unitholder must have given timely notice thereof to Trustees in the manner prescribed by the Declaration of Trust. To be timely, a Nominating Unitholder’s notice to Trustees must be made: (i) in the case of an annual meeting of Unitholders and Special Voting Unitholders, not less than 30 days prior to the date of the annual meeting of Unitholders and Special Voting Unitholders; provided, however, that in the event that the annual meeting of Unitholders and Special Voting Unitholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the 10th day following the date of such public announcement; and (ii) in the case of a special meeting (which is not also an annual meeting) of Unitholders and Special Voting Units called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of Unitholders and Special Voting Unitholders was made.

Issuance of Units

Primaris may issue, from time to time, new Units (subject to the provisions noted at “– *Transferability of Units and Special Voting Units*” above and “– *Limitation on Non-Resident Ownership*” below), and rights, warrants, and options to subscribe for fully paid Units (**“Other Securities”**), in such manner, for the consideration, and to such persons or class of persons that the Trustees determine. Unitholders do not have any pre-emptive rights whereby additional Units proposed to be issued must first be offered to existing Unitholders. In addition to Units or options which may be issued pursuant to any unit option plan, incentive unit plan, distribution reinvestment plan and unit purchase plan, or unitholder rights plan, new Units or Other Securities may be issued through public offerings, through rights offerings to existing Unitholders (i.e., offerings in which Unitholders receive rights to subscribe for new Units or Other Securities in proportion to their existing holdings of Units or Other Securities, which rights may be exercised or sold to other investors), through private placements (i.e., offerings to specific investors which are not made generally available to the public or existing Unitholders) or as a result of conversion or subscription rights exercised under Other Securities. Units may be also issued in satisfaction of any non-cash distribution of Primaris to Unitholders where Trustees determine that Primaris does not have available cash to fund such distribution or where Trustees otherwise determine in their absolute discretion that all or a portion of such distribution should not be paid in cash (subject to the provisions noted at “– *Transferability of Units and Special Voting Units*” above and “– *Limitation on Non-Resident Ownership*” below) or pursuant to an extraordinary distribution of Units as declared by Trustees. In certain instances, Primaris may also issue new Units as consideration for the acquisition of new properties or assets. The price or the value of the consideration for which Units may be issued will be determined by the Trustees, generally in consultation with investment dealers or brokers who may act as underwriters or agents in connection with offerings of Units.

Limitation on Non-Resident Ownership

At no time may Non-Residents be the beneficial owners of 49% or more of the Units and the Trustees have informed the transfer agent and registrar of this restriction. The transfer agent and registrar may require declarations as to the

jurisdictions in which beneficial owners of Units are resident. If the transfer agent and registrar become aware, as a result of requiring such declarations as to beneficial ownership, that the beneficial owners of 49% or more of the Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the transfer agent and registrar will advise the Trustees and, upon receiving direction from the Trustees, may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the transfer agent and registrar determine that 49% or more of the Units are held by Non-Residents, the transfer agent and registrar may, upon receiving a direction and suitable indemnity from the Trustees, send a notice to registered Unitholders who are Non-Residents, chosen in inverse order to the order of acquisition or registration or in such manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the transfer agent and registrar, upon receiving such a direction from the Trustees, may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to the Units forming part of such Units. Upon such sale the affected holders shall cease to be Unitholders and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificate or DRS Advice representing such Units.

Under the Tax Act, Primaris will not be considered to be a mutual fund trust if it is established or maintained primarily for the benefit of Non-Residents. The Tax Act does not provide any means of rectifying a loss of mutual fund trust status that occurs in this way, such that if, at any time, Primaris were to lose its mutual fund trust status as a result of the application of this rule, Primaris would permanently cease to be a mutual fund trust.

Management of the REIT regularly monitor and report to the Board of Trustees on the national residency status of beneficial owners of Units of the REIT.

Information and Reports

Within such time period as is acceptable under applicable securities legislation, and at least 21 days prior to each annual meeting of Unitholders and Special Voting Unitholders, to the extent required by applicable law, the Trustees shall send to a Unitholder and/or Special Voting Unitholder audited comparative financial statements for such year, prepared in compliance with applicable securities laws. Within such time period as is acceptable under applicable securities legislation and after the end of each of the first three fiscal quarters of each year, to the extent required by applicable law, the Trustees shall send unaudited comparative financial statements for the period then ended to a Unitholder and/or Special Voting Unitholder. The Trustees will supply Unitholders and Special Voting Unitholders with any information that may be required by them in connection with their obligations under the Tax Act and equivalent provincial legislation.

Notice of all meetings of the Unitholders and Special Voting Unitholders will be mailed or delivered by the Trustees to each Unitholder and Special Voting Unitholders at their address appearing in the register, to each Primaris Trustee and to the auditors of Primaris not less than 21 nor more than 60 days before the meeting. Notice of any meeting of the Unitholders and Special Voting Unitholders will state the purposes of the meeting.

A Unitholder or Special Voting Unitholder has the right to examine the Declaration of Trust during normal business hours, in the manner as contemplated by the Declaration of Trust. Unitholders and Special Voting Unitholders have the right to obtain a list of the registered Unitholders or Special Voting Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time. The following amendments require approval by at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders entitled to vote thereon at a

meeting of Unitholders and Special Voting Unitholders called for such purpose: (i) to change a right with respect to any outstanding Units or Special Voting Units to reduce the amount payable on Units upon termination of Primaris or to diminish or eliminate any voting rights pertaining to Units or the Special Voting Units; (ii) any amendment to the duration or termination provisions of Primaris; (iii) any amendment relating to the powers, duties, obligations, liabilities or indemnification of Trustees; (iv) any sale or transfer of Primaris as an entirety or substantially as an entirety; and (v) certain other amendments as described in the Declaration of Trust. Other amendments to the Declaration of Trust require approval by a majority of the aggregate votes cast by holders of Units and Special Voting Units entitled to vote thereon at a meeting called for such purpose.

The Trustees may, without the approval of the Unitholders and Special Voting Unitholders, make certain amendments to the Declaration of Trust, including amendments:

- (a) for the purpose of ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over Trustees or over Primaris, its status as a “mutual fund trust”, “unit trust” or “real estate investment trust” under the Tax Act or the distribution of Units;
- (b) which, in the opinion of the Trustees, provide additional protection for the Unitholders or Special Voting Unitholders;
- (c) which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies in the Declaration of Trust or making corrections, including the rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the Trustees necessary or desirable and not prejudicial to the Unitholders or Special Voting Unitholders;
- (d) which, in the opinion of the Trustees, are necessary or desirable (i) as a result of changes in taxation laws from time to time which may affect Primaris, the Unitholders, the Special Voting Unitholders or annuitants under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier, or to qualify for a particular status under taxation laws including to qualify as a “real estate investment trust” for purposes of the Tax Act or to otherwise prevent Primaris or any of its subsidiaries from becoming subject to SIFT Tax, or (ii) as a result of changes in accounting standards from time to time which may affect Primaris, the Unitholders, the Special Voting Unitholders or annuitants under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier; and
- (e) for any purpose (except one in respect of which a Unitholder and Special Voting Unitholder vote is specifically otherwise required) if the Trustees are of the opinion that the amendment is not prejudicial to Unitholders or Special Voting Unitholders and is necessary or desirable.

Ratifying Amendments to the Declaration of Trust

Pursuant to the terms of the Declaration of Trust, the Trustees shall submit any amendment to the Declaration of Trust that has not been approved by the Unitholders pursuant to section 12.01 of the Declaration of Trust, other than amendments pursuant to Section 4.05, Section 12.01(a), Section 12.01(d) or Section 12.01(e) of the Declaration of Trust and amendments the Trustees determine are necessary or advisable pursuant to or in connection with applicable tax laws, securities laws, accounting standards or other applicable laws or regulations or such amendments, the equivalent of which, would not otherwise be required to be ratified by shareholders pursuant to the CBCA, to the Unitholders and Special Voting Unitholders at the next meeting of Unitholders and Special Voting Unitholders and the Unitholders and Special Voting Unitholders entitled to vote on the amendment may, by a vote representing at least a majority of Units and Special Voting Units voted, in person or by proxy, confirm, reject or amend the amendment to the Declaration of Trust.

If an amendment to the Declaration of Trust is rejected by the Unitholders and Special Voting Unitholders, or if the Trustees do not submit an amendment to the Unitholders and Special Voting Unitholders as required, the amendment ceases to be effective immediately after the meeting of Unitholders and Special Voting Unitholders referred to above and

no subsequent resolution of the Trustees to amend the Declaration of Trust having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the Unitholders and Special Voting Unitholders.

Term of Primaris and Sale of Substantially All Assets

Primaris has been established for an indefinite term. Pursuant to the Declaration of Trust, termination of Primaris or the sale or transfer of the assets of Primaris as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of Primaris as approved by the Trustees) requires approval by at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders (including, for greater certainty, holders of Series B Units) entitled to vote thereon at a meeting of Unitholders and Special Voting Unitholders called for such purpose.

Rights of Unitholders and Special Voting Unitholders

The rights of Unitholders and Special Voting Unitholders, with respect to Units and Special Voting Units held, respectively, are set out in the Declaration of Trust. Although the Declaration of Trust confers upon a Unitholder and Special Voting Unitholder many of the same protections, rights and remedies an investor would have as a shareholder of a corporation governed by the CBCA, there are significant differences, some of which are discussed below.

The Declaration of Trust contains provisions entitling a Unitholder that is entitled to vote at a meeting the ability, upon compliance with the requirements set out in the Declaration of Trust, to dissent to certain matters resolved by Primaris. In particular, the dissent rights may apply in circumstances where Primaris resolves to (i) sell, lease or exchange of all or substantially all the property and assets of Primaris, (ii) carry out a going-private transaction, or (iii) make certain specified amendments to the Declaration of Trust. The Declaration of Trust also contains provisions that entitle any registered holder or beneficial owner of Units to make an application to a court for purposes of determining whether certain actions or omissions of Primaris, the conduct of the business or affairs of Primaris, or the manner in which the powers of the Trustees were exercised, were oppressive or unfairly prejudicial to or unfairly disregarded the interests of any Unitholder, securityholder, creditor, Trustee or officer. The Declaration of Trust sets forth the procedures and requirements in respect of any such application, as well as the remedies that a court may include in any interim or final order.

Special Voting Unitholders do not have recourse to the above-mentioned dissent rights and similarly do not have recourse to the oppression remedy provided in the Declaration of Trust.

The CBCA also permits shareholders to bring or intervene in derivative actions in the name of the corporation or any of its subsidiaries, with the leave of a court. The Declaration of Trust does not include a comparable right of Unitholders and Special Voting Unitholders to commence or participate in legal proceedings with respect to Primaris.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Investment Guidelines

The Declaration of Trust provides for certain guidelines on investments which may be made by Primaris. The assets of Primaris may be invested only in accordance with the following guidelines:

- (a) Primaris will invest primarily, directly or indirectly, in interests (including fee ownership and leasehold interests) in income-producing real property located in Canada or the United States and assets ancillary thereto necessary for the operation of such real property and such other activities as are consistent with the other investment guidelines of Primaris;
- (b) notwithstanding anything else contained in the Declaration of Trust, Primaris shall not make or hold any investment, take any action or omit to take any action where such investment, action or omission, as the case may be, would result in: (i) Primaris not qualifying as a “mutual fund trust” or a “unit trust” (both within the meaning of the Tax Act); (ii) Units or Special Voting Units not qualifying as qualified investments under the Tax Act for Exempt Plans; (iii) Primaris being liable to pay a tax under Part XII.2 of the Tax Act; or (iv) Primaris not qualifying as a “real estate investment trust” within the meaning of the Tax Act if, as a consequence of Primaris not so qualifying, Primaris or any of its subsidiaries would be liable to SIFT Tax;
- (c) Primaris shall not invest in any interest in a single real property if, after giving effect to the proposed investment, the cost to Primaris of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 20% of Total Assets at the time the investment is made;
- (d) Primaris may make its investments and conduct its activities, directly or indirectly, through an investment in one or more persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited) and limited liability companies, in which case Primaris shall require any such person to only make investments and adopt the operating policies and undertake activities that will allow Primaris to meet all requisite organizational, operational, income, asset, and distribution requirements for Primaris to qualify as a “real estate investment” trust under the Tax Act if, as a consequence of not so qualifying, Primaris or any of its subsidiaries would be liable to pay SIFT Tax;
- (e) except for the Initial Subscription Note and any other property acquired or otherwise held by Primaris pursuant to the transactions contemplated by the Plan of Arrangement, and except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province or territory of Canada, deposits with a savings institution, trust company, credit union or similar financial institution that is organized or chartered under the laws of a state or of the United States, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to these investment guidelines and operating policies of Primaris, Primaris may not hold securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to paragraph (b) above, Primaris may hold securities of a person: (i) acquired in connection with the carrying on, directly or indirectly, of Primaris’ activities or the holding of its assets; or (ii) which focuses its activities primarily on the activities described in paragraph (a) above, provided in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an issuer (the “Acquired Issuer”), the investment is made for the purpose of subsequently effecting the merger or combination of the business and assets of Primaris and the Acquired Issuer or for otherwise ensuring that Primaris will control the business and operations of the Acquired Issuer;

- (f) Primaris shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- (g) Primaris shall not invest in raw land for development, except (i) for existing properties with additional development or properties adjacent to existing properties of Primaris for the purpose of the renovation or expansion of existing properties, or (ii) the development of new properties which will be capital property of Primaris, provided that the aggregate value of the investments of Primaris in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 20% of Total Assets;
- (h) Primaris may invest in mortgages and mortgage bonds (including participating or convertible mortgages) and similar instruments where: (i) the real property which is security therefor is income-producing real property which otherwise meets the other investment guidelines of Primaris; and (ii) the aggregate book value of the investments of Primaris in mortgages, after giving effect to the proposed investment, will not exceed 20% of Total Assets; and
- (i) Primaris may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 20% of the Total Assets of Primaris in investments which do not comply with one or more of paragraphs (a), (d), (e), (g) and (h) above.

Any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

Operating Policies

The operations and affairs of Primaris shall be conducted in accordance with the following policies:

- (a) Primaris shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for this purpose the term “hedging” has the meaning given by National Instrument 81-102 — Investment Funds adopted by the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto), and in all events, subject to paragraph (b) of the investment guidelines described under “– Investment Guidelines” above;
- (b) except for any obligation of an entity acquired by Primaris in conjunction with the Plan of Arrangement, (i) any written instrument creating an obligation which is or includes the granting by Primaris of a mortgage, and (ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of Primaris, any written instrument which is, in the judgment of the Trustees, a material obligation, shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, by lawsuit or otherwise, the private property of any of the Trustees, Unitholders, Special Voting Unitholders, annuitants or beneficiaries under a plan of which a Unitholder or Special Voting Unitholder acts as a trustee or carrier, or officers, employees or agents of Primaris, but that only property of Primaris or a specific portion thereof shall be bound; Primaris, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Primaris upon the acquisition of real property;
- (c) Primaris shall not lease or sublease to any person any real property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 20% of Total Assets;
- (d) the limitation contained in paragraph (c) above shall not apply to the renewal of a lease or sublease and shall not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by:

- (i) the Government of Canada, the Government of the United States, any province or territory of Canada, any state of the United States, any municipality or city in Canada or the United States, or any agency or crown corporation thereof; or
- (ii) any issuer, of which any of the bonds, debentures or other evidences of indebtedness or any other securities of, or guaranteed by, such issuer:
 - (A) are authorized as an investment for insurance companies pursuant to subsections 86(l)(k), (m) or (n) of the Canadian and British Insurance Companies Act in effect on December 31, 1991; or
 - (B) have received and continue to hold an “investment grade” rating from at least one recognized credit rating agency,

in each case at the time the lease or sublease is entered into, or at the time other satisfactory leasing or pre-leasing arrangements (as determined by the Trustees in their discretion) were entered into; or

- (iii) a Canadian chartered bank or a trust company or insurance company registered or licensed federally or under the laws of a province of Canada;
- (e) Primaris may engage in construction or development of real property to maintain its real properties in good repair or to improve the income-producing potential of properties in which Primaris has an interest;
- (f) Primaris may not engage in construction or development of new properties that will be capital properties of Primaris on completion unless the aggregate value of the investments of Primaris in such properties under development, after giving effect to the proposed investment in the construction or development, shall not exceed 20% of Total Assets;
- (g) title to each real property shall be held by and registered in the name of Primaris, the Trustees, a subsidiary, a person jointly-owned, directly or indirectly, by Primaris or a subsidiary with joint venturers or by any other person in such manner as the Trustees consider appropriate, taking into account advice of legal counsel; provided that, where land tenure will not provide fee simple title, Primaris, the Trustees, a subsidiary or a person jointly owned, directly or indirectly, by Primaris or such other person as the Trustees consider appropriate, as aforesaid, shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- (h) Primaris shall not incur or assume, or permit any subsidiaries to incur or assume, any indebtedness if, after giving effect to the incurring or assumption of the indebtedness, the total indebtedness of Primaris would be more than 65% of the Total Assets; for the purposes of this subsection, the term “indebtedness” means any obligation of Primaris for borrowed money to the extent that it is classified as a liability on the balance sheet of Primaris calculated in accordance with IFRS but does not include (1) convertible debt instruments issued by Primaris under which the principal amount owing may be satisfied at the option of Primaris through the issuance of Units, (2) any preferred trust units that have not been called for redemption, (3) any trade accounts payable, distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business, or (4) the fair value of any units, shares or other securities convertible into or exchangeable for Units without the payment of additional consideration therefor;
- (i) except as specifically contemplated in the Plan of Arrangement, Primaris shall not directly or indirectly guarantee any indebtedness or liabilities of any person unless such guarantee: (i) is given in connection with or incidental to an investment that is otherwise permitted by Primaris’ investment guidelines; (ii) has been approved by the Trustees; and (iii) (A) would not disqualify Primaris as a “mutual fund trust” within the meaning of the Tax Act, and (B) would not result in Primaris losing any status under the Tax Act that is otherwise beneficial to Primaris and its Unitholders;
- (j) Primaris shall directly or indirectly obtain and maintain at all times property insurance coverage in respect of potential liabilities of Primaris and the accidental loss of value of the assets of Primaris from risks, in amounts, with such

insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practice of owners of comparable properties;

- (k) other than the real property acquired pursuant to the Plan of Arrangement and the Purchase Agreement, Primaris shall have obtained an appraisal of each real property that it intends to acquire and an engineering survey with respect to the physical condition thereof, in each case, by an independent and experienced consultant, unless the requirement for such an appraisal or engineering survey is waived by the independent Trustees; and
- (l) other than the real property acquired pursuant to the Plan of Arrangement, Primaris shall either (i) obtain a Phase I environmental site assessment or (ii) be entitled to rely on an existing Phase I environmental site assessment, of each real property to be acquired by it and, if the Phase I environmental site assessment report recommends that a further environmental site assessment be conducted, Primaris shall have conducted such further environmental site assessments, in each case by an independent and experienced environmental consultant.

For greater certainty, each subsidiary of Primaris shall comply with the foregoing policies, except that all percentage thresholds set forth in the foregoing paragraphs shall be calculated on a consolidated basis.

Amendments to Investment Guidelines and Operating Policies

Pursuant to the Declaration of Trust, all of the investment guidelines set out under the heading “– Investment Guidelines” and the operating policies contained in paragraphs (a), (h), (i) or (l) under the heading “– Operating Policies” may be amended only with the approval of at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders entitled to vote thereon at a meeting of Unitholders and Special Voting Unitholders called for such purpose.

Notwithstanding the foregoing sentence, if at any time a government or regulatory authority having jurisdiction over Primaris or any property of Primaris shall enact any law, regulation or requirement which is in conflict with any investment restriction of Primaris then in force, such restriction in conflict shall, if the Trustees on the advice of legal counsel to Primaris so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary contained in the Declaration of Trust, any such resolution of the Trustees shall not require the prior approval of Unitholders or Special Voting Unitholders. The remaining operating policies under the heading “– Operating Policies” may be amended with the approval of a majority of the aggregate votes cast by holders of Units and Special Voting Units entitled to vote thereon at a meeting called for such purpose.

RATINGS

On March 4, 2022, DBRS assigned an Issuer Rating of BBB to Primaris with a “Stable” trend.

On March 15, 2023, DBRS upgraded Primaris' Issuer Rating to BBB High, maintaining a "Stable" trend.

As of the date of this AIF, the Trust's senior unsecured debentures have an investment grade rating of BBB High with a “Stable” trend from DBRS.

A credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization. As is customary, Primaris paid fees to DBRS to obtain a credit rating and expects to pay similar fees in the future.

DBRS Ratings

DBRS has 10 issuer rating categories and long-term debt rating categories, each ranging from AAA to D and uses the designation "(high)" and "(low)" in all rating categories other than AAA and D to show the relative standing of a rating within a category. A credit rating of “BBB (low)” or higher is an investment grade rating. The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. The BBB issuer credit rating assigned to Primaris by DBRS indicates that Primaris ranks in the fourth highest of DBRS's ten rating categories. Issuers which are

rated in the BBB category by DBRS are considered to be of adequate credit quality and the capacity for the payment of their financial obligations is considered acceptable. In addition, issuers in the BBB rating category may be vulnerable to future events. DBRS uses "rating trends" to provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue.

MARKET FOR SECURITIES

Normal Course Issuer Bid

On March 7, 2023, Primaris received approval from the the TSX for the renewal of its NCIB, which entitles Primaris to purchase for cancellation up to a maximum of 7,020,105 of its outstanding Series A Units. The NCIB commenced March 9, 2023, and will expire on March 8, 2024, or such earlier date as Primaris completes its purchases pursuant to the NCIB. Purchases of Units under the NCIB are made in accordance with TSX rules and policies through the facilities of the TSX, and through Canadian alternative trading systems. The price paid for any repurchased Units is the market price of such Units at the time of acquisition. Primaris has an ASPP in connection with its NCIB applicable to its outstanding Units. The ASPP is intended to allow for the purchase of Units under the NCIB at times when Primaris would ordinarily not be permitted to purchase Units due to regulatory restrictions and customary self-imposed blackout periods. Pursuant to the ASPP, purchases will be made by Primaris' designated broker based on periodically pre-established purchasing parameters, in accordance with the rules of the TSX and applicable securities laws. Outside of predetermined blackout periods, Units may be purchased under the NCIB at such times as the Trust determines to be appropriate in compliance with TSX rules and applicable securities laws.

During the year ended December 31, 2023, Primaris purchased for cancellation 4,409,100 Trust Units under its NCIB program for aggregate consideration of \$60.6 million at an average value per unit of approximately \$13.75.

Trading Price and Trading Volume of the Units

The Series A Units were listed on the TSX effective January 5, 2022 and are quoted under the symbol "PMZ.UN." The following table sets forth, for the periods indicated, the price ranges and trading volumes of the Series A Units on the TSX.

2023	Low Price	High Price	Volume
January	\$14.35	\$15.43	2,850,300
February	\$14.64	\$15.91	3,514,900
March	\$12.88	\$15.84	7,405,900
April	\$12.97	\$13.98	3,570,100
May	\$12.51	\$13.45	2,922,400
June	\$12.11	\$13.59	2,218,000
July	\$13.06	\$13.70	1,850,500
August	\$12.89	\$13.72	2,141,800
September	\$12.70	\$14.24	3,162,500
October	\$12.25	\$13.77	2,618,800
November	\$12.26	\$14.00	4,052,100
December	\$12.90	\$13.92	3,297,900

No securities of the REIT are quoted or traded in a foreign marketplace. As of August 26, 2022, Units of the REIT have been listed on the Self-Regulatory Organization of Canada's List of Securities Eligible for Reduced Margin which provides margin lending guidance for investment dealers.

Prior Sales

As of February 14, 2024, Primaris does not have any class of securities that is outstanding but not listed or quoted on a marketplace.

DISTRIBUTIONS AND DISTRIBUTION POLICY

The following outlines the distribution policy of Primaris, adopted pursuant to the Declaration of Trust.

Primaris has adopted a distribution policy, as permitted under the Declaration of Trust, pursuant to which it makes pro rata monthly cash distributions to Unitholders equal to, on an annual basis, approximately 45% to 50% of FFO**. See "Enterprise Risks and Risk Management" in this AIF. Management believes that this FFO Payout Ratio** set by Primaris should allow Primaris to meet its internal funding needs, while being able to support predictable cash distributions. Subject to compliance with the Declaration of Trust, the target FFO Payout Ratio** is determined by the Trustees in their discretion. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions including the adoption, amendment or revocation of any distribution policy.

Unitholders of record as at the close of business on the last business day of the month preceding a Distribution Date (as defined in the Declaration of Trust) have an entitlement on and after that day to receive distributions in respect of that month on such Distribution Date. Distributions may be adjusted for amounts paid in prior periods if the actual FFO** for the prior periods is greater than or less than the estimates for the prior periods.

Notwithstanding the foregoing, the total amount of distributions due and payable by Primaris on or before the last day of any taxation year of Primaris for purposes of the Tax Act shall not be less than the amount necessary to ensure that Primaris will not be liable to pay income tax under Part I of the Tax Act for such year. The amount, if any, which is required to be distributed to comply with the preceding sentence shall be due and payable, on the earlier of the last Distribution Date in respect of each year and the last day of such taxation year, to persons who are Unitholders of record on that date, such amount to be payable in cash unless the Trustees determine in their absolute discretion to pay such amount in Units in any particular year, in which case such amount shall be payable in Units for that year.

Where the Trustees determine that Primaris does not have available cash in an amount sufficient to make payment of the full amount of any distribution payable on the Distribution Date, or where the Trustees otherwise determine in their absolute discretion that all or a portion of such distribution should not be paid in cash, the payment may, at the option of the Trustees, include the issuance of additional Units, or fractions of Units, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which either has been determined by the Trustees in their absolute discretion to be available, or which the Trustees have otherwise determined shall be distributed in their absolute discretion, as the case may be, for the payment of such distribution.

At any time, the Trustees may declare an extraordinary distribution of cash, Units or property of Primaris in specie. Distributions shall be made in cash or Units pursuant to any distribution reinvestment plan or distribution reinvestment and unit purchase plan adopted by the Trustees, or, in the case of an extraordinary distribution, in cash, Units or property of Primaris in specie. Any distribution, including an extraordinary distribution, of Units shall be subject to the restrictions noted under "Declaration of Trust and Description of Capital Structure – Limitation on Non-Resident Ownership" in this AIF.

The ability of Primaris to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of Primaris and will be subject to various factors including financial performance, obligations under applicable credit facilities and restrictions on payment of distributions thereunder on the occurrence of an event of default, obligations under the terms of the Convertible Preferred LP Units, including restrictions on the payment of distributions thereunder in the event that distributions on the Convertible Preferred LP Units have not been paid, or set aside for payment, fluctuations in working capital, the sustainability of income derived from Primaris' properties and any capital expenditure requirements.

Primaris declared and paid its first monthly distributions of \$0.0667 per unit (\$0.80 annualized) on February 15, 2022 to Unitholders of record January 31, 2022. On November 2, 2022, the Board of Trustees approved an increase to the distribution rate from \$0.80 to \$0.82 per unit on an annualized basis. The rate increase was effective for the distribution declared December 30, 2022, paid January 16, 2023. On November 2, 2023, the Board of Trustees approved another increase to the distribution rate from \$0.82 to \$0.84 per unit on an annualized basis. The rate increase was effective for the distribution declared December 29, 2023, paid January 15, 2024. The table below shows the monthly distributions declared in 2023.

Distributions History	2023 Monthly Distributions Declared
January	\$ 0.06833
February	\$ 0.06833
March	\$ 0.06833
April	\$ 0.06833
May	\$ 0.06833
June	\$ 0.06833
July	\$ 0.06833
August	\$ 0.06833
September	\$ 0.06833
October	\$ 0.06833
November	\$ 0.06833
December	\$ 0.07000
Annual	\$ 0.82163
2023 Annualized Distributions Declared	2024 Annualized Distributions Declared
\$0.82163	\$0.84000

As at February 14, 2024, there were 96,454,736 Trust Units and no Exchangeable Units outstanding.

LEGAL PROCEEDING AND REGULATORY ACTIONS

None of Primaris or its subsidiaries is currently involved in any outstanding, threatened or pending litigation that would have a material adverse effect on Primaris.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed below, no Trustee, executive officer, or Unitholder that beneficially owns, or controls or directs more than 10% of the Units, or any associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction within the last three years, or any proposed transaction, that has materially affected or is reasonably expected to materially affect Primaris or any of the Primaris subsidiaries.

Immediately following the Plan of Arrangement and pursuant to the Purchase Agreement, Primaris acquired the HOOPP Properties. The purchase price paid by Primaris for the HOOPP Properties was approximately \$600.63 million, satisfied by the issuance of 26,142,129 Series A Units and the issuance by Primaris to HOOPP, of a non-interest-bearing note of approximately \$200.21 million (reflecting a gross asset value of approximately \$800.84 million for the HOOPP Properties). The non-interest-bearing note was subsequently repaid on January 5, 2022.

In connection with the acquisition of the HOOPP Properties, Primaris also entered into a registration rights agreement dated December 31, 2021 (the "**Registration Rights Agreement**") with HOOPP pursuant to which HOOPP has been provided demand registration rights and piggy-back registration rights exercisable at any time during the term of the Registration Rights Agreement, provided in each case, that HOOPP and its affiliates collectively own, in the aggregate, at least 10% of the Series A Units at the time of exercise. As at December 31, 2023, HOOPP continued to own in excess of 10% of the Series A Units.

EXPERTS & INTERESTS OF EXPERTS

KPMG LLP are the auditors of Primaris and have confirmed with respect to Primaris that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. KPMG LLP is located at 333 Bay St. Suite 4600, Toronto, Ontario, Canada.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Series A Units is Odyssey Trust Company at its principal office located in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the only material contracts in effect, other than contracts entered into in the ordinary course of business, entered into by Primaris or Primaris' subsidiaries:

1. the Declaration of Trust, see "Declaration of Trust and Description of Capital Structure" in this AIF;
2. the Purchase Agreement;;
3. the Registration Rights Agreement;
4. Trustees' Regulations dated March 4, 2022;
5. Trust Indenture dated March 30, 2022;
6. First Supplemental Indenture dated March 30, 2022;
7. Second Supplemental Indenture dated March 30, 2022;
8. Third Supplemental Indenture dated March 29, 2023;
9. Fourth Supplemental Indenture dated November 30, 2023;

ADDITIONAL INFORMATION

Additional information relating to Primaris, including Trustee and officer remuneration and indebtedness, principal holders of Primaris' securities and securities authorized for issuance under equity compensation plans, where applicable, is set out in the Trust's management information circular for its most recent annual meeting of Unitholders that involved the election of Trustees.

Additional financial information is provided in Primaris' Financial Statements and MD&A. Copies of the Financial Statements, MD&A, material contracts and this AIF may also be obtained by contacting Mr. Rags Davloor at Primaris REIT 181 Bay Street, Suite 2720, Toronto, Ontario M5J 2T3 or by email at rdavloor@primarisreit.com, or on SEDAR+ at www.sedarplus.com.

Additional information relating to Primaris may also be found under the Trust's profile on SEDAR+ at www.sedarplus.com.

SCHEDULE A

AUDIT COMMITTEE CHARTER

Effective Date: February 14, 2024

1. Introduction

The Audit Committee (the “**Committee**”) of Primaris Real Estate Investment Trust (the “**REIT**”) is a committee of the board of trustees of the REIT (the “**Board**”). As delegated by the Board, the Committee shall attend to the responsibilities set out in this Charter.

2. Membership

2.1 Number of Members

The Committee shall be composed of three or more members of the Board (the “**Trustees**”).

2.2 Independence of Members

Each member of the Committee shall be independent within the meaning of the provisions of National Instrument 52-110 – *Audit Committees*, as may be amended or replaced from time to time.

2.3 Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a Trustee.

2.4 Committee Chair

At the time of the annual appointment of the members of the Committee, the Board may appoint a Chair of the Committee. If a Committee Chair is not appointed by the Board, the members of the Committee shall designate a Committee Chair by majority vote of the full Committee membership. The Committee Chair must be a member of the Committee.

In the absence of the Committee Chair at a meeting of the Committee, the members of the Committee present may appoint a chair from their number for such meeting.

2.5 Financial Literacy of Members

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the REIT’s financial statements.

3. Meetings

3.1 Frequency of Meetings

The Committee shall meet as often as the Committee considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter of the REIT.

3.2 Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

3.3 Calling of Meetings

The Committee Chair, any member of the Committee, the external auditors, the Chair of the Board, the Lead Independent Trustee (if any), the Chief Executive Officer, the President and Chief Operating Officer or the Chief Financial Officer may call a meeting of the Committee on not less than 48 hours' notice to the members of the Committee.

3.4 Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Committee Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

3.5 Attendance of Non-Members

The external auditors are entitled to receive notice of, to attend and be heard at each Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the REIT, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

At least once per year, the Committee shall meet with management to discuss any matters that the Committee or such individuals consider appropriate.

3.6 Meetings Without Management

As part of each meeting of the Committee, the Committee shall hold an *in camera* session, at which management and non-independent Trustees are not present, and the agenda for each Committee meeting will afford an opportunity for such a session.

3.7 Access to Management and Books and Records

The Committee shall have unrestricted access to the REIT's management and employees and the books and records of the REIT.

4. Responsibilities

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by the declaration of trust governing the REIT (the "**Declaration of Trust**") and applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the functions and responsibilities required of an audit committee by the Declaration of Trust, any exchange upon which securities of the REIT are traded, or any governmental or regulatory body exercising authority over the REIT, as are in effect from time to time (collectively, the "**Applicable Requirements**") or as the Board otherwise deems necessary or appropriate.

4.1 Financial Reports

(a) General

The Committee is responsible for overseeing the REIT's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the REIT's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the REIT. The external auditors are responsible for auditing the REIT's annual consolidated financial statements and for reviewing the REIT's unaudited interim financial statements.

b) Review of Annual Financial Reports

The Committee shall review the annual consolidated audited financial statements of the REIT, the external auditors' report thereon and the related management's discussion and analysis of the REIT's financial condition and financial performance ("MD&A"). After completing its review, if advisable, the Committee shall approve and recommend the annual financial statements and the related MD&A for Board approval.

(c) Review of Interim Financial Reports

The Committee shall review the interim consolidated financial statements of the REIT and the related MD&A. After completing its review, if advisable, the Committee shall approve and recommend the interim financial statements and the related MD&A for Board approval.

(d) Review Considerations

In conducting its review of the annual financial statements or the interim financial statements, the Committee shall:

- (i) meet with management and the external auditors to discuss the financial statements and MD&A;
- (ii) review the disclosures in the financial statements;
- (iii) review the audit report or review report prepared by the external auditors;
- (iv) discuss with management, the external auditors and internal legal counsel (if any), as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review the accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off- balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under International Financial Reporting Standards ("IFRS");
- (vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- (viii) review management's report on the effectiveness of internal controls over financial reporting, including controls related to the REIT's public disclosures on environmental, social and governance matters (ESG) and climate-related mat;
- (ix) review the factors identified by management as factors that may affect future financial results;
- (x) contribute to the Board of Trustee's oversight of ESG and climate-related matters by reviewing the and monitoring progress against the REIT's publicly disclosed ESG and climate-related targets, and reporting and providing recommendations to the Board of Trustees, in respect thereof.
- (xi) review results of the REIT's audit committee whistleblower reporting program; and
- (xii) review any other matters, related to the financial statements, that are brought forward by the external auditors, management or which are required to be communicated to the Committee under accounting policies, auditing standards or Applicable Requirements.

(e) Other Financial Disclosures

The Committee is responsible for reviewing financial disclosure in a prospectus or other securities offering document of the REIT, as well as press releases disclosing, or based upon, financial results of the REIT and any other publicly disseminated material financial disclosure, including, in accordance with the REIT's Disclosure Policy, material financial outlook (e.g., earnings guidance) and forward-oriented financial information (e.g., forecasted financial statements) provided to analysts, rating agencies or otherwise publicly disseminated, and material non-IFRS financial measures.

The Committee is responsible for ensuring that satisfactory procedures are in place for the review of the REIT's public disclosure of financial information extracted or derived from the REIT's financial statements and periodically assessing those procedures.

4.2 External Auditors

(a) General

The Committee shall be directly responsible for oversight and review of the effectiveness of the work of the external auditors, including the external auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

(b) Nomination and Compensation

The Committee shall review and, if advisable, recommend for Board approval the external auditors to be nominated and shall approve the compensation of such external auditor. The Committee shall have ultimate authority to approve all audit engagement terms and fees, including the external auditors' audit plan.

(c) Resolution of Disagreements

The Committee shall assess the effectiveness of the working relationship of the external auditors with management and resolve any disagreements between management and the external auditors as to financial reporting matters brought to its attention.

(d) Discussions with External auditors

At least annually, the Committee shall discuss with the external auditors such matters as are required by applicable auditing standards to be discussed by the external auditors with the Committee.

(e) Audit Plan

At least annually, the Committee shall review a summary of the external auditors' annual audit plan. The Committee shall consider, review with the external auditors any material changes to the scope of the plan.

(f) Quarterly Review Report

The Committee shall review a report prepared by the external auditors in respect of each of the interim financial statements of the REIT.

(g) Independence of External Auditors

At least annually, and before the external auditors issue their report on the annual financial statements, the Committee shall obtain from the external auditors a formal written statement describing all relationships between the external auditors and the REIT; discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence of the external auditors; and obtain written confirmation from the external auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered professional accountants to which the external auditors belong

and other Applicable Requirements. The Committee shall take appropriate action to oversee the independence of the external auditors.

(h) Requirement for Pre-Approval of Non-Audit Services

The Committee shall approve in advance any retainer of the external auditors to perform any non-audit service for the REIT or its subsidiary entities that it deems advisable in accordance with Applicable Requirements and Board-approved policies and procedures. The Audit Committee shall consider the impact of such service and fees on the independence of the auditor. The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any member of the Committee to whom this authority has been delegated must be presented to the full Committee at its next scheduled Committee meeting.

(i) Approval of Hiring Policies

The Committee shall review and approve the REIT's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the REIT.

(j) Financial Executives

The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

4.3 Internal Controls

(a) General

The Committee shall review the REIT's system of internal controls.

(b) Establishment, Review and Approval

The Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Committee shall consider and review with management and the external auditors:

- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the REIT's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;
- (ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the REIT's periodic regulatory filings;
- (iii) any material issues raised by any inquiry or investigation by the REIT's regulators;
- (iv) the REIT's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the REIT to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- (v) any related significant issues and recommendations of the external auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

4.4 Risk Management

The Committee shall be responsible for overseeing management's identification and assessment of the principal risks to the operations of the REIT and the establishment and management of appropriate systems to manage such risks with a view to achieving a proper balance between risks incurred and potential return to holders of securities of the REIT and to the long-term viability of the REIT. In this regard, the Committee shall require management to report periodically to the Committee, and the Committee shall report periodically to the Board, on the principal risks faced by the REIT and the steps implemented by management to manage these risks.

Enterprise Risk

- (i) oversee the REIT's enterprise risk management processes for identifying, assessing, mitigating and, where required, reporting on key and emerging risk exposures;
- (ii) review and recommend to the Board for approval the REIT's Enterprise Risk Management Policy;

Key Risks

- (iii) review enterprise risk management reports and discuss with the Chief Financial Officer and management, all key enterprise risk exposures including emerging risks (with the exception of risks for which the Investment Committee and Compensation, Governance and Nominating Committee ("CG&N Committee") have been delegated responsibility by the Board) and the steps management has taken to monitor, control and mitigate those exposures;
- (iv) at least annually, report to the Board on the key risk exposures and any major issues arising from the management of these risks;

Financial and Credit Risk

- (v) review and discuss the REIT's significant financial and credit risk exposures and the steps that management has taken to monitor, control and report such risks;

Other Risk Reports

- (vi) review and discuss the REIT's legal risk exposures and the steps that management has taken to monitor, control and report such risks;
- (vii) review other reports from management in connection with any other risk related matters or policies, oversight of which has been delegated to the Committee;

Changes to Risk Policies

- (viii) review and recommend to the Board for approval proposed changes to all risk-related Board policies, oversight of which has been delegated to the Committee, and

Insurance

- (xiii) review the adequacy of insurance coverages maintained by the REIT and approve new insurance coverage and renewals thereof, as applicable.

4.5 Information and Technology

Oversee and review the adequacy and effectiveness of the REIT's cybersecurity, information and technology security, and data privacy programs, procedures, and policies;

4.6 Compliance with Legal and Regulatory Requirements

The Committee shall review reports from the REIT's Corporate Secretary and other management members on: (a) legal or compliance matters that may have a material impact on the REIT; (b) the effectiveness of the REIT's compliance policies; and (c) any material communications received from regulators. The Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

4.7 Whistleblower Procedures

The Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the REIT regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the REIT of concerns regarding questionable accounting or auditing matters.

Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the Chair of the Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management to reach a satisfactory conclusion.

4.8 Audit Committee Disclosure

The Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the REIT's disclosure documents.

4.9 Delegation

The Committee may, to the extent permissible by Applicable Requirements, designate a sub- committee to review any matter within this mandate as the Committee deems appropriate.

5.0 Outside Advisors

The Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors. The REIT shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

6. No Rights Created

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the REIT. While it should be interpreted in the context of all Applicable Requirements, it is not intended to establish any legally binding obligations.

7. Charter Review

The Committee shall review and update this Charter annually and, in conjunction with the review and recommendations of the CG&N Committee regarding same, present the updated Charter to the Board for approval.