



## CHARTER OF THE COMPENSATION, GOVERNANCE AND NOMINATING COMMITTEE (the “Charter”)

*This Charter was adopted by the board of trustees of Slate Retail REIT (the “REIT”) on August 13, 2014.*

### 1. Purpose

The compensation, governance and nominating committee of the REIT (the “Committee”) is a committee of the board of trustees of the REIT (the “Board”). The members of the Committee and the chair of the Committee (the “Chair”) are appointed by the Board on an annual basis (or until their successors are duly appointed) and the Committee is charged with reviewing, overseeing and evaluating the compensation, governance and nominating policies of the REIT. In addition, it is expected that the Committee will be responsible for: (i) assessing the effectiveness of the Board, each of its committees and individual members of the Board (“Trustees”); (ii) overseeing the recruitment and selection of candidates as Trustees, other than candidates nominated by Slate Properties Inc. and the Chief Executive Officer of the REIT; (iii) organizing an orientation and education program for new Trustees; (iv) considering and approving proposals by the Trustees to engage outside advisors on behalf of the Board as a whole or on behalf of the independent Trustees; (v) reviewing and making recommendations to the Board concerning any change in the number of Trustees composing the Board; (vi) considering questions of management succession; (vii) administering any securities-based compensation plans of the REIT, including any unit option or purchase plan of the REIT, and any other compensation incentive programs; (viii) assessing the performance of management of the REIT; (ix) reviewing and approving the compensation paid by the REIT, if any, to the officers of the REIT; (x) reviewing and making recommendations to the Board concerning the level and nature of the compensation payable to Trustees and officers of the REIT; (xi) reviewing and approving the compensation paid by the REIT, if any, to consultants of the REIT; and (xii) overseeing the management agreement of the REIT.

### 2. Composition

The Committee shall be comprised of a minimum of three Trustees of the Board, all of whom shall be “independent” within the meaning of National Policy 58-101 – *Disclosure of Corporate Governance Practices* and a majority of whom shall be Residents (as such term is defined in the REIT’s declaration of trust).

### 3. Reports

The Committee shall:

- (a) report to the Board on a regular basis and before any public disclosure by the REIT on compensation and governance matters;
- (b) prepare and approve any reports on executive compensation, prior to their public disclosure, as required by applicable legislation and regulation and/or pursuant to the REIT’s undertaking to provide necessary information to comply with its disclosure obligations;
- (c) prepare a report on the REIT’s system of governance practices for inclusion in the annual report or other public disclosure documents of the REIT, including a report disclosing the extent (if any) to which the REIT does not comply with applicable governance guidelines or other relevant governance guidelines; and
- (d) report to the REIT annually, with an assessment of the Board’s performance and the Chair shall also discuss the

report with all members of the Board.

#### 4. Responsibilities

##### A. Engagement/Compensation of Senior Executives

The Committee shall:

- (a) make recommendations concerning the hiring and termination of senior executives.
- (b) from time to time, as appropriate, review with the Chair of the Board and the Chief Executive Officer of the REIT the long-term goals and objectives of the REIT in relation to compensation;
- (c) at least annually, review and approve the position description of the Chief Executive Officer and the corporate goals and objectives relevant to the compensation of the Chief Executive Officer and evaluate the Chief Executive Officer's performance in light of those goals and objectives;
- (d) at least annually, review and make recommendations to the Board with respect to the compensation of the Chief Executive Officer, Chief Financial Officer, General Counsel and all other senior managers of the REIT who report directly to the Chief Executive Officer if required pursuant to the terms of the REIT's asset management agreement or otherwise, including incentive compensation plans, equity-based plans, the terms of any employment agreements, severance arrangements and change of control arrangements or provisions, and any special or supplemental benefits;
- (e) review and make recommendations to the Board with respect to the compensation of Trustees, including incentive compensation plans;
- (f) recommend awards under any incentive compensation or equity-based plans of the REIT;
- (g) from time to time, as appropriate, review key human resources policies and programs in place and under development related to manpower planning, management development, succession planning, career path planning and performance evaluation and their consistency with the strategy of the REIT;
- (h) from time to time, as appropriate, review the REIT's policies on salary administration, recruitment, job evaluation, pay and employment equity, basic incentive and total cash compensation, retirement benefits, and long-term incentives and recommend changes to the Board if appropriate;
- (i) review management's policies and practices for ensuring that the REIT complies with legal prohibitions, disclosure and other requirements on making or arranging for personal loans and amending or extending any such loans or arrangements; and
- (j) select, engage and compensate any outside compensation, governance, nomination or other consultant the Committee determines to be necessary to permit it to carry out its duties.

##### B. Board Member Candidates

The Committee shall:

- (a) review annually the competencies, skills and personal qualities required of Board members, as a whole, in light of relevant factors, including:
  - i. the objective of adding value to the REIT in light of the opportunities and risks facing the REIT and the REIT's proposed strategies,
  - ii. the need to ensure, to the greatest extent possible, that a majority of the Board is comprised of individuals who meet the independence requirements of the applicable regulatory, stock exchange and securities law

requirements or other guidelines, and

- iii. the policies of the Board with respect to Board member tenure, retirement and succession and Board member commitments;
- (b) establish and oversee an appropriate orientation and education program for new Board members in order to familiarize them with the REIT and its business (including the REIT's reporting and organizational structure, strategic plans, significant financial, accounting and risk issues, compliance programs and policies, management and the external auditors), the role of the Board and its committees and the contribution that an individual Trustee is expected to make to the Board, its committees (as applicable) and the REIT;
- (c) the Committee shall recommend to the Board (and coordinate the development of) continuing education activities or programs for Trustees, from time to time as appropriate, that shall, among other things, assist Trustees to maintain or enhance their skills and abilities as Trustees, and assist Trustees in ensuring that their knowledge and understanding of the REIT and its business remains current;
- (d) seek individuals qualified (in context of the needs of the REIT and any formal criteria established by the Board) to become members of the Board for recommendation to the Board;
- (e) review and recommend to the Board the membership and allocation of Board members to the various committees of the Board;
- (f) establish procedures for the receipt of comments from all Board members to be included in an annual assessment of the Board's performance, including individual contributions;
- (g) at least annually, review and, if necessary, make recommendations to the Board with respect to the compensation of Board members, the Chair of the Board, the Lead Trustee of the Board (if any) and those acting as committee chairs to, among other things, ensure their compensation appropriately reflects the responsibilities they are assuming; and
- (h) appoint and, if appropriate, terminate any search firm to be used to identify Board candidates and any compensation consultant to be used to assist in the evaluation of Board compensation and to approve the search firm's and compensation consultant's fees and other retention terms.

### C. Governance and Compliance

The Committee shall:

- (a) make recommendations concerning the oversight of senior management of the REIT;
- (b) review from time to time the size of the Board and the number of Board members who are independent for the purpose of applicable regulatory, stock exchange and securities law requirements or guidelines and REIT policies regarding Board member independence;
- (c) from time to time as appropriate, review the adequacy of the governance practices of the REIT and recommend any proposed changes to the Board for approval;
- (d) from time to time, as appropriate, review the practices of the Board (including separate meetings of non-management Board members) to identify improvements in governance practices;
- (e) from time to time, as appropriate, review the powers, mandates and performance, and the membership of the various committees of the Board and, if appropriate, make recommendations to the Board;
- (f) from time to time, as appropriate, review the relationship between senior management and the Board and, if appropriate, make recommendations to the Board with a view to ensuring that the Board is able to function independently of

management;

- (g) periodically review with the Board the succession plans relating to the position of the Chief Executive Officer and other senior positions and make recommendations to the Board with respect to the selections of individuals to occupy these positions; and
- (h) on an annual basis, review compliance with the terms of the asset management agreement and consider and assess the possible internalization of management of the REIT.

## **5. Meetings**

The Committee shall meet at least semi-annually and more frequently as circumstances require. All members of the Committee should strive to be at all meetings. A quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine provided that a majority of the members comprising the quorum must be Residents (as such term is defined in the REIT's declaration of trust). The Committee shall keep minutes of each meeting of the Committee. A copy of the minutes shall be provided to each member of the Committee. The Committee shall meet separately, periodically, with management and may request any officer or employee of the REIT or any of its direct or indirect subsidiaries or outside counsel to attend meetings of the Committee or with any members of, or advisors to, the Committee. The Chief Executive Officer may be present at meetings of the Committee to provide input on executive compensation other than his or her own. The Committee may form and delegate authority to individual members and subcommittees where the Committee determines it is appropriate to do so.

The Committee shall determine any desired agenda items.

## **6. Independent Advice**

In discharging its mandate, the Committee shall have the authority to retain, at the expense of the REIT, special advisors as the Committee determines to be necessary to permit it to carry out its duties.

## **7. Annual Evaluation**

At least annually, the Committee shall, in a manner it determines to be appropriate:

- (a) perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter; and
- (b) review and assess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee believes to be appropriate.