



**DREAM OFFICE**

**REAL ESTATE INVESTMENT TRUST**

---

**NOTICE OF ANNUAL MEETING  
OF UNITHOLDERS AND  
MANAGEMENT INFORMATION  
CIRCULAR**

March 26, 2018

# CONTENTS

<b>NOTICE OF 2018 ANNUAL MEETING OF UNITHOLDERS</b> .....	<b>1</b>
<b>MANAGEMENT INFORMATION CIRCULAR</b> .....	<b>2</b>
<b>VOTING INFORMATION</b> .....	<b>3</b>
Who Can Vote .....	3
Notice and Access .....	3
Q & A on Voting .....	4
Principal Holders of Voting Securities .....	8
<b>BUSINESS OF THE MEETING</b> .....	<b>9</b>
Purpose of the Meeting .....	9
Receiving the Consolidated Financial Statements .....	9
Election of Trustees .....	9
Appointment Of Auditor .....	18
<b>STATEMENT OF CORPORATE GOVERNANCE PRACTICES</b> .....	<b>19</b>
Overview .....	20
Board of Trustees .....	20
Internalization of Management Structure .....	26
Committees of the Board .....	26
Reporting .....	29
Board, Committee and Trustee Evaluation .....	29
Board and Management Responsibilities .....	30
Sustainability .....	32
Communication and Disclosure Policies .....	32
Code of Conduct .....	33
Whistleblower Policy .....	33
Report of the Audit Committee .....	34
Report of the Governance and Nominating Committee .....	36
Report of the Compensation, Health and Environmental Committee .....	38
Investment Committee .....	40
Tenure of Board of Trustees .....	40
<b>EXECUTIVE COMPENSATION</b> .....	<b>41</b>
Named Executive Officers .....	42
Compensation Discussion and Analysis .....	43
Compensation Program .....	43

Total Compensation Components for 2017 .....	45
Benchmarking .....	46
Evaluating Performance and Determining Compensation of Named Executive Officers for 2017 .....	47
Evaluating Performance and Determining Compensation of Named Executive Officers for 2017 – Individual Component .....	49
Performance Graph .....	49
Summary Compensation Chart.....	50
Incentive Plan Awards .....	51
Pension Plan - Defined Contribution Plan.....	54
Securities Authorized for Issuance under Equity Compensation Plans .....	55
Termination and Change of Control.....	55
Non-GAAP Measures .....	55
<b>TRUSTEE COMPENSATION .....</b>	<b>56</b>
Overview .....	56
Trustee Summary Compensation Chart.....	58
Incentive Plan Awards .....	59
Trustee Unit Ownership Guidelines and Anti-Hedging Requirements .....	60
2017 Trustee Attendance Record.....	60
<b>OTHER INFORMATION .....</b>	<b>61</b>
Trustees’ and Officers’ Liability Insurance.....	61
Indebtedness of Trustees, Officers and Employees.....	61
Interest of Informed Persons in Material Transactions.....	61
Other Business .....	62
Additional Information.....	62
<b>BOARD APPROVAL .....</b>	<b>63</b>
<b>APPENDIX A GLOSSARY OF TERMS .....</b>	<b>64</b>
<b>APPENDIX B MANDATE FOR THE BOARD .....</b>	<b>67</b>

*Unless otherwise defined or unless the context otherwise requires, capitalized terms used in this Management Information Circular and the forms of proxy have the meanings given to them in the Glossary of Terms in Appendix A. References to “we”, “our” and “us” refer to Dream Office Real Estate Investment Trust.*

## NOTICE OF 2018 ANNUAL MEETING OF UNITHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual meeting (the “**Meeting**”) of unitholders of Dream Office Real Estate Investment Trust (“**Dream Office REIT**”) will be held at One King West Hotel, King Gallery, 3<sup>rd</sup> Floor, 1 King Street West, Toronto, Ontario on Thursday, May 17, 2018 at 1:00 p.m. (Toronto time) for the following purposes:

1. to receive the audited consolidated financial statements of Dream Office REIT for the financial year ended December 31, 2017, together with the report of the auditor thereon;
2. to elect the trustees of Dream Office REIT for the ensuing year;
3. to appoint the auditor of Dream Office REIT for the ensuing year and to authorize the trustees of Dream Office REIT to fix the remuneration of such auditor; and
4. to transact such other business as may properly be brought before the Meeting.

The record date for the determination of those unitholders entitled to receive notice of and vote at the Meeting is the close of business on April 6, 2018.

Accompanying this Notice of Annual Meeting is a management information circular dated March 26, 2018.

A registered unitholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his or her proxy with the transfer agent and registrar of Dream Office REIT, Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 not later than 5:00 p.m. (Toronto time) on May 15, 2018 or if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

Unitholders who are unable to be present personally at the Meeting are urged to sign, date and return the enclosed form(s) of proxy in the envelope provided for that purpose.

A non-registered unitholder (for example, if you hold your units in an account with a broker, dealer or other intermediary) should follow the instructions in the voting instruction form or other document provided for information on how you can vote your units.

**DATED** at Toronto, Ontario this 26<sup>th</sup> day of March, 2018.

By Order of the Board of Trustees

By:



MICHAEL J. COOPER  
Chairman and Chief Executive Officer

# **MANAGEMENT INFORMATION CIRCULAR**

# VOTING INFORMATION

This Circular is provided in connection with the solicitation by the management of Dream Office REIT of proxies to be used at the Meeting referred to in the Notice of Meeting to be held Thursday, May 17, 2018 at 1:00 p.m. (Toronto time).

This solicitation will be made primarily by sending proxy materials to unitholders by mail and, in relation to the delivery of this Circular, by posting this Circular on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca), on our SEDAR profile at [www.sedar.com](http://www.sedar.com) and on Envision Reports at [www.envisionreports.com/DreamOffice2018](http://www.envisionreports.com/DreamOffice2018) pursuant to Notice and Access. See “Notice and Access” below for further information. Proxies may also be solicited personally or by telephone by employees or representatives of Dream Office REIT at nominal cost. The cost of solicitation will be borne by Dream Office REIT.

Unless otherwise specified, all information in this Circular is current as of March 26, 2018. All references to “\$” are to Canadian dollars.

## Who Can Vote

### Voting Securities

As of March 23, 2018, there were 70,123,583 REIT A Units, no REIT B Units and 5,233,823 Special Trust Units issued and outstanding. Each registered holder of REIT A Units, REIT B Units and Special Trust Units of record at the close of business on April 6, 2018, the record date (the “**Record Date**”) established for the purpose of determining unitholders entitled to receive notice of and to vote at the Meeting, will be entitled to one vote per REIT Unit on each matter to be voted on at the Meeting. As of March 23, 2018, the REIT A Units represent an aggregate of 93.1% of the outstanding votes and the Special Trust Units represent an aggregate of 6.9% of the outstanding votes.

For a description of the procedures to be followed by non-registered unitholders to direct the voting of REIT Units beneficially owned, please refer to the question “If I am a non-registered unitholder, how do I vote?” under “Q&A on Voting”.

### Notice and Access

Under applicable securities laws, issuers have the option of using “Notice and Access” to deliver Meeting Materials electronically by providing securityholders with notice of their availability and access to these materials online.

Dream Office REIT has adopted Notice and Access because it allows for the reduction of printed paper materials. Notice and Access is consistent with Dream Office REIT’s philosophy towards sustainable growth and will reduce costs associated with unitholder meetings. Instead of mailing the Circular to unitholders, Dream Office REIT has posted this Circular on its website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca), in addition to on SEDAR at [www.sedar.com](http://www.sedar.com) and on Envision Reports at [www.envisionreports.com/DreamOffice2018](http://www.envisionreports.com/DreamOffice2018). Dream Office REIT has sent the Notice of Availability of Proxy Materials for the Meeting and form(s) of proxy or a voting instruction form (collectively, the “**Notice Package**”), to all unitholders informing them that this Circular is available online and explaining how this Circular may be accessed.

The Notice Package is sent to registered holders of units through the Transfer Agent. Dream Office REIT will not directly send the Notice Package to non-registered unitholders. Instead, Dream Office REIT will pay Broadridge

Investor Communication Solutions (“**Broadridge**”), who acts on behalf of intermediaries, to forward the Notice Package to all non-registered unitholders. In accordance with applicable securities laws, Dream Office REIT set the Record Date at least 40 days before the Meeting and also filed a form of notification of the Record Date and the date of the Meeting on SEDAR at least 25 days before the Record Date.

For the Meeting, Dream Office REIT is using Notice and Access for both registered and non-registered unitholders. Neither registered nor non-registered unitholders will receive a paper copy of this Circular unless they contact, in the case of registered unitholders, the Transfer Agent, Computershare Trust Company of Canada, or in the case of non-registered unitholders, Broadridge, after the Circular is posted, in which case the Transfer Agent or Broadridge, as applicable, will mail this Circular within three Business Days of any request provided the request is made prior to the Meeting. The contact details for the Transfer Agent and for Broadridge, as the case may be, are provided in the Notice Package. The Transfer Agent or Broadridge, as applicable, must receive your request prior to 5:00 p.m., Toronto time, on May 8, 2018 to ensure you will receive paper copies in advance of the deadline to submit your vote.

## **Q & A on Voting**

### **Q: What am I voting on?**

A: Unitholders are voting on the election of the Board of Trustees and the appointment of the auditor with auditor’s remuneration to be fixed by the Board of Trustees on the recommendation of the Audit Committee.

### **Q: Who is entitled to vote?**

A: Unitholders as at the close of business on April 6, 2018 are entitled to vote. Each REIT A Unit, REIT B Unit and Special Trust Unit entitles the holder to one vote on the items of business identified above.

### **Q: Am I a registered unitholder or a non-registered unitholder?**

A: You are a registered unitholder if you hold REIT Units registered in your name. You are a non-registered unitholder if you hold REIT Units that are registered in the name of an intermediary (such as a bank, trust company, securities dealer or broker, or director or administrator of a self-administered RRSP, RRIF, RESP, TFSA or similar plan) or a depository (such as CDS Clearing and Depository Services Inc.) of which the intermediary is a participant.

### **Q: If I am a registered unitholder, how do I vote?**

A: If you are a registered unitholder, you may vote in person at the Meeting or you may sign the applicable form(s) of proxy sent to you, appointing the named persons or some other person you choose, who need not be a unitholder, to represent you as proxyholder and vote your REIT Units at the Meeting. Depending on whether you hold REIT A Units, REIT B Units or Special Trust Units, you will receive a separate form of proxy in respect of your holding of each class of such REIT Units. Whether or not you plan to attend the Meeting in person, you are requested to vote your REIT Units. If you wish to vote by proxy, you should complete and return the applicable form(s) of proxy.

### **Q: If I am a non-registered unitholder, how do I vote?**

A: If you are a non-registered unitholder, you are entitled to direct how your REIT Units are to be voted. In accordance with the requirements of applicable securities laws, Dream Office REIT will distribute copies of the Notice Package to the depository and to intermediaries for onward distribution to non-registered unitholders. Intermediaries are required to forward the Notice Package to non-registered unitholders. Therefore, included in your Notice Package, you will have received from your intermediary a voting instruction form for the number of REIT Units you beneficially own. You should follow the instructions in the request for voting instructions that you received from your intermediary and contact your intermediary promptly if you need assistance. Whether or not you plan to attend the Meeting in person, you are requested to vote your REIT Units. If you do not intend to attend the Meeting and vote in person, you should complete and return the voting instruction form as instructed by your intermediary.

Since Dream Office REIT has limited access to the names of its non-registered unitholders, if you attend the Meeting, Dream Office REIT may have no record of your unitholdings or of your entitlement to vote unless you

intermediary has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your name in the space provided on the voting instruction form and return it by following the instructions provided therein. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with Computershare Trust Company of Canada upon arrival at the Meeting.

If a non-registered unitholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the Internet. If a non-registered unitholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the non-registered unitholder must complete, sign and return the voting instruction form in accordance with the directions provided.

**Q: What if I plan to attend the Meeting and vote in person?**

A: If you are a registered unitholder and plan to attend the Meeting on May 17, 2018 and wish to vote your REIT Units in person at the Meeting, please register with Computershare Trust Company of Canada, the Transfer Agent, upon arrival at the Meeting. Your vote will be taken and counted at the Meeting. If your REIT Units are held in the name of an intermediary, please refer to the answer to the question “If I am a non-registered unitholder, how do I vote?” under “Q&A on Voting” for voting instructions.

**Q: Who is soliciting my proxy?**

A: Proxies are being solicited by management of Dream Office REIT and the associated costs will be borne by Dream Office REIT. The solicitation will be made primarily by sending proxy materials to unitholders by mail and, in relation to the delivery of this Circular, by posting this Circular on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca), on our SEDAR profile at [www.sedar.com](http://www.sedar.com) and on Envision Reports at [www.envisionreports.com/DreamOffice2018](http://www.envisionreports.com/DreamOffice2018) pursuant to Notice and Access. Proxies may also be solicited personally or by telephone by employees or representatives of Dream Office REIT at nominal cost.

**Q: What if I sign the form(s) of proxy sent to me?**

A: Signing a form of proxy gives authority to the individuals named in that form of proxy, being Michael Cooper or Rajeev Viswanathan, to vote your REIT Units at the Meeting. However, you have the right to appoint someone else to represent you at the Meeting, but only if you provide that instruction on the applicable form(s) of proxy. See the answer to the question “Can I appoint someone other than these officers of Dream Office REIT to vote my REIT Units?” in this Circular.

If voting instructions are given on your form(s) of proxy or voting instruction form, then your proxyholder must vote your REIT Units in accordance with those instructions. If no voting instructions are given, then your proxyholder may vote your REIT Units as he or she sees fit. If you appoint the proxyholders named on the form(s) of proxy, who are representatives of Dream Office REIT, and do not specify how they should vote your REIT Units, then your REIT Units will be voted FOR each of the matters referred to in the form(s) of proxy.

Proxies returned by intermediaries as “non-votes” on behalf of REIT Units held in the name of such intermediary, because the beneficial unitholder has not provided voting instructions and the intermediary does not have the discretion to vote such REIT Units, will be treated as present for purposes of determining a quorum but will not be counted as having been voted in respect of any such matter. As a result, such proxies will have no effect on the outcome of the vote.

**Q: Can I appoint someone other than these officers of Dream Office REIT to vote my REIT Units?**

A: Yes. **You have the right to appoint a person or company other than the officers of Dream Office REIT named on the form(s) of proxy to be your proxyholder.** Write the name of this person (or company), who need not be a unitholder, in the blank space provided on the applicable form(s) of proxy and deposit your form(s) of proxy by mail or fax (as making such an appointment is not available by telephone or Internet). It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your REIT Units, as per your voting instructions. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of the Transfer Agent.

**Q: What do I do with my completed proxy?**

A: If you are a registered unitholder, return your completed, signed (by you, or by your attorney authorized in writing, or if you are a corporation, by a duly authorized officer or attorney), and dated (with the date on which it is executed) form(s) of proxy accompanying this Circular to the Transfer Agent, Computershare Trust Company of Canada, in the envelope provided to you by mail at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or by fax at (416) 263-9524 or 1-866-249-7775 by 5:00 p.m. (Toronto time) on Tuesday, May 15, 2018. If you are a non-registered unitholder, you should follow the instructions in the voting instruction form that you received from your intermediary.

**Q: Can I vote by Telephone?**

A: Yes. If you are a registered unitholder, you may vote by dialing the toll-free number set out in the form(s) of proxy using a touch-tone telephone within North America. You will be asked to provide your control number, which is located at the bottom of the applicable form(s) of proxy, in order to verify your identity.

**Q: Can I vote by Internet?**

A: Yes. If you are a registered unitholder, go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions. You will need your control number (which is located at the bottom of the form(s) of proxy) to identify yourself to the system. If you are a non-registered unitholder, you should follow the instructions in the voting instruction form that you received from your intermediary.

**Q: When is the deadline for me to vote by proxy?**

A: Regardless of whether you submit your vote by mail, fax, telephone or Internet, you must submit your vote by no later than 5:00 p.m. (Toronto time) on Tuesday, May 15, 2018, which is two Business Days before the day of the Meeting (or 5:00 p.m. (Toronto time) on the second last Business Day prior to any reconvened Meeting, in the event of an adjournment of the Meeting). The Chair of the Meeting may waive, in his or her discretion, the time limit for the deposit of proxies by unitholders if he or she deems it advisable to do so. If you are a non-registered unitholder, you will need to give your voting instructions to your intermediary, so you should allow sufficient time for your intermediary to receive them and submit them to the Transfer Agent. Each intermediary has its own deadline so unitholders will need to follow the instructions on the voting instruction form.

**Q: If I change my mind, can I submit another proxy or take back my proxy once I have given it?**

A: Yes. If you are a registered unitholder and have submitted a proxy and later wish to revoke it, you can do so by: (a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent as described above; (b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf) (i) at the registered office of Dream Office REIT at 30 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 3H1, Attention: Corporate Secretary at any time up to 5:00 p.m. (Toronto time) on Tuesday, May 15, 2018, which is the second last Business Day preceding the date of the Meeting at which the proxy is to be used, or (ii) with the Chair of the Meeting on the day of the Meeting before the Meeting starts; or (c) following any other procedure that is permitted by law.

**Non-registered unitholders who wish to change their vote must make appropriate arrangements with their respective dealers or other intermediaries.** If you are a non-registered unitholder, you can revoke your prior voting instructions by providing new instructions on a voting instruction form with a later date (or at a later time in the case of voting by telephone or through the Internet, if available). Otherwise, contact your intermediary if you want to revoke your proxy or change your voting instructions, or if you change your mind and want to vote in person. You must make arrangements sufficiently in advance of the Meeting to enable your intermediary to act on them.

**Q: How will my REIT Units be voted if I give my proxy?**

A: The persons named on a form of proxy must vote your REIT Units for or against or withhold from voting, as applicable, in accordance with your directions and on any ballot that may be called for. If you do not specify how to vote on a particular matter, your proxyholder is entitled to vote as he or she sees fit. In the absence of directions

in a form of proxy, proxies received by management will be voted FOR all resolutions or matters put before unitholders at the Meeting. See “Business of the Meeting” for further information.

**Q: What if amendments are made to these matters or if other matters are brought before the Meeting?**

A: The persons named on a form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.

As of the date of this Circular, management of Dream Office REIT knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named on the form of proxy will vote on them in accordance with their best judgment.

**Q: What is quorum for the Meeting?**

A Pursuant to the Declaration of Trust of Dream Office REIT, the quorum necessary for any meeting of unitholders is two or more individuals present being unitholders or representing unitholders by proxy who hold in the aggregate not less than 10% of the votes attached to all outstanding REIT Units.

**Q: How many votes are required to pass?**

A: All matters that are scheduled to be voted upon at the Meeting are passed by simple majority, meaning that if more than half of the votes that are cast are in favour, then the resolution passes.

**Q: Who counts the votes?**

A: Dream Office REIT’s Transfer Agent, Computershare Trust Company of Canada, counts and tabulates the proxies.

**Q: If I need to contact the Transfer Agent, how do I reach them?**

A: For general unitholder enquiries, you can contact Dream Office REIT’s Transfer Agent, Computershare Trust Company of Canada, by mail at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or by telephone, toll-free in North America at 1-800-564-6253 or outside North America at (514) 982-7555, or by fax at (416) 263-9394 or 1-888-453-0330, or by email at [service@computershare.com](mailto:service@computershare.com), or on its website at [www.computershare.com](http://www.computershare.com).

**Q: How can I request electronic delivery of Meeting Materials?**

A: Registered Unitholders can opt for electronic distribution of Meeting Materials. To do so, register online by visiting the Transfer Agent’s website at [www.computershare.com/investor](http://www.computershare.com/investor) and completing the requested information in order to receive Meeting Materials electronically in the future.

### Principal Holders of Voting Securities

To the knowledge of Dream Office REIT and the executive officers of Dream Office REIT, the only persons or companies that beneficially own, or control or direct, directly or indirectly, voting securities of Dream Office REIT carrying 10% or more of the voting rights attached to any class of outstanding voting securities of Dream Office REIT as at March 23, 2018 are the following:

Name and Municipality of Residence	Number and Class of REIT Units	Percentage of Outstanding Class
<b>Michael J. Cooper</b> <sup>(1)</sup> Toronto, Ontario, Canada	<ul style="list-style-type: none"><li>• 5,233,823 Special Trust Units</li><li>• 10,237,132 REIT A Units</li></ul>	<ul style="list-style-type: none"><li>• 100% of the Special Trust Units</li><li>• 14.6% of the REIT A Units</li></ul>

---

#### Notes:

- <sup>(1)</sup> The REIT Units beneficially owned by Mr. Cooper are held directly and indirectly by Sweet Dream Corp., a private corporation controlled by Mr. Cooper, and DAM and its subsidiaries including Dream Alternatives Master LP, the principal operating entity of Dream Hard Asset Alternatives Trust, which Mr. Cooper controls through his approximately 80% voting interest in Dream.

Management understands that the REIT Units registered in the name of “CDS & CO.” are beneficially owned through various dealers and other intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such REIT Units are not known to Dream Office REIT.

# BUSINESS OF THE MEETING

## Purpose of the Meeting

We will address three items at the Meeting:

1. receiving the consolidated financial statements of Dream Office REIT for the fiscal year ended December 31, 2017, including the auditor's report;
2. electing Trustees who will serve until the end of the next annual meeting of unitholders; and
3. appointing the auditor that will serve until the end of the next annual meeting of unitholders and authorizing the Trustees to set the auditor's remuneration.

We will also consider other business that may properly come before the Meeting. As of the date of this Circular, management of Dream Office REIT is not aware of any changes to these items and does not expect any other items to be brought forward at the Meeting. If there are changes or new items, you or your proxyholder can vote your REIT Units on these items as you, he or she sees fit.

## Receiving the Consolidated Financial Statements

Our audited comparative consolidated financial statements and our 2017 MD&A are included in our 2017 Annual Report, which is available through SEDAR at [www.sedar.com](http://www.sedar.com) and our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca). The 2017 Annual Report will be placed before the unitholders at the Meeting. You may also obtain a copy upon request to the Secretary of Dream Office REIT at 30 Adelaide Street East, Suite 301, Toronto, Ontario M5C 3H1 (telephone: 416-365-3535 or email: [officeinfo@dream.ca](mailto:officeinfo@dream.ca)).

## Election of Trustees

Highlights of the Board of Trustees:

- Highly experienced Board of Trustees, with expertise in all key areas of Dream Office REIT's activities
- 5 of 7 trustee nominees are independent
- Individual and majority voting policy
- None of the Trustees serve on an excessive number of other public boards
- Diverse nature of experience and industries

The Declaration of Trust provides for the Board of Trustees to consist of a minimum of five and a maximum of 12 trustees and requires that a majority of Trustees be resident Canadians. The Board of Trustees currently has seven Trustees and it is proposed that seven Trustees be elected at the Meeting. Joanne Ferstman, who is currently a Trustee, will not be standing for re-election as a Trustee in 2018. Johann Koss stepped down from the Board on November 3, 2017.

The Board of Trustees has adopted a policy that entitles each unitholder to vote for each Trustee nominee on an individual basis.

The Board of Trustees has also adopted a policy stipulating that, if the total number of votes cast in favour of the election of a Trustee nominee at a unitholders' meeting represents less than a majority of the total votes for and withheld for that Trustee, the nominee will submit his or her resignation immediately after the Meeting for the Board's consideration. The Board will have 90 days to consider accepting or rejecting the resignation. The Board, however, will accept the resignation absent exceptional circumstances. The Board's decision to accept or reject the resignation offer will be disclosed to the public. The policy does not apply in circumstances involving contested Trustee elections.

Unless a unitholder directs that his or her REIT Units are to be withheld from voting in the election of one or more Trustees, the persons named in the form(s) of proxy intend to cast the votes to which the REIT Units represented by such proxy are entitled in favour of the election of the proposed nominees whose names are set forth below.

We believe that all of the proposed nominees will be able to serve as Trustees but if a proposed nominee is unable to serve as a Trustee for any reason prior to the Meeting, the persons named in the form(s) of proxy may vote for the election of another proposed nominee in their discretion. Each Trustee will hold office until the next annual meeting of unitholders or until a successor is elected.

#### **Nominees to be Elected by Unitholders**

The following tables and notes thereto set out certain information as at March 26, 2018 (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as Trustees.

 <p>Detlef Bierbaum</p> <p>Residency: Köln, Germany</p> <p>Trustee Since: June 30, 2003</p> <p><i>Independent</i></p>	<p>Mr. Detlef Bierbaum is a corporate director with extensive experience in the banking and financial services industry. Prior to his retirement in March 2010, Mr. Bierbaum was a Member of the Supervisory Board with Bankhaus Sal. Oppenheim jr. &amp; Cie and from 1991 to 2008, he held the position of Managing Partner with responsibility for asset management. In addition, from 2002 to 2008, he was also responsible for investment banking of Bankhaus Sal Oppenheim jr. &amp; Cie. Prior to 1991, he was the Chief Financial Officer of the Nordstern Insurance Companies based in Cologne. He is a member of the Board of Directors of a number of companies in the asset management and banking sectors based in Germany, England, Luxembourg and the U.S. Mr. Bierbaum is a graduate of the Universities of Cologne and Munich where he studied commercial banking and business administration.</p>						
	<b>Key Areas of Expertise/Experience</b>						
	<ul style="list-style-type: none"> <li>• Strategic Insight/Leading Growth</li> <li>• Real Estate</li> <li>• Board and Governance</li> <li>• Financially Literate</li> <li>• Corporate Finance and Capital Markets</li> <li>• Business Leadership</li> <li>• Human Resource Management</li> <li>• Community Involvement</li> </ul>						
	<b>Other Public Company Directorships</b>						
	<ul style="list-style-type: none"> <li>• Dream Global REIT</li> </ul>						
	<b>Board/Committee Membership</b>				<b>Attendance</b>		
	Board of Trustees				7 of 9	78%	
	Investment Committee				N/A	N/A	
	Audit Committee				4 of 4	100%	
	<b>Equity Ownership</b>						
					Minimum Ownership		
	Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	59,988	13,017	\$1,617,791	3 x Retainer	\$307,590	Yes – over 100% of 5 year target	
<b>Voting Results of 2017 Annual Meeting of Unitholders</b>							
<ul style="list-style-type: none"> <li>• <b>Votes For:</b> 96.95%</li> <li>• <b>Votes Withheld:</b> 3.05%</li> </ul>							



Donald Charter

Residency: Toronto,  
Ontario, Canada

Trustee Since:  
June 30, 2003

*Independent*

Mr. Charter is the Independent Lead Trustee of the Trust. He is currently the Chair of the Board of IAMGOLD Corporation and is a director of Lundin Mining Corporation and International Petroleum Corporation. Mr. Charter is an executive with experience in a number of sectors including mining (precious metals, base metals, iron ore, coal), oil & gas, real estate and financial services. He was the President, Chief Executive Officer and a Director of Corsa Coal Corp. from August 2010 to August 2013. Corsa is a metallurgical coal mining company listed on the TSX.V with operations in Pennsylvania. He is a graduate of McGill University where he obtained degrees in Economics and Law. He began his career in Toronto where he built a successful commercial and M&A business law practice becoming a partner in a national law firm. On leaving the practice of law, he became a senior executive with various capital markets related responsibilities. He became the inaugural Chairman and Chief Executive Officer of a financial services group of companies and oversaw its growth from a start up to a major independent financial services company. In 2006, Mr. Charter left this position and focused his attention on his personal consulting and investment company and his numerous directorships. He has extensive corporate governance experience and has sat on and chaired several audit, compensation and governance committees as well several special, independent and strategic committees in various corporate situations. In addition to his public company directorships, he is the Chair of a privately held Toronto based merger arbitrage hedge fund group and sits on the World Gold Council board. Mr. Charter has completed the Institute of Corporate Directors, Directors Education Program.

**Key Areas of Expertise/Experience**

- Business/Executive Leadership
- Real Estate
- Diverse Perspective
- Strategic Insight/Leading Growth
- Financially Literate
- Board and Governance
- Legal
- Environment, Health and Safety
- Human Resource Management
- Corporate Finance and Capital Markets

**Other Public Company Directorships**

- IAMGOLD Corporation
- Lundin Mining Corporation
- International Petroleum Corporation

**Board/Committee Membership**

**Attendance**

Board of Trustees	9 of 9	100%
Governance and Nominating Committee	4 of 4	100%
Compensation, Health and Environmental Committee (Chair)	3 of 3	100%

**Equity Ownership**

				Minimum Ownership		
Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	29,857	52,403	\$1,822,882	3 x Retainer	\$307,590	Yes – over 100% of 5 year target

**Voting Results of 2017 Annual Meeting of Unitholders**

- **Votes For:** 95.74%
- **Votes Withheld:** 4.26%



Michael J. Cooper

Residency: Toronto, Ontario, Canada

Trustee Since: June 30, 2003

*Non-Independent*

Mr. Michael J. Cooper is the Chair and Chief Executive Officer of Dream Office REIT. He is also the President and Chief Responsible Officer of Dream and founder of DAM. He has an extensive track record in the real estate industry dating back to 1986. He helped found DAM in 1996 and continues to lead the business as President and Chief Responsible Officer. Under his leadership, the business has grown to approximately \$14 billion of commercial real estate, residential development and renewable energy infrastructure assets under management. Among his accomplishments, Mr. Cooper is responsible for the formation of three TSX-listed REITs: Dream Office REIT, Dream Global REIT, and Dream Industrial REIT. Mr. Cooper is also responsible for the formation of Dream Hard Asset Alternatives Trust, a TSX-listed trust providing an opportunity for unitholders to invest in diversified hard asset alternative investments. He earned a Bachelor of Laws degree from the University of Western Ontario and a Master of Business Administration from York University. Mr. Cooper currently sits on the board of directors of Dream, Dream Alternatives Master GP, Dream Office REIT, Dream Global REIT, Dream Industrial REIT, and E-L Financial Corporation Limited.

**Key Areas of Expertise/Experience**

- Strategic Insight/Leading Growth
- Real Estate
- Corporate Finance and Capital Markets
- Financially Literate
- Business/Executive Leadership
- Board and Governance
- Human Resource Management
- Legal
- Community Involvement

**Other Public Company Directorships**

- E-L Financial Corporation Limited
- Dream and the other Dream REITs

**Board/Committee Membership**

**Attendance**

Board of Trustees (Chair)	9 of 9	100%
Investment Committee (Chair)	N/A	N/A

**Equity Ownership**

				Minimum Ownership		
Year	REIT Units	Deferred Units	Total Amount <sup>(2)</sup>	Over 3 years <sup>(3)(4)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	14,748,747 <sup>(2)</sup>	277,576	\$332,983,318	3 x Retainer	\$1,081,080	Yes - over 100% of 5 year target

**Voting Results of 2017 Annual Meeting of Unitholders**

- **Votes For:** 90.29%
- **Votes Withheld:** 9.71%



P. Jane Gavan

Residency: Toronto, Ontario, Canada

Trustee Since: N/A

*Non-Independent*

Ms. P. Jane Gavan is the President, Asset Management of Dream and has more than 29 years of experience in the real estate industry. Ms. Gavan is responsible for international real estate investments and serves as Chief Executive Officer of Dream Global REIT, a Canadian REIT that invests in commercial real estate assets exclusively outside of Canada. Ms. Gavan previously served as Chief Executive Officer of Dream Office REIT. Since joining Dream in 1998, Ms. Gavan has played a key role in numerous transactions including the acquisition of Lehndorff Properties, the 2003 business restructuring that resulted in the creation of Dream Office REIT, Dream Office REIT's \$2.3 billion portfolio sale to GE Real Estate, and the initial public offering of Dream Global REIT. Prior to joining Dream, Ms. Gavan served as legal counsel for numerous companies including Oxford Properties Group, and Denison Mines Corp., and began her career in private law practice with Blake, Cassels & Graydon LLP, specializing in real estate and corporate finance. She earned an Honours Bachelor of Commerce degree from Carleton University and a Bachelor of Laws degree from Osgoode Hall, York University. Ms. Gavan currently sits on the board of directors of Dream, Dream Global REIT, and the Women's College Hospital Foundation, and is on the Patron's Council for Community Living Toronto.

**Key Areas of Expertise/Experience**

- Strategic Insight/Leading Growth
- Real Estate
- Board and Governance
- Corporate Finance and Capital Markets
- Legal
- Business Leadership
- Human Resource Management
- Financially Literate
- Diverse Perspective
- Community Involvement

**Other Public Company Directorships**

- Dream Global REIT
- Dream Unlimited Corp.

**Board/Committee Membership**

Board of Trustees

**Attendance**

N/A

N/A

**Equity Ownership**

				Minimum Ownership		
Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	38,036	65,018	\$2,283,677	3 x Retainer	N/A	N/A

**Voting Results of 2017 Annual Meeting of Unitholders**

- **Votes For:** N/A
- **Votes Withheld:** N/A



Robert Goodall

Residency: Toronto, Ontario, Canada

Trustee Since: June 30, 2003

*Independent*

Mr. Robert Goodall is the President and founder of Canadian Mortgage Capital Corporation (“CMCC”), a major mortgage brokerage company with well-established lending and mortgage servicing operations. CMCC’s head office is in downtown Toronto, and the company has branch offices in Calgary and Vancouver. Mr. Goodall is also CEO of Atrium Mortgage Investment Corporation, a major non-bank lender, which has assets of approximately \$630 million and is publicly traded on the TSX under the symbol ‘AI’. For the fifteen year period from 1996 to 2011, CMCC arranged financing on over \$6 billion of real estate in Ontario. From 1997-1999, CMCC also had the exclusive mandate to originate mortgages, and manage the existing mortgage portfolio of a Toronto based trust company. Prior to founding CMCC, Mr. Goodall spent seven years with Royal Trust, where the last three years were served as National Managing Director of the Real Estate Finance Group overseeing a portfolio of \$1.4 billion in commercial and multi-residential real estate loans. The Real Estate Finance Group had offices in Toronto, Montreal and western Canada. Mr. Goodall is a trustee of Dream Office REIT and director of a registered charity, Jump Math. Mr. Goodall has an HBA from the Ivey Business School, and an MBA from the Schulich School of Business.

**Key Areas of Expertise/Experience**

- Strategic Insight/Leading Growth
- Real Estate
- Board and Governance
- Financially Literate
- Corporate Finance and Capital Markets
- Business Leadership
- Human Resource Management
- Diverse Perspective

**Other Public Company Directorships**

- Atrium Mortgage Investment Corporation

**Board/Committee Membership**

**Attendance**

Board of Trustees	9 of 9	100%
Compensation, Health and Environmental Committee	3 of 3	100%
Governance and Nominating Committee <sup>(5)</sup>	N/A	N/A

**Equity Ownership**

				Minimum Ownership		
Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	26,857	60,364	\$1,932,817	3 x Retainer	\$307,590	Yes – over 100% of 5 year target

**Voting Results of 2017 Annual Meeting of Unitholders**

- **Votes For:** 96.57%
- **Votes Withheld:** 3.43%



The Hon. Dr. Kellie Leitch

Residency: Creemore, Ontario, Canada

Trustee Since: March 21, 2016

*Independent*

The Hon. Dr. Kellie Leitch is currently the Member of Parliament for Simcoe-Grey and served as the Minister of Labour and Minister of Status of Women of the Government of Canada from 2013-2015, serving on several Cabinet committees. Dr. Leitch is a pediatric orthopaedic surgeon and an associate professor of surgery in the Faculty of Medicine at the University of Toronto, Department of Surgery. She is the past Chair of the Ivey Centre for Health Innovation and Leadership. Dr. Leitch earned her Doctorate of Medicine from the University of Toronto in 1994, her MBA from Dalhousie University in 1998 and completed her Orthopaedic Surgery Residency at University of Toronto in 2001 and her Fellowship at Children’s Hospital of Los Angeles/University of Southern California in 2002. Dr. Leitch has served on the National Research Council of Canada, Genome Canada, the YMCA (GTA), CANFAR and is the founder of The Sandbox Project, a national organization with a mandate to bring together leading researchers, governments, charities, and industry to improve child and youth health in Canada. Dr. Leitch was selected as one of Canada’s Top 40 Under 40 for her work in both medicine and business in 2005 and in 2010, Dr. Leitch received the Order of Ontario for her work advocating for children.

**Key Areas of Expertise/Experience**

- Business Leadership
- Health and Innovation
- Board and Governance
- Human Resource Management
- Government
- Financially Literate
- Strategic Insight/Leading Growth
- Community Involvement
- Diverse Perspective

**Other Public Company Directorships**

None

**Board/Committee Membership**

**Attendance**

Board of Trustees	9 of 9	100%
Governance and Nominating Committee (Chair)	4 of 4	100%

**Equity Ownership**

				Minimum Ownership		
Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements
As at December 31, 2017	Nil	12,122	\$268,624	3 x Retainer	\$307,590	On track – over 80% of 5 year target

**Voting Results of 2017 Annual Meeting of Unitholders**

- **Votes For:** 98.29%
- **Votes Withheld:** 1.71%

 <p>Karine MacIndoe</p> <p>Residency: Toronto, Ontario, Canada</p> <p>Trustee Since: May 7, 2015</p> <p><i>Independent</i></p>	<p>Ms. Karine MacIndoe is a Corporate Director/Trustee with over 20 years of professional experience, having most recently spent over ten years at BMO Capital Markets as a Managing Director and Senior Equity Research Analyst covering Real Estate/REITs. During her tenure at BMO she was consistently ranked as an all-star (top three) analyst in the Brendan Wood Canadian Equity Research Survey. Prior work experience also includes M&amp;A Advisory at NM Rothschild &amp; Sons, and management of sales planning at Canadian Airlines International. Ms. MacIndoe is also on the board and audit and compensation committee of Killam Apartment REIT, and has an MBA (Ivey Scholar) from the Richard Ivey School of Business with a Bachelor of Commerce (Honor Society) from the University of Calgary.</p>						
	<b>Key Areas of Expertise/Experience</b>						
	<ul style="list-style-type: none"> <li>• Real Estate</li> <li>• Financially Literate</li> <li>• Corporate Finance and Capital Markets</li> <li>• Business Leadership</li> <li>• Board and Governance</li> <li>• Strategic Insight/Leading Growth</li> <li>• Diverse Perspective</li> </ul>						
	<b>Other Public Company Directorships</b>						
	<ul style="list-style-type: none"> <li>• Killam Apartment REIT</li> </ul>						
	<b>Board/Committee Membership</b>				<b>Attendance</b>		
	Board of Trustees				9 of 9	100%	
	Audit Committee				4 of 4	100%	
	Compensation, Health and Environmental Committee				2 of 3	67%	
	<b>Equity Ownership</b>						
				Minimum Ownership			
Year	REIT Units	Deferred Units	Total Amount <sup>(1)</sup>	Over 5 years <sup>(2)</sup>	Target as at December 31, 2017	Meets Requirements	
As at December 31, 2017	6,800	18,606	\$562,997	3 x Retainer	\$307,590	Yes – over 100% of 5 year target	
<b>Voting Results of 2017 Annual Meeting of Unitholders</b>							
<ul style="list-style-type: none"> <li>• <b>Votes For:</b> 99.46%</li> <li>• <b>Votes Withheld:</b> 0.54%</li> </ul>							

**Notes:**

- <sup>(1)</sup> The Total Amount with regard to REIT Units and Deferred Units is determined by multiplying the number of REIT Units and Deferred Units held by each nominee as at December 31, 2017, by the closing price of the REIT A Units on the TSX on December 29, 2017 of \$22.16 per REIT A Unit.
- <sup>(2)</sup> Under our Unit Ownership Policy, Independent Trustees are required to own REIT Units or Deferred Units with an aggregate value of at least three times the amount of their annual retainer (calculated including equity grants) over a five-year period. See “Trustee Unit Ownership Guidelines”.
- <sup>(3)</sup> The REIT Units beneficially owned by Mr. Cooper are held directly and indirectly by Sweet Dream Corp., a private corporation controlled by Mr. Cooper, and DAM and its subsidiaries including Dream Alternatives Master LP, the principal operating entity of Dream Hard Asset Alternatives Trust, which Mr. Cooper controls through his approximately 80% voting interest in Dream.
- <sup>(4)</sup> Under our equity ownership guidelines, our President and CEO is required to own Units or Deferred Trust Units with an aggregate value of at least three times the amount of his/her base salary (calculated including equity grants) by the third anniversary of his appointment. See “Executive Compensation – Equity Ownership Guidelines”.
- <sup>(5)</sup> Mr. Goodall was appointed to the Governance and Nominating Committee on February 22, 2018.

## Appointment Of Auditor

The auditor of Dream Office REIT is PricewaterhouseCoopers LLP, located in Toronto, Ontario. PricewaterhouseCoopers LLP was initially appointed as the auditor of Dream Office REIT on June 23, 2003. Unitholders are being asked to approve the appointment of PricewaterhouseCoopers LLP as the auditor of Dream Office REIT and Dream Office REIT's subsidiaries for the ensuing year and to authorize the Trustees to fix the remuneration of the auditor.

## Auditor's Fees

The aggregate fees billed by PricewaterhouseCoopers LLP, our external auditor, or fees accrued by Dream Office REIT in 2017 and 2016 for professional services are presented below:

	Year ended December 31, 2017	Year ended December 31, 2016
<b>Audit fees<sup>(1)</sup></b>		
Audit of consolidated financial statements	\$402,900	\$448,700
Review of interim consolidated financial statements	97,500	131,200
<b>Audit-related fees<sup>(2)</sup></b>		
Audit and review of Dream Office REIT's subsidiaries	278,450	368,660
Acquisition and disposition-related fees	94,000	135,000
Prospectus related fees	-	-
<b>Tax fees<sup>(3)</sup></b>		
Tax fees (advisory and compliance)	141,750	68,260
<b>All other fees<sup>(4)</sup></b>	-	-
<b>Total</b>	<b>\$1,014,600</b>	<b>\$1,151,820</b>

### Notes:

- (1) "Audit fees" are aggregate fees relating to the audit and review of our consolidated financial statements.
- (2) "Audit-related fees" are aggregate fees billed by Dream Office REIT's external auditor in 2017 and 2016 for assurance and related services that are reasonably related to the performance of the audit or review of Dream Office REIT's financial statements and are not reported under "Audit Fees" in the table above.
- (3) "Tax fees" include the aggregate fees paid to the external auditor for tax compliance, tax advice, tax planning and advisory services.
- (4) "All other fees" are aggregate fees billed in 2017 and 2016 for products and services provided by Dream Office REIT's external auditor, other than the services reported under "Audit fees", "Audit-related fees" and "Tax fees" in the table above.

# STATEMENT OF CORPORATE GOVERNANCE PRACTICES

## Highlights of Corporate Governance Practices:

- Internalized Management Team
- Independent Board with a majority of Independent Trustees, Independent Lead Trustee and entirely independent Audit Committee, Governance and Nominating Committee, and Compensation, Health and Environmental Committee
- Trustees elected individually (rather than slate voting)
- Majority voting policy for election of Trustees
- Written position descriptions for each of the Chair, Chief Executive Officer and Independent Lead Trustee
- Equity ownership guidelines for all Independent Trustees
- An anti-hedging policy for all Independent Trustees and executive officers
- Equity ownership guidelines for Chief Executive Officer and Chief Financial Officer and clawback policy for executive officers
- Code of Conduct
- Charter of Trustee Expectations
- Diversity Policy
- Target of at least 30% women Trustees – 43% women Trustees currently and proposed for nomination (3 out of the 7 current Trustees and 3 out of 7 trustee nominees)
- Strong Board engagement, with 97% attendance
- Robust Board review process

## Overview

Corporate governance of Dream Office REIT relates to the activities of the Trustees who are elected by and are accountable to the unitholders, and takes into account the role of Dream Office REIT's executive officers who are appointed by the Board and who are charged with the ongoing management of Dream Office REIT. The Board believes that sound governance practices are essential to achieve the best long-term interests of Dream Office REIT and its unitholders. The Board encourages prudent corporate governance practices designed to promote the long-term well-being and ongoing development of Dream Office REIT, having always as its ultimate objective the best interests of Dream Office REIT.

Dream Office REIT's corporate governance practices are reviewed regularly to ensure that they are appropriate and in keeping with current best practices. The Governance and Nominating Committee regularly reviews existing Board policies, the mandate of the Board, committee charters and current pronouncements on recommended "best practices" for corporate governance.

The Board is of the view that Dream Office REIT's corporate governance policies and practices, as outlined below, are comprehensive and consistent with the guidelines for corporate governance adopted by Canadian securities administrators and the TSX and many "best practices" published by institutional investor groups.

## Board of Trustees

### Mandate of the Board

The Board of Trustees oversees the management of Dream Office REIT's affairs directly and through existing standing committees. The responsibilities of the Board and each committee are set out in written mandates or charters, which are reviewed and approved annually. The mandate of the Board is set out in full in Appendix B of this Circular. The committee charters as well as the mandate of the Board are also posted on Dream Office REIT's website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

In fulfilling its mandate, the Board is, among other things, responsible for the following:

- overseeing Dream Office REIT's overall long-term strategic-planning process and reviewing and approving its annual business plan;
- assessing the principal risks of Dream Office REIT's businesses and reviewing, approving and monitoring the systems in place to manage these risks;
- reviewing major strategic initiatives to determine whether management's proposed actions accord with long-term goals of Dream Office REIT;
- overseeing Dream Office REIT's matters relating to senior management and succession planning;
- assessing performance against approved business plans and goals;
- reviewing and approving the reports issued to unitholders, including annual and interim financial statements;
- promoting effective corporate governance; and
- safeguarding unitholders' equity interests through the optimum utilization of Dream Office REIT's capital resources, including through approving issuances of debt and equity securities and setting an appropriate distribution policy.

### Meetings of the Board

The Board meets at least once in each quarter, with additional meetings held to consider specific items of business or as otherwise deemed necessary. The Board also meets annually to review Dream Office REIT's annual business plan and long-term strategy. In 2017, there were six regularly scheduled meetings and three additional Board meetings to review and approve specific strategic initiatives. Meeting frequency and agenda items may change depending on the opportunities or risks faced by Dream Office REIT.

### **Independent Lead Trustee and Trustee Meetings without Management**

The current Chair of the Board is also the Chief Executive Officer of Dream Office REIT and the Chief Responsible Officer of DAM, which provides management services to Dream Office REIT, and is therefore not an Independent Trustee. However, Dream Office REIT has taken steps to ensure that adequate processes and structures are in place to permit the Board to function independently of management of Dream Office REIT. In order to ensure that the Board successfully carries out its duties and responsibilities and to provide leadership for Independent Trustees, the Board has appointed Donald Charter as the Independent Lead Trustee (the “**Independent Lead Trustee**”), who will, as required from time to time, chair meetings of Independent Trustees and assume other responsibilities. Independent Trustees hold meetings whenever an issue arises which requires consideration by Independent Trustees. The Chair of each of the Audit Committee, the Governance and Nominating Committee and the Compensation Committee is an Independent Trustee.

In addition, private sessions of the Independent Trustees without management of Dream Office REIT present are held after all Board meetings, chaired by the Independent Lead Trustee, who reports back to the Chair and Chief Executive Officer on any matters requiring action by management of Dream Office REIT. There were nine such meetings in 2017. Private sessions of the committees without Dream Office REIT management present are also held after all committee meetings, chaired by the respective committee chair, who reports back to the Board or an executive as appropriate.

### **Majority Voting Policy**

Dream Office REIT has a majority voting policy, requiring that each Trustee nominee receive the support of a majority of the total number of votes cast by the unitholders entitled to elect such Trustee nominee, failing which such Trustee shall submit his or her resignation to the Board for consideration. See “Election of Trustees” for further information on majority voting.

### **Board Diversity Policy**

Dream Office REIT has made a commitment to being a leader in diversity and inclusion at all levels of our organization. For Dream Office REIT, diversity includes gender identity, sexual orientation, disability, age, ethnicity, business experience, functional expertise, stakeholder expectations, culture and geography. The Board has adopted a formal board diversity policy (the “**Diversity Policy**”), that memorializes Dream Office REIT’s belief in diversity and the benefits that diversity can bring to our organization.

Dream Office REIT seeks to maintain a Board comprised of talented and dedicated trustees whose skills and backgrounds reflect the diverse nature of the business environment in which we operate. Accordingly, the composition of the Board is intended to reflect a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women trustees. Board diversity promotes the inclusion of different perspectives and ideas, and ensures that Dream Office REIT has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense, helps maintain a competitive advantage and makes for better corporate governance.

Dream Office REIT periodically assesses the skills, experience, knowledge and backgrounds of our Trustees in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women Trustees. Under the Diversity Policy, we have targeted a Board composition in which women comprise at least 30% of the Trustees. Currently, we have exceeded this target with three of the current 7 Trustees, comprising 43% of our Trustees, being women.

The Board is committed to the advancement of women both on the Board and within the organization and oversees Dream Office REIT’s commitment to being a leader in diversity and inclusion at all levels of the organization. Under the Diversity Policy, when identifying suitable candidates for appointment to the Board, Dream Office REIT considers candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board. Any search firm engaged to assist the Board or the Governance and Nominating Committee in identifying candidates for appointment to the Board will be directed to include women candidates and women candidates will be identified from time to time by the Governance and Nominating Committee when considering potential Board nominees. In

addition, the Board periodically reviews with the Chief Executive Officer the succession plans relating to the position of the Chief Executive Officer and other senior positions to ensure that qualified personnel, reflecting a diverse population, will be available for succession to senior management positions.

Although Dream Office REIT has not adopted a formal target for women in executive positions, diversity, and the representation of women in particular, plays a key role in our recruitment and succession planning processes. Dream Office REIT has made a commitment to being a leader in diversity and inclusion at all levels of our organizations. When identifying suitable candidates for executive positions, Dream Office REIT and DAM consider candidates based on ability and merit measured against objective criteria having due regard to the benefits of diversity and the needs of our organization. We endeavour to ensure that the candidate pool for any executive positions that become available in the organization will include women and will reflect our commitment to diversity. In 2017, one of the two Named Executive Officers at Dream Office REIT was a woman, representing 50% of our Named Executive Officers.

The Board reviews and assesses the effectiveness of the Diversity Policy regularly. Dream Office REIT has been very successful in integrating the values and objectives underlying the policy into our culture, as evidenced by the representation of women on our senior management team and our Board.

### Independent Trustees

The Board has a policy that at least a majority of its Trustees should be “independent” trustees within the meaning of such term in NI 58-101 in order to ensure that the Board’s interests are closely aligned with the interests of its unitholders. Similarly the Declaration of Trust also requires that committees, other than the Investment Committee, be composed of a majority of “Independent Trustees”. The following table describes the independence status of the Trustee nominees standing for election at the Meeting:

Trustees	Independent	Management / Non-Independent	Reason for Management Status
Detlef Bierbaum	x		
Donald Charter	x		
Michael Cooper		x	Michael Cooper is the CEO of Dream Office REIT and the Chief Responsible Officer of DAM, which provides management services to Dream Office REIT
P. Jane Gavan		x	Jane Gavan is the former CEO of Dream Office REIT and is currently President, Asset Management of DAM, which provides management services to Dream Office REIT
Robert Goodall	x		
The Hon. Dr. Kellie Leitch	x		
Karine MacIndoe	x		

Dream Office REIT surveys its Trustees annually to obtain information necessary to make a determination regarding their independence. Following a review of this information, the Governance and Nominating Committee recommends to the Board a specific determination regarding the Trustees considered to be independent. The Board considers that five of the seven Trustee nominees standing for election at the Meeting, comprising 71% of the Board, are independent within the meaning of such term in NI 58-101 and the Declaration of Trust.

The other Trustee nominees, Michael Cooper and Jane Gavan, are considered to be management Trustees as: (i) Mr. Cooper is the Chief Executive Officer of Dream Office REIT and the Chief Responsible Officer of DAM, which provides management services to Dream Office REIT; and (ii) Ms. Gavan is the former Chief Executive Officer of

Dream Office REIT and is the President, Asset Management of DAM, which provides management services to Dream Office REIT.

Information on each of the seven proposed nominees for election at the Meeting is set out under “Nominees to be Elected by Unitholders”.

### **Areas of Interlocking Trusteeships and Other Public Company Boards**

Board interlocks exist when two directors or trustees of one company sit on the board of another company. Committee interlocks exist when two trustees sit together on another board and are also members of the same board committee.

Dream Office REIT has a formal procedure in place regarding interlocking trusteeships. The Governance and Nominating Committee conducts an annual evaluation of Trustee independence, which includes identifying and evaluating interlocking board and committee memberships among all Trustees, to ensure that there are no circumstances which would impact a Trustee’s ability to exercise independent judgment and that each Trustee has enough time to fulfill his or her commitments to Dream Office REIT. The Governance and Nominating Committee determined that no interlocking board or committee membership existed that could be expected to impact the ability of interlocking Trustees to act independently from each other and to act in the Dream Office REIT’s best interests.

As of March 26, 2018, no public board interlocks existed other than interlocks in respect of the Dream Entities. In respect of the Dream Entities, Michael Cooper and P. Jane Gavan are on the board of directors of Dream and serve on its leaders and mentors committee; and Detlef Bierbaum, Michael Cooper and P. Jane Gavan are on the board of trustees of Dream Global REIT and serve on its executive committee. The Board has determined that the participation of these Trustees on the boards of other Dream Entities does not impair the exercise of independent judgment by these Board members.

As part of the annual evaluation process, the Governance and Nominating Committee also reviews outside public company directorships held by our Trustees to ensure that each Trustee is able to devote the time, effort and energy necessary to serve effectively as a trustee of Dream Office REIT, while also recognizing the valuable experience that may be gained from sitting on other boards. The Governance and Nominating Committee determined that the outside public company directorships held by our Trustees do not adversely impact the ability of our Trustees to devote sufficient time and energy to Dream Office REIT in order to be effective representatives of unitholders’ interests.

### **Trustee Orientation and Education**

The Governance and Nominating Committee is responsible for the oversight of new trustee orientation and continuing trustee education.

### **New Trustee Orientation**

The Governance and Nominating Committee has adopted a “New Trustee Orientation” program developed to ensure that new Trustees elected to the Board have a general understanding of both the activities of Dream Office REIT and the roles and responsibilities of the Board and its committees.

The program is divided into two stages:

1. **Period prior to election to the Board:** Trustee candidates, prior to being presented for election to the Board, are interviewed by the Chair of the Board, the Chair of the Governance and Nominating Committee and the Chief Executive Officer. During the interview, the Chief Executive Officer, the Chair of the Governance and Nominating Committee and the Chair of the Board describe the organization of the Board and its committees and their functions. At this meeting, Trustee candidates are given an opportunity to ask questions on the role of the Board and its committees. Subsequent to being nominated to the Board, new Trustee nominees are encouraged to sit in on the Board and the relevant committee meetings to gain an understanding of the materials presented and discussed. This provides new Trustee nominees with insights into the role and dynamics of the Board, committees and the Trustees.
2. **Period following election to the Board:** Once elected to the Board, management of Dream Office REIT supplies new Trustees with a “Trustee Orientation Binder” to provide a comprehensive understanding of both the underlying principles governing Dream Office REIT’s activities as well as the role of the Board and its

committees. The binder includes documents such as Dream Office REIT's most recent annual information form, Declaration of Trust, most recent management information circular, mandate of the Board, committee charters, position descriptions, the Code of Conduct and the Disclosure Policy.

Management provides new Trustees with industry research reports on Dream Office REIT for the recent quarter and year-end. These reports provide new Trustees with an understanding of Dream Office REIT's market position from the perspective of public company analysts.

Prior to attending his or her first Board meeting, each new Trustee attends an orientation meeting with Dream Office REIT's Chief Executive Officer and/or Chief Financial Officer as well as the Legal Counsel. The Chief Executive Officer and/or Chief Financial Officer provide an overview of Dream Office REIT's strategy, assets, and financial performance. The Legal Counsel provides an overview of the various policies governing Dream Office REIT and reviews the trustees' and officers' liability insurance, organizational charts and committee work plans. This meeting provides new Trustees with an opportunity to ask any questions they may have on the nature and operations of Dream Office REIT's activities.

Management provides new Trustees with copies of minutes of each of the previous four Board meetings and minutes from the most recent meetings of the committee(s) of which they are a member. New Trustees are also given an opportunity, outside of Board and committee meetings, to better acquaint themselves with other Trustees on an informal basis.

### **Continuing Trustee Education**

The following activities are performed by Dream Office REIT to ensure that Trustees maintain the knowledge necessary to meet their obligations as a Trustee:

#### **Regular Briefings**

1. At each quarterly Board meeting, the Chief Executive Officer makes a presentation to the Board providing a comprehensive explanation of Dream Office REIT's financial performance, anticipated future financial results and market trends.
2. To inform and educate the Trustees on the operations of Dream Office REIT, members of Dream Office REIT's management make presentations to the Board on operational strategy and initiatives, including a review of the competitive environment for acquisitions, dispositions and development activity, local market trends, and Dream Office REIT's performance relative to its peers.
3. Each Board and committee has a standing agenda for each regularly scheduled meeting. The agenda includes ongoing education on topics affecting Dream Office REIT including changes to accounting standards, the insurance environment and environmental regulations.
4. Included as standing agenda items of the Governance and Nominating Committee are comprehensive reviews of best practices in governance and current and anticipated trends in governance disclosure, regulatory reporting and requirements. Management provides the Governance and Nominating Committee with a matrix outlining all the filing requirements relevant to Dream Office REIT.
5. On a quarterly basis, management provides Trustees with industry research reports to gain an understanding of how Dream Office REIT is perceived and ranked by public company analysts.

#### **Internal Training**

6. Periodically at Board meetings, management arranges for an industry or related professional to present to the Board on a topic that is relevant to Dream Office REIT.

#### **Industry Events**

7. Dream Office REIT funds the attendance by each Trustee for educational courses, seminars, conferences or in-house training relevant to Dream Office REIT up to \$3,500 (including travel costs) annually.
8. Trustees are provided with links to webcasts or seminars facilitated by industry professionals on various topics relevant to boards.

Dream Office REIT provides regular continuing education for Trustees. Time is set aside at all regularly scheduled Board meetings for presentations on different areas of Dream Office REIT’s activities, led by executives responsible for or familiar with these operations. In addition, presentations on new developments and trends in corporate governance and trustee fiduciary duties are provided as appropriate. Guest speakers have made presentations to the Trustees on various topics from time to time and will continue to do so. Site visits are held periodically to provide an opportunity for Trustees to learn about Dream Office REIT’s major operations. Trustees are encouraged to suggest topics for discussion or special presentations at regularly scheduled Board meetings and the annual Board strategy session. Trustee dinners are held prior to or immediately following certain regularly scheduled Board meetings with senior management present, providing an opportunity for informal discussion and trustee and management presentations on selected topics of interest.

During 2017, the Trustees participated in educational sessions and received educational materials on the topics outlined below.

Date	Educational Session	Audience
February 2017	Presentation on Environmental Compliance and Insurance Coverage by Director of Risk & Insurance	Governance
February 2017	Presentation on land transfer tax matters by SVP Taxation	Audit
February 2017	Update on Internal Controls by VP Accounting, Controls and Compliance	Audit
May 2017	Update on Internal Controls by VP Accounting, Controls and Compliance	Audit
August 2017	Update on Internal Controls by VP Accounting, Controls and Compliance	Audit
August 2017	Update on land transfer tax matters by SVP Taxation	Audit
November 2017	Update on Internal Controls by Ernst & Young	Audit

### **Board Renewal**

Dream Office REIT does not have a mandatory age for the retirement of Trustees and there are no term limits. While age and term limits can be a way to effect change on boards, we believe they are blunt instruments that can have unintended consequences. Dream Office REIT feels that the long-term impact of age and term limits restricts experienced and potentially valuable Board members from service through arbitrary means. Further, Dream Office REIT believes that age limits unfairly imply that older Trustees cannot contribute to oversight of Dream Office REIT. A Trustee’s experience can be valuable to Unitholders because Trustees navigate complex and critical issues when serving on our Board. That being said, Dream Office REIT believes that the composition and renewal of the Board are vital processes that demand rigour and analysis and we have built our Board renewal processes around the concept of performance evaluation and management. With this in mind, Dream Office REIT has implemented a board review process in which the Governance and Nominating Committee reviews the composition of the Board on a regular basis in relation to approved trustee criteria and skill requirements, together with the results of the board evaluation process, and recommends changes as appropriate to renew the Board. Further details on the Board, committee and Trustee evaluation processes are described under the heading “Board, Committee and Trustee Evaluation”.

Dream Office REIT believes that this approach ensures fresh perspectives, ideas and business strategies are brought to the boardroom, while not adversely affecting unitholders’ ability to benefit from the experience of our Trustees based solely on age or term. The Governance and Nominating Committee and the Chair of the Board lead the effort to identify and recruit candidates to join the Board in current and future years, with a focus on board renewal and enhancing the Board’s diversity.

### **Trustee Expectations**

The Board has adopted a Charter of Expectations for Trustees, which sets out Dream Office REIT’s expectations in regard to personal and professional competencies, unit ownership, executive mentoring obligations, meeting attendance, conflicts of interest, changes of circumstance and resignation events. Each Trustee may from time to time

be asked to act as a mentor to one of the senior executives of Dream Office REIT to assist in his or her professional development. Trustees are expected to identify in advance any potential conflict of interest regarding a matter coming before the Board or its committees, bring these to the attention of the Board or committee chair and refrain from voting on such matters. Trustees are also expected to submit their resignations to the Chair of the Board if they become unable to attend at least 75% of the Board's regularly scheduled meetings (unless the Board determines that there were extenuating circumstances respecting the Trustee's absence), or if they become involved in a legal dispute, regulatory or similar proceedings, take on new responsibilities or experience other changes in personal or professional circumstances that could adversely impact Dream Office REIT or their ability to serve as trustee. This Charter of Expectations for Trustees is reviewed annually and a copy is posted on Dream Office REIT's website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca). Further information on trustee unit ownership requirements is set out under "Trustee Unit Ownership Guidelines".

### **Internalization of Management Structure**

On April 2, 2015, we completed a reorganization of our management structure (the "**2015 Reorganization**"), pursuant to which the Board and the management of Dream Office REIT assumed full responsibility for our operations and management, effectively eliminating the external asset management structure. The Board now is responsible for determining all of our executive officers, including our Chief Executive Officer.

### **Committees of the Board**

The Board of Trustees believes that its committees assist in the effective functioning of the Board and help ensure that the views of Independent Trustees are effectively represented.

The Board has four committees:

1. the Audit Committee;
2. the Governance and Nominating Committee;
3. the Compensation, Health and Environmental Committee (the "**Compensation Committee**"); and
4. the Investment Committee.

The responsibilities of these committees are set out in written charters, which are reviewed and approved annually by the relevant committee and the Board of Trustees. The charters of these committees and the position descriptions of each committee chair can be found on Dream Office REIT's website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca). It is the Board's policy that all members of these committees, except members of the Investment Committee, must be independent, as described above. Special committees may be formed from time to time as required to review particular matters or transactions. The Audit Committee, the Governance and Nominating Committee, and the Compensation Committee are comprised solely of Independent Trustees. The Investment Committee is comprised of two Independent Trustees and one non-Independent Trustee. The members of each committee are selected by the Board of Trustees on the recommendation of the Governance and Nominating Committee. While the Board retains overall responsibility for corporate governance matters, the Audit Committee, the Governance and Nominating Committee, the Compensation Committee, and the Investment Committee each have specific responsibilities for certain aspects of corporate governance, in addition to their other responsibilities as described below.

### **Audit Committee**

The Audit Committee is responsible for monitoring Dream Office REIT's systems and procedures for financial reporting and internal controls and the performance of Dream Office REIT's external auditor. It is responsible for reviewing certain public disclosure documents prior to their approval by the full Board and release to the public including, among others, Dream Office REIT's quarterly and annual financial statements and management's discussion and analysis. The Audit Committee is also responsible for recommending to the Board the firm of chartered professional accountants to be nominated for appointment as the external auditor, and for approving the assignment of any non-audit work to be performed by the external auditor. The Audit Committee meets regularly in private session with Dream Office REIT's external auditor and internal controls function, without management present, to discuss and review specific issues as appropriate. The Audit Committee met four times in 2017.

Applicable law and the Declaration of Trust requires the Board to have an Audit Committee consisting of at least three Trustees, each of whom must be independent (as determined under NI 52-110) and “financially literate”. The Audit Committee is comprised of the following three Trustees: Detlef Bierbaum, Joanne Ferstman (Chair) and Karine MacIndoe, each of whom is an Independent Trustee. The Board has determined that each of the members of the Audit Committee is independent and “financially literate” within the meaning of such term in NI 52-110.

For more information about the Audit Committee as required by Part 5 of NI 52-110, see the “Audit Committee” section of our 2017 Annual Information Form which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

### **Governance and Nominating Committee**

The Governance and Nominating Committee is responsible for overseeing and assessing the functioning of the Trust, the Board and the committees of the Board and for developing, recommending, implementing and assessing governance principles and guidelines in respect of the Trust. The Governance and Nominating Committee’s responsibilities also include identifying candidates for Trustees and recommending that the Board select qualified Trustee candidates for election.

#### **Governance**

It is the responsibility of the Governance and Nominating Committee to assess from time to time the size and composition of the Board and its committees, to review the effectiveness of the Board’s operations and its relations with management, to assess the performance of the Board, its committees and individual Trustees, and to review Dream Office REIT’s statement of corporate governance practices.

The Governance and Nominating Committee reviews the performance of the Board, its committees and the contribution of individual Trustees on an annual basis. The Board has adopted a formal procedure for evaluating the performance of the Board, its committees and individual Trustees, consisting of surveys, private interviews by the Chair of the Governance and Nominating Committee with each Trustee, and a report from the Chair of the Governance and Nominating Committee.

The Governance and Nominating Committee is responsible for reviewing the credentials of proposed nominees for election or appointment to the Board and for recommending candidates for Board membership, including the candidates proposed to be nominated for election to the Board at the annual meeting of unitholders. To do this, the Governance and Nominating Committee together with the Chair of the Board regularly considers and meets with potential Trustee nominees to ensure outstanding candidates with the needed skills can be quickly identified to fill planned or unplanned vacancies. Candidates are assessed in relation to the criteria established by the Board to ensure that the Board has the appropriate mix of talent, quality, skills and other requirements necessary to promote sound governance and Board effectiveness.

Dream Office REIT has adopted a formal Diversity Policy. In identifying potential Trustee candidates, in addition to skills and experience, the Governance and Nominating Committee also considers the diversity of the Board and, in particular, the representation of women on the Board. The existing number of women on the Board is a factor considered in assessing potential new Trustee candidates. In accordance with Dream Office REIT’s Diversity Policy, the Governance and Nominating Committee identifies diverse candidates for election to the Board. In identifying potential nominees, Dream Office REIT targets representation of women on the Board of at least 30%. With three of the seven nominees standing for election at the Meeting being women (comprising approximately 43% of the proposed Board), we have met this goal.

The Governance and Nominating Committee reviews, at least once a year, the composition of the Board’s committees to ensure that committee membership complies with the relevant governance guidelines, that the workload for its Independent Trustees is balanced and that committee positions are rotated as appropriate. In doing so, the Governance and Nominating Committee makes recommendations to the Board, which appoints committee members. Dream Office REIT’s Chief Executive Officer does not participate in this process.

The Governance and Nominating Committee met four times in 2017.

The Governance and Nominating Committee is comprised of the following three Trustees: Donald Charter, Robert Goodall and Kellie Leitch (Chair), each of whom is an Independent Trustee.

For more information about the Governance and Nominating Committee, see “Statement of Corporate Governance Practices - Report of the Governance and Nominating Committee”.

### **Compensation, Health and Environmental Committee**

The Compensation Committee is charged with: (i) assisting the Board in discharging the Board’s oversight responsibilities relating to the compensation and retention of the Trustees and the senior officers of the Trust, (ii) assisting the Board in promoting a working culture at the Trust that retains employees and motivates them to belong to the organization, (iii) assisting the Board in discharging the Board’s oversight responsibilities relating to applicable laws and regulations in respect of health and safety matters, and (iv) assisting the Board in discharging the Board’s oversight responsibilities relating to the environmental state of real property owned by Dream Office LP and other subsidiaries of the Trust and the Trust’s environmental risk exposure and environmental management practices.

#### **Compensation**

The Compensation Committee is responsible for reviewing and reporting to the Board on management resource planning, including succession planning and proposed senior management appointments, the job descriptions and annual objectives of senior executives, the form of executive compensation in general, and the levels of compensation of senior executives. The Compensation Committee also reviews the compensation package provided by DAM to the Chief Executive Officer, who is currently provided by DAM at our request and is employed by DAM, and reviews the performance of senior management against written objectives and reports thereon to the Board.

The granting of Deferred Trust Units under Dream Office REIT’s Deferred Unit Incentive Plan is the responsibility of the Board of Trustees based upon recommendations of the Compensation Committee. The Compensation Committee reviews and recommends to the Board the terms upon which Trustees, the Chair of the Board and the committee chairs are compensated (including the level and nature of such compensation) to ensure that such compensation adequately reflects the responsibilities they are assuming.

The Compensation Committee assists in administering or making recommendations in respect of any incentive compensation and equity compensation plans of Dream Office REIT or changes to such plans, including the Deferred Unit Incentive Plan, which is described under “Executive Compensation – Deferred Unit Incentive Plan”. The committee makes recommendations as to whom should receive grants of Deferred Trust Units (including Trustees, officers and consultants of Dream Office REIT), the terms of such grants, the overall level of outstanding Deferred Trust Units and changes to the plan.

#### **Environmental and Health**

The Compensation Committee is responsible for assisting the Board in discharging the Board’s oversight responsibilities relating to the environmental state of any real property owned by Dream Office REIT or its subsidiaries and for overseeing the administration of the Trust’s policies and procedures established in respect of Dream Office REIT’s environmental exposure. The Compensation Committee also oversees the monitoring of the environmental state of Dream Office REIT’s properties, which may include: (a) review of environmental liability risk assessments; (b) review of environmental incident reports; (c) inspection and monitoring of any ongoing environmental control measures; (d) review of compliance with local jurisdictional regulations and orders; and (e) review of the Trust’s hazardous materials management plan. The Compensation Committee is also charged with reviewing and recommending changes to material health, safety and environmental policies and procedures.

The Compensation Committee met three times in 2017.

The Compensation Committee is comprised of the following three Trustees: Donald Charter (Chair), Robert Goodall and Karine MacIndoe, each of whom is an Independent Trustee and whom has knowledge regarding compensation matters.

For more information about the Compensation Committee, see “Statement of Corporate Governance Practices - Report of the Compensation, Health and Environmental Committee”.

## Investment Committee

The Investment Committee is responsible for assisting the Board in discharging the Board’s oversight responsibilities relating to acquisitions and dispositions of investments, proposed transactions and financing arrangements. Each member of the Investment Committee must have a minimum of three years of substantial experience in the real estate industry which may include, without limitation, having been a board member or senior officer of a real estate company. The committee is responsible for approving or rejecting (i) financings (including the assumption or granting of any mortgage relating to such financing) proposed to be obtained by Dream Office LP where the dollar amount or value of the financing (net of assumed or pre-arranged debt which is non-recourse to Dream Office LP) is greater than \$10 million and up to \$50 million, other than a renewal of any existing mortgage by any of Dream Office REIT’s subsidiaries; and (ii) acquisitions, dispositions, mergers, amalgamations, business combinations, joint ventures or other similar transactions proposed to be entered into by Dream Office LP where the dollar amount or value of the subject matter of or consideration payable in respect of the transaction is greater than \$10 million and up to \$50 million. The Investment Committee did not formally meet in 2017, as all acquisitions and dispositions of investments and financing arrangements that would otherwise have been considered at a meeting by the Investment Committee were considered by the Board of Trustees as a whole or addressed by written resolution of the committee.

The Investment Committee is comprised of the following three Trustees: Michael Cooper (Chair), Detlef Bierbaum and Joanne Ferstman.

For more information about the Investment Committee, see “Investment Committee”.

## Reporting

To enhance disclosure of the responsibilities and activities of the Board’s committees, the respective committee chair provides a report to the Board: each quarter, in the case of the Audit Committee, and after a quarterly meeting if one has taken place, in the case of each of the Governance and Nominating Committee, the Compensation Committee, and the Investment Committee. Additionally, on an annual basis each of the Audit Committee, Governance and Nominating Committee and the Compensation Committee provides a report to unitholders highlighting its achievements during the prior year and such reports are included in this Circular.

## Board, Committee and Trustee Evaluation

The Board believes that a regular and formal process of evaluation improves the performance of the Board as a whole, its committees and individual Trustees. Each year, a survey is sent to Independent Trustees regarding the effectiveness of the Board and its committees, inviting comments and suggestions on areas for improvement. The results of this survey are reviewed by the Governance and Nominating Committee, which makes recommendations to the Board as required. The Chair of the Board and/or the Chair of the Governance and Nominating Committee holds private interviews with each Trustee annually to discuss the operations of the Board and its committees and to provide any feedback on the individual Trustee’s contributions. The results of these interviews are reported to the Governance and Nominating Committee as a basis for recommending the trustees to be nominated for election at the next annual meeting of unitholders.

The Governance and Nominating Committee periodically reviews the competencies, skills and personal qualities of the Trustees and considers what competencies and skills the Board, as a whole, should possess. The Board believes that its current Trustees, and the nominees for election at the Meeting, generally comprise an appropriate mix of individuals offering a breadth and depth of skills and experience, including:

	Bierbaum	Charter	Cooper	Gavan	Goodall	Leitch	MacIndoe
Real Estate	√	√	√	√	√		√
Financially Literate	√	√	√	√	√	√	√

	Bierbaum	Charter	Cooper	Gavan	Goodall	Leitch	MacIndoe
Accounting							√
Corporate Finance and Capital Markets	√	√	√	√	√		√
Business Leadership	√	√	√	√	√	√	√
Board and Governance	√	√	√	√	√	√	√
Strategic Insight	√	√	√	√	√	√	√
Human Resources	√	√	√	√	√	√	
Legal		√	√	√			
Diverse Perspective		√		√	√	√	√
Community Involvement	√		√	√		√	

## Board and Management Responsibilities

### Board Positions

Michael Cooper is the Chair of the Board, and the Chief Executive Officer. Donald Charter is the Independent Lead Trustee. The Board has adopted written position descriptions for the Chair of the Board, the Independent Lead Trustee and the Chief Executive Officer, which are summarized below, as well as position descriptions for the chair of each of the committees. These position descriptions are reviewed regularly by the Board and posted on Dream Office REIT's website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

#### Chair of the Board

The Chair of the Board manages the business of the Board and ensures that the functions identified in its mandate are being carried out effectively by the Board and its committees. In addition, the Chair of the Board is responsible for the following functions: overseeing the Board's discharge of its duties; presiding over Board meetings; ensuring appropriate responsibilities have been delegated to committees; establishing procedures to govern the effective and efficient conduct of the Board's work and ensuring Trustees receive the information required to perform their duties; acting as a liaison between the Board and management; ensuring that an appropriate system is in place to evaluate the performance of the Board as a whole, its committees and individual Trustees; and working with senior management of Dream Office REIT to monitor progress on strategic planning, policy implementation and succession planning.

#### Chief Executive Officer

The Chief Executive Officer provides leadership to Dream Office REIT and, subject to approved policies and direction by the Board, manages the business and affairs of Dream Office REIT and oversees the execution of its strategic plan. In addition, the Chief Executive Officer is responsible for the following functions: seeing that the day-to-day activities and affairs of Dream Office REIT are appropriately managed; overseeing Dream Office REIT's achievement and maintenance of a satisfactory competitive position within the real estate industry; presenting to the Board for approval an annual strategic plan for Dream Office REIT; presenting to the Board for approval the capital and operating plans to implement approved strategies on an ongoing basis; acting as the primary spokesperson for Dream Office REIT; presenting to the Board for approval an annual assessment of senior management and succession plans; recommending the appointment or termination of any senior executive of Dream Office REIT other than the Chair of the Board; and, together with the Chief Financial Officer, ensuring that controls and procedures are in place to ensure the accuracy and integrity of Dream Office REIT's financial reporting and public disclosures.

#### Independent Lead Trustee

The responsibility of the Independent Lead Trustee is to provide leadership to the Independent Trustees on the Board and to help the Board exercise independent judgement in carrying out its responsibilities by overseeing the Board's

relationship with management. To discharge this responsibility, the Independent Lead Trustee shall, among other matters: act as a leader for the Independent Trustees; act as a liaison between the Chair of the Board and the Independent Trustees on sensitive issues; oversee procedures designed to provide the Independent Trustees with adequate opportunities and information to meet to discuss issues without management present; in collaboration with the Chair of the Board, facilitate effective and open interaction between the Board and management; assist the Chair of the Board, as appropriate, in overseeing the Board's discharge of the duties assigned to it by law and in the Declaration of Trust; and to perform any additional duties requested by the Board.

### **Committee Chairs**

The Board adopted general position descriptions for the committee chairs. To fulfill his or her responsibilities and duties, the chair for each committee shall: facilitate the effective operation and management of, and provide leadership to, the committee; chair meetings of the committee; set the agenda for each meeting of the committee and otherwise bring forward matters for consideration within the charter of the committee; facilitate the committee's interaction with management, the Board and other committees of the Board; act as a resource and mentor for other members of the committee; report to the Board on matters considered by the committee, its activities and compliance with the committee's charter; and perform such other duties and responsibilities as may be delegated to the Chair of the Board by the committee from time to time.

### ***Management's Relationship to the Board***

The responsibility of management of Dream Office REIT includes safeguarding Dream Office REIT's assets and long-term value creation. The executive officers of Dream Office REIT report to and are accountable to the Board. At its meetings, the Board regularly engages in a private session with Dream Office REIT's most senior executive officers without other members of management present. The Board also meets independently with only the Independent Trustees at the conclusion of every Board meeting, under the leadership of the Independent Lead Trustee.

Management of Dream Office REIT do not sit on any of the Board's committees, other than the Investment Committee, on which Michael Cooper sits. Members of management and other Trustees attend committee meetings at the invitation of the committee chairs. The committees also meet independently of all members of management of Dream Office REIT at the conclusion of all committee meetings.

### ***Management Accountability***

The Board of Trustees believes in the importance of developing annual business plans to ensure the compatibility of unitholder, Board and management of Dream Office REIT views on Dream Office REIT's strategic direction and performance targets, and the effective utilization of unitholder capital. A meeting of the Board is held each year which is dedicated to reviewing the strategic initiatives and annual business plan submitted by senior management. The Board's approval of the annual business plan provides a mandate for senior management of Dream Office REIT to conduct the affairs of Dream Office REIT within the terms of the plan, knowing it has the necessary Board support. Material deviations from the annual business plan are reported to and considered by the Board.

### ***Board and Committee Information***

The information provided by management of Dream Office REIT to Trustees is considered to be critical to trustee effectiveness. In addition to the reports presented to the Board and its committees at regularly scheduled and special meetings, the Trustees are also kept informed on a timely basis by management of Dream Office REIT of corporate developments and key decisions taken by management of Dream Office REIT in pursuing Dream Office REIT's strategic plan and the attainment of its objectives. The Trustees annually evaluate the quality, completeness and timeliness of information provided by management of Dream Office REIT to the Board.

### ***Board of Trustees Access to Outside Advisors***

The Board of Trustees may at any time retain outside financial, legal or other advisors at the expense of Dream Office REIT and has the authority to determine the advisors' fees and other retention terms. Each committee of the Board of Trustees may retain outside advisors, at the expense of Dream Office REIT, without the Board's approval, at any time.

## **Succession Planning**

The mandate of the Board provides that the Trustees are responsible for overseeing succession planning including appointing, training and monitoring senior management. The Compensation Committee reviews and discusses succession planning issues for the senior executives (including the Chief Executive Officer) with the Chief Executive Officer on a regular basis. Discussions include prospects for high performing executives, replacement scenarios for unexpected events and cross training and development opportunities for the executive team.

## **Sustainability**

We are focused on sustainability at Dream Office REIT. It drives responsible operations with respect to our properties, the environment and how we engage our employees – all critical aspects in ensuring the long-term success of our business and value for Unitholders. “Building Better Communities” is embedded in the brand of the Dream Entities and in our culture. Sustainability principles are also reflected in our values which include integrity, social responsibility and transparency in dealing with stakeholders.

We believe that sustainability creates value for Unitholders as this practice affects both the top and the bottom lines of our business. It is an expectation of many of our key tenants, it helps attract and retain talent and it controls operating costs. We want to be positively regarded for the way we impact the communities in which we operate – economically, socially and environmentally.

Dream Office REIT is putting strategies in place to systematically consider and manage sustainability in everything we do. We have measured energy and water usage only within our office portfolio and we are currently targeting resource efficiencies in both operational practices and capital investments. We have conducted waste audits at almost all of our properties, which help to identify waste diversion opportunities and to reduce waste management costs. Green building certification programs, such as BOMA BEST® and LEED®, promote sustainable practices at our properties, highlight our achievements and engage our tenants to work with us to further improve. We currently have over 864,000 square feet (or 11% of the portfolio) LEED certified and over 7.8 million square feet (or 95% of sites over 100,000 square feet) of BOMA BEST certified commercial office space. We are looking to strategically expand these numbers over the coming years.

We have established a Sustainability Team to provide oversight of sustainability strategies at Dream Office REIT and monitor sustainability performance. The Sustainability Team develops and implements sustainability initiatives at Dream Office REIT’s properties. We have included a synopsis of our sustainability initiatives and highlights in our 2017 Annual Report (which is available through SEDAR at [www.sedar.com](http://www.sedar.com) and our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca)) and, as we continue to progress, we look forward to providing updates regarding our sustainability strategies, targets and progress.

## **Communication and Disclosure Policies**

Dream Office REIT has adopted a Disclosure Policy which summarizes its policies and practices regarding disclosure of material information to investors, analysts and the media. The purpose of this policy is to ensure that Dream Office REIT’s communications with the investment community are timely, factual and accurate, and broadly disseminated in accordance with all applicable legal and regulatory requirements. This Disclosure Policy is reviewed annually by the Board of Trustees and posted on Dream Office REIT’s website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

Dream Office REIT endeavours to keep its unitholders informed of its progress through a comprehensive annual report, quarterly interim reports and periodic news releases. It also maintains a website that provides summary information on Dream Office REIT and ready access to its published reports, news releases, statutory filings and supplementary information provided to analysts and investors. Trustees and management of Dream Office REIT meet with unitholders at the annual meeting of unitholders and are available to respond to questions at that time. Unitholders who wish to contact the Chair of the Board or other Trustees can do so directly or through the Corporate Secretary of Dream Office REIT by phone at 416-365-3535 or by email at [officeinfo@dream.ca](mailto:officeinfo@dream.ca).

Dream Office REIT also maintains an investor relations program to respond to inquiries in a timely manner. Management of Dream Office REIT meets on a regular basis with investors and investment analysts and hosts quarterly conference calls and web casts to discuss Dream Office REIT’s financial results, with a copy of the web cast

posted on our website for 90 days. Dream also publishes The Bulletin, the periodic investor newsletter that provides updates on all five Dream Entities, which is available on Dream Office REIT's website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca). Dream Office REIT also endeavours to ensure that the media are kept informed of developments on a timely basis and have an opportunity to meet and discuss these developments with Dream Office REIT's designated spokespersons.

### **Code of Conduct**

It has always been the policy of Dream Office REIT that all its activities be conducted with the highest standards of honesty and integrity and in compliance with all legal and regulatory requirements. The Board annually reviews and approves Dream Office REIT's Code of Conduct (the "**Code of Conduct**") for the Trustees, officers and employees of Dream Office REIT and its subsidiaries to reflect changes in Dream Office REIT's business activities and evolving standards and practices. The Code of Conduct formally sets out guidelines for behaviour and practices and requires all trustees, officers and employees to indicate in writing their familiarity with the Code of Conduct and their agreement to comply with it. The Code of Conduct is given to all trustees, officers and employees when they join Dream Office REIT and a compliance certification is required to be executed annually.

Dream Office REIT promotes a culture of ethical business conduct compliance with the Code of Conduct that is monitored by the Board through its Audit Committee.

The Code of Conduct is posted on Dream Office REIT's website, [www.dreamofficereit.ca](http://www.dreamofficereit.ca), and is filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Whistleblower Policy**

Dream Office REIT has also adopted a whistleblower policy that allows officers and employees to bring forward, on a confidential and anonymous (if desired) basis, concerns or complaints regarding potential unethical or fraudulent business practices or any activity that could give rise to a financial concern.

The Board believes that providing forums for employees and officers to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness fosters a culture of ethical conduct within Dream Office REIT.

## Report of the Audit Committee

### CHARTER

*The Audit Committee Charter is available at [www.dreamofficereit.ca](http://www.dreamofficereit.ca)*

The Audit Committee oversees Dream Office REIT's financial reporting and disclosure and compliance with applicable laws and regulations.

The following is a summary of the Audit Committee's work for 2017, in accordance with its charter:

#### **Financial Reporting**

- ✓ Reviewed the annual and interim financial statements, significant estimates contained therein, external auditor's reports, management's discussion and analysis, financial news releases and officer certifications
- ✓ Reviewed the appropriateness of and changes to accounting policies and practices
- ✓ Received report outlining the effectiveness of disclosure controls and procedures and internal controls over financial reporting

#### **External Auditor**

- ✓ Recommended the firm of chartered professional accountants to be nominated for appointment as the external auditor by Dream Office REIT's unitholders
- ✓ Evaluated the external auditor's performance
- ✓ Reviewed and approved proposed external audit engagement, audit plan and fees for the year
- ✓ Monitored the independence of and received the external auditor's report on its independence including disclosure of all engagements and associated fees for non-audit services for Dream Office REIT
- ✓ Reviewed and approved Dream Office REIT's policy on hiring current and former partners and employees from the external auditor
- ✓ Reviewed the planned scope of the audit, the areas of special emphasis and the materiality levels proposed to be employed
- ✓ Reviewed the results of the audit and discussed the external auditor's opinion on Dream Office REIT's accounting controls and the quality of its financial reporting
- ✓ Reviewed and approved non-audit services provided by the external auditor
- ✓ Monitored the quality and effectiveness of the relationship among the external auditor, management and the Audit Committee
- ✓ Reviewed reports from the external auditor to management on internal control issues identified in the course of its audit and attestation activities
- ✓ Required the external auditor to report directly to the Audit Committee

#### **Financial Literacy of Audit Committee Members**

- ✓ Assessed the financial literacy of each Audit Committee member

#### **Other Duties and Responsibilities**

- ✓ Reviewed the Charter of the Audit Committee and Whistleblower Policy
- ✓ Oversaw administration of the Whistleblower Policy

- ✓ Reviewed and approved the Report of the Audit Committee included in the 2017 management information circular
- ✓ Reviewed the Audit Committee’s annual work program
- ✓ Monitored the effectiveness of the Corporation’s disclosure controls and internal controls
- ✓ Monitored improvements made in internal controls and testing and met with controls testing team in connection therewith
- ✓ Monitored the quality of Dream Office REIT’s finance function and its alignment with the scale and breadth of Dream Office REIT’s business
- ✓ Monitored non-compliance with the Code of Conduct
- ✓ Reviewed material tax policies and tax planning initiatives, tax payments and reporting and tax audit and assessment matters
- ✓ Met with controls testing team and received report on internal controls over financial reporting
- ✓ Met privately after every meeting, and met privately with the external auditor and with management after every meeting at which those individuals participated

**MEMBERSHIP**

Joanne Ferstman (Chair), Detlef Bierbaum and Karine MacIndoe.

**FINANCIAL LITERACY**

All members are “financially literate” within the meaning of such term in NI 52-110.

**INDEPENDENCE**

All members are “independent” within the meaning of such term in NI 52-110.

**AUDITOR’S FEES**

See “Business of the Meeting – Appointment of Auditor – Auditor’s Fees” for a description of the fees that PricewaterhouseCoopers LLP received for services for the year ended December 31, 2017.

**MEETING FREQUENCY**

The Audit Committee met four times in 2017. In addition, the Chair of the Audit Committee met regularly with the external auditor and management of Dream Office REIT.

**MORE INFORMATION**

For more information about the Audit Committee as required by NI 52-110, see the “Audit Committee” section of our 2017 Annual Information Form which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

**APPROVAL**

This report has been adopted and approved by the members of the Audit Committee: Joanne Ferstman (Chair), Detlef Bierbaum and Karine MacIndoe.

## Report of the Governance and Nominating Committee

### CHARTER

*The Governance and Nominating Committee Charter is available at [www.dreamofficereit.ca](http://www.dreamofficereit.ca)*

The Governance and Nominating Committee oversees Dream Office REIT's approach to corporate governance and is responsible for overseeing and assessing the functioning of the Trust, the Board and the committees of the Board and for developing, recommending, implementing and assessing governance principles and guidelines in respect of the Trust. The Governance and Nominating Committee's responsibilities also include identifying candidates for Trustees and recommending that the Board select qualified Trustee candidates for election.

The following is a summary of the Governance and Nominating Committee's work for 2017 (including its predecessor committee, the Governance, Compensation and Environmental Committee), in accordance with its charter:

### Composition and Performance of the Board and its Committees

#### (i) Trustee Nominations

- ✓ Reviewed the size and composition of the Board and its committees
- ✓ Reviewed competencies and skills represented on the Board and the skills required in Trustees and the Board as a whole
- ✓ Selected one new candidate to stand as Trustee nominee at the Meeting
- ✓ Approved seven Trustee nominees for election by the unitholders

#### (ii) Evaluation of the Board, its Committees and Individual Trustees

- ✓ Reviewed the performance of the Board, the committees and individual Trustees
- ✓ Reviewed the process for evaluating the performance of the Board and the individual Trustees
- ✓ Reviewed and approved the current trustee appointments to the committees

### Disclosure

- ✓ Reviewed and approved Dream Office REIT's Statement of Corporate Governance Practices and other corporate governance disclosure for inclusion in the 2017 management information circular
- ✓ Reviewed and approved for recommendation to the Board the 2017 Chief Executive Officer's compensation report and the Report of the Governance and Nominating Committee to be included in the 2017 management information circular

### Other Duties and Responsibilities

- ✓ Reviewed and approved the Report of the Governance and Nominating Committee included in the 2017 management information circular
- ✓ Evaluated the mandate of the Board and committee charters, the position descriptions of the Board
- ✓ Reviewed and approved the Diversity Policy, Workplace Violence and Harassment Policy, Majority Voting Policy for Trustees, Compensation Recoupment Policy, Trustee Independence Policy and Unit Ownership Guidelines for Named Executive Officers

**MEMBERSHIP**

**INDEPENDENCE**

**MEETING  
FREQUENCY**

**APPROVAL**

- ✓ Reviewed the Code of Conduct, Insider Trading Policy, Disclosure Policy and Whistleblower Policy
- ✓ Reviewed the Charter of the Governance and Nominating Committee
- ✓ Reviewed the Chief Executive Officer position description

Donald Charter, Robert Goodall and Kellie Leitch (Chair).

All members are independent within the meaning of such term in NI 58-101.

The Governance and Nominating Committee met four times in 2017 (including meetings of its predecessor committee, the Compensation, Governance and Environmental Committee).

This report has been adopted and approved by the members of the Governance and Nominating Committee: Donald Charter, Robert Goodall and Kellie Leitch (Chair).

## Report of the Compensation, Health and Environmental Committee

### CHARTER

*The Compensation, Health and Environmental Committee Charter is available at [www.dreamofficereit.ca](http://www.dreamofficereit.ca)*

The Compensation Committee oversees Dream Office REIT's approach to compensation and is responsible for reviewing and making recommendations to the Board with respect to the compensation of Trustees and senior executives and awards under Dream Office REIT's Deferred Unit Incentive Plan in respect of officers of Dream Office REIT.

The following is a summary of the Compensation Committee's work for 2017, in accordance with its charter:

#### Trustee Compensation

- ✓ Reviewed the Trustees' REIT unit and deferred unit ownership requirements
- ✓ Reviewed compensation paid to Independent Trustees

#### Compensation and Deferred Trust Units

- ✓ Reviewed and approved compensation program and 2017 corporate goals
- ✓ Reviewed performance of executive management team
- ✓ Reviewed and approved compensation of executive management team
- ✓ Reviewed Dream Office REIT's Deferred Unit Incentive Plan
- ✓ Assessed the alignment of interests of management and other individuals involved in the activities of Dream Office REIT through equity ownership with the creation of unitholder value over the long term
- ✓ Recommended grants of Deferred Trust Units to management and other eligible participants

#### Disclosure

- ✓ Reviewed and approved Dream Office REIT's Statement of Executive Compensation, Statement of Trustee Compensation and other compensation related disclosure for inclusion in the 2017 management information circular
- ✓ Reviewed and approved for recommendation to the Board the 2017 Chief Executive Officer's compensation report

#### Insurance and Environmental Matters

- ✓ Met with internal insurance and environmental personnel and received report on insurance and environmental matters

#### Other Duties and Responsibilities

- ✓ Reviewed succession planning matters with the Chair of the Board and Chief Executive Officer
- ✓ Reviewed and approved the Report of the Compensation, Health and Environmental Committee included in the 2017 management information circular
- ✓ Reviewed the Charter of the Compensation, Health and Environmental Committee

### MEMBERSHIP

Donald Charter (Chair), Robert Goodall and Karine MacIndoe.

### INDEPENDENCE

All members are independent within the meaning of such term in NI 58-101.

**MEETING  
FREQUENCY  
APPROVAL**

The Compensation Committee met three times in 2017.

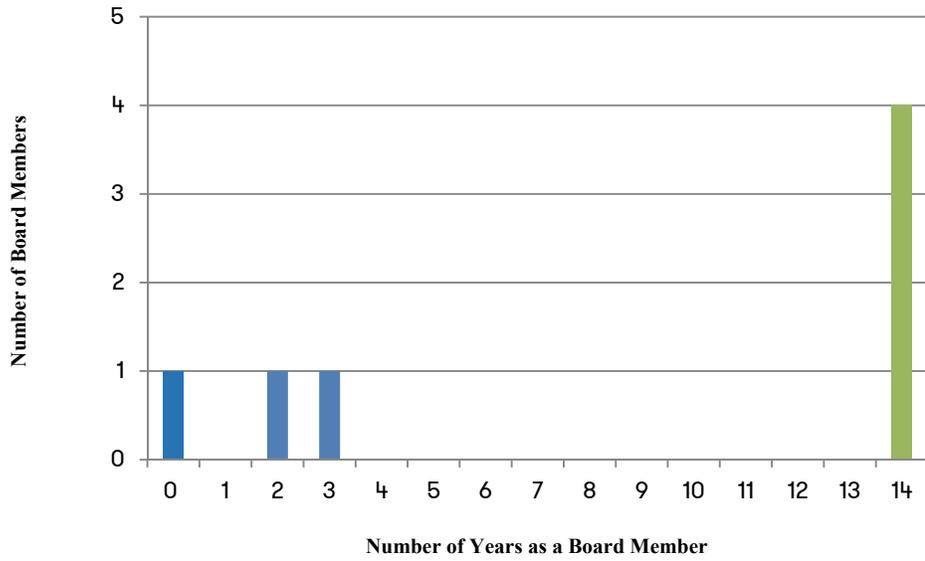
This report has been adopted and approved by the members of the Compensation Committee: Donald Charter (Chair), Robert Goodall and Karine MacIndoe.

### Investment Committee

The Investment Committee did not formally meet in 2017, as all acquisitions and dispositions of investments and financing arrangements that would otherwise have been considered by the Investment Committee were considered by the Board of Trustees as a whole or addressed by written resolution of the committee.

### Tenure of Board of Trustees

The following table sets out the tenure of the nominees to our Board of Trustees:



Four of our Trustees have served as members of the Board since June 30, 2003, the date Dream Office REIT became a public REIT. One of our Trustees has served as a member of the Board since our annual general meeting on May 7, 2015. One of our Trustees has served as a member of the Board since March 21, 2016. One of our nominees, P. Jane Gavan, is being nominated for election for the first time at the Meeting.

## EXECUTIVE COMPENSATION

### Highlights of Executive Compensation:

- The Named Executive Officers participate in Dream Office REIT's long-term incentive plan, referred to as the Deferred Unit Incentive Plan, which is intended to align the interests of the Named Executive Officers with the interests of Dream Office REIT's unitholders
- Dream Office REIT also has a dedicated team of individuals that includes senior management personnel responsible for portfolio management, property and other management functions. These individuals are compensated with salary and bonus and may also participate in Dream Office REIT's Deferred Unit Incentive Plan
- Balanced, performance-based approach that includes cash and long-term equity incentives
- A large portion of Named Executive Officer compensation was “at risk” in 2017 and linked to a combination of individual and corporate performance-based goals relating to Dream Office REIT
- All Named Executive Officers are subject to minimum Dream Office REIT equity ownership requirements
- Dream Office REIT does not have a unit option plan and options do not form part of executive compensation
- Dream Office REIT has a compensation clawback policy for senior management

In April 2015, Dream Office REIT completed the 2015 Reorganization of its management structure effectively eliminating the external asset management structure, resulting in a management team employed by Dream Office REIT. DAM now only provides strategic advice to Dream Office REIT and, in 2017, provided the services of a Chief Executive Officer at our request on a cost recovery basis. In order to take advantage of the same economies of scale it previously enjoyed, Dream Office REIT has maintained certain resource sharing arrangements with DAM on a cost allocation basis. Michael Cooper has been appointed as Dream Office REIT's Chief Executive Officer effective January 1, 2018 and is engaged directly by Dream Office REIT.

This is the second full year in which Dream Office REIT internally determined management compensation under the oversight of the Compensation Committee. Our compensation program and the application thereof are determined by

the Board based on the advice and recommendation of the Compensation Committee. Our compensation program for 2017 is intended to accommodate our current management structure, which includes certain resource sharing agreements among the various Dream Entities which allow us to realize savings in the operation of our business, as well as the arrangement with DAM regarding our Chief Executive Officer in 2017.

The Board believes that the Compensation Committee has the knowledge, skills, experience and background required to fulfill its mandate. The committee members are knowledgeable in areas such as human resources, talent management, governance, risk assessment, public company leadership and board experience. All of the committee members have served in executive capacities or on compensation committees of other public companies and, through those roles, have acquired direct experience relevant to their responsibilities in reviewing and considering executive compensation. Additional information relating to the composition, qualifications and mandate of the Compensation Committee is included under “Statement of Corporate Governance Practices – Committees of the Board – Compensation, Health and Environmental Committee”.

### Named Executive Officers

The following Compensation Discussion and Analysis is applicable to the compensation philosophy and approach taken by Dream Office REIT with respect to the entire management team. With respect to specific disclosure for the management team there were only two executive officers within Dream Office REIT in 2017 that meet the required definition for disclosure for named executive officers. Accordingly, the specific disclosure in this regard is applicable to Dream Office REIT’s Chief Executive Officer and Chief Financial Officer (the “**Named Executive Officers**”) in 2017:

- Jane Gavan, Chief Executive Officer
- Rajeev Viswanathan, Chief Financial Officer

Michael Cooper became Chief Executive Officer effective January 1, 2018.

The following table presents biographical information regarding Dream Office REIT’s Named Executive Officers in 2017:

	<b>Jane Gavan</b> <b>Chief Executive Officer</b>	
	Toronto, Ontario, Canada  <b>Service:</b> 20 years <b>Industry Experience:</b> 30 years	See Jane Gavan’s biography under “Business of the Meeting - Election of Trustees”.

	<b>Rajeev Viswanathan</b> <b>Chief Financial Officer</b>	
	Toronto, Ontario, Canada <b>Service:</b> 2 years, 7 months <b>Industry Experience:</b> 17 years	Mr. Rajeev Viswanathan is the Chief Financial Officer of Dream Office REIT and has 17 years of corporate finance, treasury, financial planning, information technology and reporting experience. Prior to joining Dream Office REIT, Rajeev was Senior Vice President, Finance at Brookfield Asset Management. Mr. Viswanathan is a Chartered Professional Accountant, Chartered Accountant and a Chartered Financial Analyst, beginning his professional career at Ernst & Young LLP. Mr. Viswanathan also holds a Master of Accounting and a Bachelor of Mathematics degree from the University of Waterloo.

In 2017, DAM provided the services of the Chief Executive Officer to Dream Office REIT on a cost recovery basis, as described above. In 2017, Dream Office REIT had no employment agreements with its Chief Executive Officer and did not pay any cash compensation directly to the Chief Executive Officer. Rather, the Chief Executive Officer’s compensation was paid and determined by DAM (in consultation with Dream Office REIT to ensure the applicable performance goals and objectives have been achieved), other than the granting of Deferred Trust Units under Dream Office REIT’s Deferred Unit Incentive Plan, which is the responsibility of the Board.

Michael Cooper has been appointed as Dream Office REIT’s Chief Executive Officer effective January 1, 2018 and is engaged directly by the REIT. In 2018, Mr. Cooper’s compensation is determined and paid by Dream Office REIT directly to Mr. Cooper.

The Chief Financial Officer, like the remainder of the management team, is an employee of Dream Office REIT and as such, decisions regarding his compensation are made by the Board.

### Compensation Discussion and Analysis

This Compensation Discussion and Analysis describes Dream Office REIT’s compensation philosophy, policies and programs. It also describes the approach taken by the Compensation Committee with respect to compensation in 2017.

Cash compensation disclosed and discussed in this Executive Compensation section in respect of the Chief Executive Officer represents the cash compensation received by the Chief Executive Officer from DAM, attributable to the management services provided to Dream Office REIT during 2017. See “Executive Officers – Named Executive Officers”.

Decisions regarding the cash compensation received by the Chief Financial Officer and other members of senior management that are employees of Dream Office REIT or its subsidiaries, as well as decisions regarding the granting of Deferred Trust Units under Dream Office REIT’s Deferred Unit Incentive Plan are the responsibility of the Board based on recommendations of the Compensation Committee.

### Compensation Program

The following provides an overview of Dream Office REIT’s compensation program in place for 2017 as it relates to officers and employees of Dream Office REIT and its subsidiaries:

1. Dream Office REIT's compensation program is aimed at attracting and retaining excellent employees, motivating and rewarding excellent performance and promoting our values.
2. We view performance broadly and consider a wide range of contributions to determine appropriate compensation. In addition to specific corporate, divisional and individual goals, when assessing performance, we also consider performance over years with Dream Office REIT, an individual's potential, ability to motivate others, ability to make decisions, initiative to change processes, contribution to the morale of the organization, contribution to the community, ability to mentor others, degree of collaboration and general contribution to creating a positive culture within the organization.
3. Compensation should be based on performance, with a large portion of compensation "at risk" and linked to a combination of individual, corporate and divisional goals.
4. The components of compensation under our new approach includes: base salary, cash-based incentive awards and equity-based incentives.
5. Equity incentives will be used to align management's actions with long-term preservation and creation of unitholder value.
6. All elements of our compensation program are targeted to provide compensation opportunities to people that are competitive in the relevant market for talent; actual payouts under our programs may be above or below the median of our comparator group based on individual performance and overall performance of Dream Office REIT.
7. Performance incentives should be linked directly to measurable goals and contribution towards longer term goals and performance, consistent with Dream Office REIT's "pay-for-performance" philosophy.
8. Dream Office REIT promotes and protects unitholder interests by, among other things, promoting equity ownership by the executive officers and prohibiting hedging by executives.

In determining compensation design, the main goal of the Compensation Committee is to ensure the compensation provided to our management is determined with regard to the contribution to achieving Dream Office REIT's business strategies and objectives while continuing to build goodwill for the future. In this manner, the financial interest of management is aligned with the financial interest of the unitholders and the long-term performance of Dream Office REIT. The Compensation Committee strives to ensure that Dream Office REIT's management team is paid fairly and commensurately with their contributions to furthering our strategic direction, objectives and building our culture. Dream Office REIT seeks to attract, train and retain top quality people by providing total compensation that is appropriate and competitive with that paid by other real estate businesses. Under our compensation model, the Compensation Committee reviews and determines all elements of management compensation on an annual basis. In performing its review, the committee may engage outside consultants as it deems advisable.

The Compensation Committee has developed the following executive compensation philosophy and policies to meet its objectives:

- (a) Link compensation with Dream Office REIT's annual and long-term strategic and financial objectives;
- (b) Align management's financial interest with those of the unitholders with the goal of creating long-term value;
- (c) Ensure that our compensation design allows Dream Office REIT to retain, motivate and attract excellent, high quality employees needed to support our growth and ambitions; and
- (d) Create a flexible compensation program to provide recognition and reward performance, responsibility, experience, skill, value and overall contribution.

### **Executive Compensation-Related Fees**

In fulfilling its responsibilities, the Compensation Committee periodically retains external compensation consultants in the evaluation of executive and Trustee compensation. No fees were paid to any compensation consultant during 2017.

### **Managing Compensation and Risk**

The Compensation Committee considers the implications of the risks associated with Dream Office REIT's compensation policies and practices. The Board, on recommendation of the Compensation Committee, has adopted a balanced approach to compensation which includes cash and equity-based incentives. Cash incentives are salaries and cash bonuses and equity-based incentives are primarily Deferred Trust Units. In determining the mix and relative weighting of cash incentives (base salary and bonus) versus Deferred Trust Units, Dream Office REIT considers the appropriate proportion of compensation that should be at risk based on the individual's ability to affect and influence our long and short-term results and advance the interests of Dream Office REIT. In general, the proportion of total pay delivered through "at risk" compensation increases directly with the individual's level of responsibility. Similarly, the proportion of equity-based compensation also increases directly with the individual's level within Dream Office REIT. The Compensation Committee believes that this mix and weighting aligns the interests of management with those of the unitholders, provides significant incentives for superior performance and assists in keeping Dream Office REIT competitive in the market for excellent quality people to manage our business.

In addition, Dream Office REIT has adopted unit ownership guidelines for the Named Executive Officers, a formal policy prohibiting executives from hedging the economic exposure of their holdings of REIT A Units or equity-based compensation awards, and a clawback policy that applies to all executives.

### **Equity Ownership Guidelines**

Our unit ownership guidelines provide that the Named Executive Officers are required to have certain minimum personal investments in REIT units or Deferred Trust Units. Our Chief Executive Officer is required to own REIT units or Deferred Trust Units equal to three times his/her annual base compensation in respect of Dream Office REIT and our Chief Financial Officer is required to own REIT units or Deferred Trust Units equal to one year's base compensation by the third anniversary of their appointment.

### **Anti-Hedging Policy**

Dream Office REIT has adopted a policy providing that executives may not engage in transactions that could reduce or limit the executive officer's economic risk with respect to their holdings of (a) REIT A Units, REIT B Units and Special Trust Units or other securities of Dream Office REIT, or (b) outstanding deferred units under the Deferred Unit Incentive Plan, or other compensation awards the value or payment amount of which are derived from, referenced to or based on the value or market price of the REIT A Units, REIT B Units or Special Trust Units or other Dream Office REIT securities. Prohibited transactions include hedging strategies, equity monetization transactions, transactions using short sales, puts, calls, exchange contracts, derivatives and other types of financial instruments (including, but not limited to, prepaid variable forward contracts, equity swaps, collars and exchange funds), and limited recourse loans to the executive officer or independent Trustee secured by REIT A Units, REIT B Units or Special Trust Units or other securities of Dream Office REIT.

### **Compensation Recoupment Policy**

Dream Office REIT has implemented a clawback policy that applies to all executives with respect to all incentive compensation awards made from and after February 2014. Under the policy, Dream Office REIT can recoup incentive-based compensation in the event of a financial statement restatement and a determination by the Board of misconduct by such executive.

### **Total Compensation Components for 2017**

The 2017 compensation of Dream Office REIT's management reflects a balanced approach which includes immediate, short-term and, in some cases, long-term incentives. Compensation consists of three principal elements:

- base salary, which is determined with regard to comparative salaries in the industry adjusting for the experience, skill and contribution to the overall well-being of Dream Office REIT (which, for the Chief Executive Officer for 2017, was determined, in consultation with Dream Office REIT, and paid by DAM);
- performance-based cash bonus (which, for the Chief Executive Officer for 2017, was determined, in consultation with Dream Office REIT, and paid by DAM); and
- periodic grants of Deferred Trust Units under the Deferred Unit Incentive Plan as recommended by the Compensation Committee.

Management does not benefit from medium term incentives, group RRSP or other retirement benefits, other than those provided for under government mandated programs (e.g., the Canada Pension Plan) or that are provided under a pension plan maintained by a subsidiary of Dream Office REIT described below. Perquisites and personal benefits are not a significant element of compensation of the Named Executive Officers.

The specific practices regarding each of the key elements of management's compensation are described below.

### **Base Salaries**

Base salaries are typically determined annually on an individual basis, taking into consideration the past, current and potential contribution to Dream Office REIT's success, the position and responsibilities of the individual and competitive industry pay practices. Each year an annual review of publicly disclosed compensation from organizations similar to Dream Office REIT is conducted by Dream Office REIT taking into account comparative revenues, assets, and complexity of managing Dream Office REIT. In addition, the Compensation Committee looks at the competitive pressures from the pension and other private real estate sectors on compensation. Base salaries are intended to be competitive with the comparator group.

### **Annual Cash Incentive Bonus**

Management team members are entitled to earn discretionary annual bonuses depending upon individual performance and the performance of Dream Office REIT. Annual cash incentives are used to motivate and reward management for achievements towards annual and long-term individual and corporate goals. Awards of cash bonuses vary based on individual's position and contributions to Dream Office REIT's overall performance. The amount of the annual cash bonus is at the discretion of DAM (in consultation with Dream Office REIT) in the case of the Chief Executive Officer, and Dream Office REIT in the case of the Chief Financial Officer.

Annual cash incentive bonus awards are determined as a percentage of base salary based on achievement of predetermined performance goals for the year. The actual cash bonus payable is based on achievement of individual and corporate goals relating to Dream Office REIT. Each management team member's overall performance is reviewed by Dream Office REIT or, in the case of the Chief Executive Officer, by Dream Office REIT in consultation with DAM, against his or her goals in determining the bonus payout.

### **Long-Term Incentives**

Dream Office REIT's long-term incentive equity-based compensation plan is its Deferred Unit Incentive Plan.

The Board, based on the recommendation of the Compensation Committee, awards Deferred Trust Units to encourage management to own and hold equity and align their long-term interests directly with those of unitholders. For more information about long-term incentives, see "Incentive Plan Awards". The amount of equity awards is based on both corporate and each individual's performance over a three-year period.

### **Benchmarking**

A comparator group of real estate businesses was selected to benchmark 2017 executive compensation target levels using data made public for the 2016 year. The businesses in the comparator group are selected based on a number of factors, including high calibre businesses, scale of operations and similarity of operations.

The comparator group included the following public companies:

- Allied Properties Real Estate Investment Trust

- Artis Real Estate Investment Trust
- Boardwalk Real Estate Investment Trust
- Brookfield Canada Office Properties
- Canadian Real Estate Investment Trust
- Canadian Apartment Properties Real Estate Investment Trust
- CT Real Estate Investment Trust
- Choice Properties Real Estate Investment Trust
- Cominar Real Estate Investment Trust
- Dream Global Real Estate Investment Trust
- First Capital Realty Inc.
- Granite Real Estate Investment Trust
- H & R Real Estate Investment Trust
- Killam Apartment Real Estate Investment Trust
- Morguard Real Estate Investment Trust
- RioCan Real Estate Investment Trust
- Slate Office REIT
- SmartCentres Real Estate Investment Trust

Based on the foregoing comparator group, Dream Office REIT believes the compensation of the Named Executive Officers is competitive with the comparator group.

### **Evaluating Performance and Determining Compensation of Named Executive Officers for 2017**

Performance goals are a combination of financial objectives that can be achieved in a particular year, financial and non-financial goals that will take more than one year and non-financial goals that will promote good business practices and increase internal and external goodwill. Individual and corporate goals relating to Dream Office REIT are developed annually at the end of each year for the following year.

Each individual and corporate performance goal is not weighted and there is no specific formula applied to determine the amount of a Named Executive Officer's annual cash bonus and long-term incentive awards. Discretion is exercised in evaluating the performance of Dream Office REIT in light of the goals and determining whether overall a Named Executive Officer met his or her goals relating to Dream Office REIT. Cash compensation is determined by Dream Office REIT or DAM (in consultation with Dream Office REIT), in respect of the Chief Executive Officer, based on how well the Named Executive Officers performed towards achieving the individual and corporate goals and the Compensation Committee considers performance against our corporate goals in determining grants under the Deferred Unit Incentive Plan, in each case, given the underlying market conditions. Although DAM determines the cash compensation for our Chief Executive Officer, the Compensation Committee reviews her compensation package with DAM in connection with our annual performance review process. In scoring the Named Executive Officer's performance, a number of external factors encountered by Dream Office REIT and Dream Office REIT's ability to manage and mitigate such factors are considered, and judgment is applied in determining whether more weight should be given to certain goals over others in assessing performance or whether performance in areas not originally contemplated by the goals set at the beginning of the year should be considered in determining the Named Executive Officer's compensation.

### **Corporate Performance Goals and Achievements for 2017**

We set our corporate goals for 2017 during the fourth quarter of 2016 in connection with our normal budgeting process. At that time, our Strategic Plan contemplated a three-year implementation period from its announcement in February 2016 and we set our corporate targets accordingly. Our plans were aimed at completing our disposition program and reorganizing the operating platform, while continuing to focus on both financial and operational targets to drive value for the long-term. Our 2017 corporate goals included a specific combination of financial and operational targets, specifically around comparative property net operating income, tenant retention, leasing, optimizing the sale prices of our remaining dispositions and optimizing our operating platform and organizational structure to reflect our repositioned portfolio of higher-quality assets focused in downtown Toronto.

Management was able to implement the Strategic Plan on an accelerated basis, having substantially completed our Strategic Plan by the end of 2017, at least a year ahead of schedule. As a result, 2017 was transformational with Dream Office REIT achieving its goal of creating a higher quality portfolio of assets focused in Toronto's downtown core, with an industry leading balance sheet. In under two years, the trajectory for Dream Office REIT has changed, reflected in the positive unit performance, with a total return of approximately 20% in each of the last two calendar years.

With respect to the disposition program, management was able to complete the sale of approximately \$3.3 billion of assets since the beginning of 2016 against an initial target of \$1.2 billion over three years. Through our leasing and capital initiatives, we were able to achieve our goals relating to the optimization of the sale prices achieved through our disposition program.

In terms of leasing and tenant retention, management achieved our goals with approximately 1.4 million square feet of leases commenced in 2017, of which approximately 797 thousand square feet were renewals, resulting in a tenant retention ratio of approximately 48.9%. Excluding the known vacancy at 438 University Ave., our retention ratio was 55.5%. As of February 22, 2018, we have secured 2018 lease commitments totaling approximately 1.3 million square feet in our comparative portfolio, representing over three quarters of our 2018 lease maturities. Dream Office REIT has also leased over one-third of the 2019 lease maturities. Our comparative properties NOI for 2017 was also in line with our targets.

With the significant reduction in assets over the last two years, management implemented several organizational changes and staffing reductions. Further, management is in the process of building out the capabilities to enable Dream Office REIT to focus on the next phase of its strategy - increasing the value of all our remaining assets through initiatives that provide our tenants with the best experience in our buildings, pursuing intensification opportunities and maximizing income.

Management has been successful not only in completing the Strategic Plan ahead of schedule but also in positioning Dream Office REIT for the next phase of our strategy to become a nimble, value-add real estate operator positioned to unlock the value in its downtown Toronto assets through asset management strategies and potential redevelopment and intensification opportunities.

As a result of this transformation, the Compensation Committee was required to exercise a considerable amount of discretion in applying the goals and targets which had been set in 2016. Overall the committee was of the view that management performed very well over the course of 2017 and that their achievements had been recognized by the market in strong unit price performance. Accordingly, it was determined that, for compensation purposes, the corporate goal score was 97%. This score was used to determine our Named Executive Officers' bonus awards and Deferred Trust Unit grants described below as well as bonuses and Deferred Trust Unit awards for other members of management.

## **Evaluating Performance and Determining Compensation of Named Executive Officers for 2017 – Individual Component**

### ***Evaluating Performance and Determining Compensation of the Chief Executive Officer***

#### **P. Jane Gavan**

As Chief Executive Officer of Dream Office REIT, Ms. Gavan’s individual performance was measured against Dream Office REIT’s corporate performance goals. The details on our performance against our corporate performance goals is discussed above under “Evaluating Performance and Determining Compensation of Named Executive Officers – Corporate Performance Goals”.

Dream Office REIT has been advised by DAM that, based on this performance, Ms. Gavan was granted a bonus of \$600,000 for 2017. In February 2018, the Compensation Committee determined that this was an appropriate amount and, based upon the same performance criteria, the Board of Trustees, on the recommendation of the Compensation Committee, awarded Jane 5,000 Deferred Trust Units, which were granted in February 2018.

### ***Evaluating Performance and Determining Compensation of the Chief Financial Officer***

#### **Rajeev Viswanathan**

In his role as the Chief Financial Officer of Dream Office REIT, in 2017, Mr. Viswanathan oversaw the achievement of Dream Office REIT’s financial performance in respect of the goals discussed above. In addition, Mr. Viswanathan continued to successfully deliver on his personal goals in 2017 as described below.

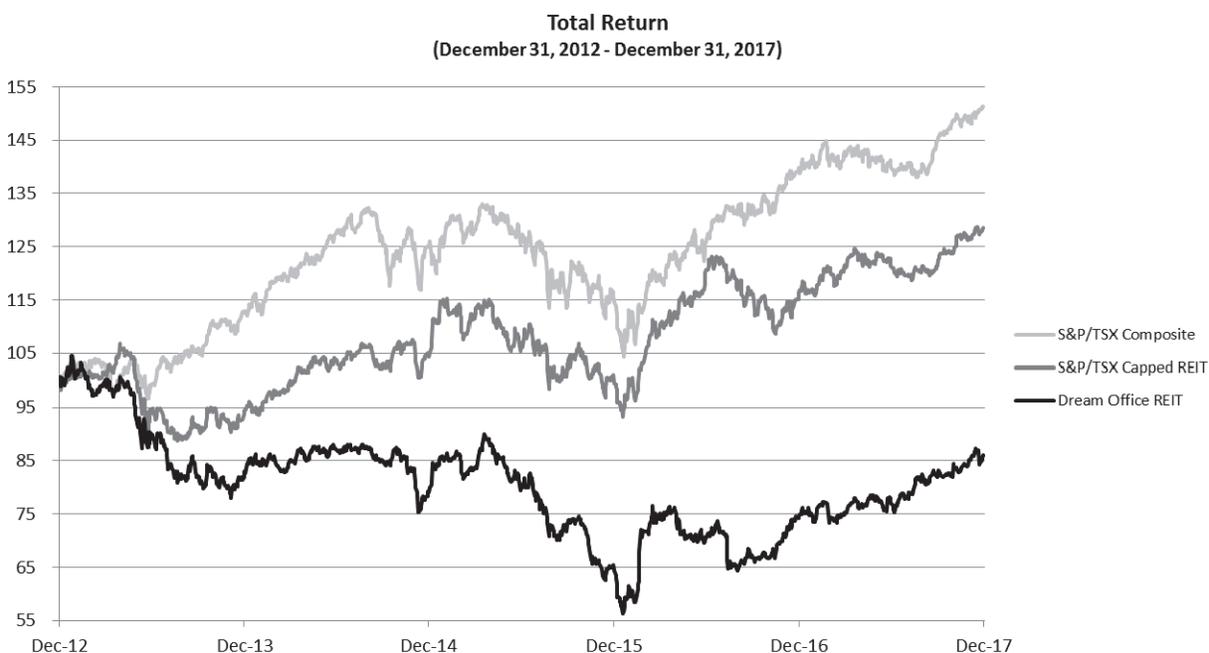
In his role as the Chief Financial Officer of Dream Office REIT, Mr. Viswanathan oversees financial reporting, property accounting, taxation, treasury, and information technology for Dream Office REIT, along with oversight responsibility in conjunction with other executives at DAM for shared services.

Mr. Viswanathan played a key role in leading the organization through a period of significant change, ensuring the business and reporting continued to operate effectively, while overseeing the restructuring of the operating platform to ensure the cost structure remained competitive in light of a smaller portfolio. Additionally, Mr. Viswanathan has managed banking and investor relationships, as Dream Office REIT continued to execute its Strategic Plan.

Based on this performance and Dream Office REIT’s performance against its corporate goals, Mr. Viswanathan was granted a bonus of \$175,000 for 2017 and awarded 12,000 Deferred Trust Units, which were granted in February 2018.

### **Performance Graph**

The following graph shows Dream Office REIT’s cumulative total unitholder return on its REIT A Units over the five most recently completed years, compared to the cumulative total return on the S&P/TSX Composite Index and the S&P Capped REIT Index, assuming an investment of \$100 on the first day of the five-year period.



The trend shown and the performance of our REIT A Unit price over the year are factors taken into consideration with respect to compensation. For example, Dream Office REIT’s REIT A Unit price performance may impact the amount of bonus paid to management. REIT A Unit price performance also directly impacts the value of Deferred Trust Units awarded as compensation. However, compensation is also based on the achievement of corporate and individual goals and, as a result, executive compensation may not compare directly to the trend shown in the graph above.

In 2017, total compensation paid to the Named Executive Officers was \$2,086,934 in the aggregate, representing approximately 1.1% of Dream Office REIT’s total FFO for the year ended December 31, 2017.

### Summary Compensation Chart

The following table sets forth information concerning the compensation earned by each Named Executive Officer for the past three years attributable to the services they provided to Dream Office REIT:

Name and principal position	Year	Salary	Unit-Based Awards <sup>(2)</sup>	Non-Equity Incentive Plan Compensation		Pension Value <sup>(4)</sup>	All other Compensation <sup>(5)</sup>	Total Compensation
				Annual incentive plans (Bonus) <sup>(3)</sup>	Long-term incentive plans			
Jane Gavan Chief Executive Officer	2017	\$300,000	\$400,600	\$600,000	N/A	\$7,869	N/A	\$1,308,469
	2016	\$300,000	\$325,400	\$360,000	N/A	N/A	N/A	\$985,400
	2015	\$240,000	\$543,000	\$360,000	N/A	N/A	N/A	\$1,143,000
Rajeev Viswanathan Chief Financial Officer <sup>(1)</sup>	2017	\$350,000	\$240,360	\$175,000	N/A	\$13,105	N/A	\$778,465
	2016	\$350,000	\$244,050	\$145,000	N/A	\$12,885	N/A	\$751,935
	2015	\$137,981	\$459,600	\$80,000	N/A	\$5,833	N/A	\$683,414

**Notes:**

- (1) Rajeev Viswanathan became Chief Financial Officer on August 10, 2015.
- (2) Deferred Trust Units granted vest over a five-year period with one fifth of the Deferred Trust Units vesting each year. Amounts are determined based on the grant date fair value of Deferred Trust Units multiplied by the number of Deferred Trust Units granted in the year as follows: Ms. Gavan – 2017: \$20.03 x 20,000; 2016: \$16.27 x 20,000; 2015: \$27.15 x 20,000; and Mr. Viswanathan – 2017: \$20.03 x 12,000; 2016: \$16.27 x 15,000; 2015: \$22.98 x 20,000. For more information on the Deferred Unit Incentive Plan, see “—Deferred Unit Incentive Plan”.
- (3) The short term annual incentive plan (bonus) were paid in February 2018.
- (4) Included in Pension Value are employer contributions to the Named Executive Officer’s pension. The pension plan is described under “Pension Plan – Defined Contribution Plan”.
- (5) Perquisites and personal benefits for each of the Named Executive Officers did not exceed the lesser of \$50,000 and 10% of the individual’s salary for the year.

**Incentive Plan Awards**

**Outstanding Unit-Based Awards at December 31, 2017**

Name	Aggregate holdings of Deferred Trust Units as at December 31, 2017 <sup>(1)</sup>	Unvested Deferred Trust Units as at December 31, 2017 <sup>(2)</sup>		Vested Deferred Trust Units not paid out or distributed as at December 31, 2017 <sup>(3)</sup>	
		(#)	(\$)	(#)	(\$)
<b>Jane Gavan</b> Chief Executive Officer	65,018	64,912	1,438,450	107	2,371
<b>Rajeev Viswanathan</b> Chief Financial Officer	54,048	40,906	906,477	13,141	291,205

**Notes:**

- (1) Includes Deferred Trust Units and Income Deferred Trust Units that have not vested, as well as those that would have vested, but were deferred at the election of the Named Executive Officer. Such units vest on a five year vesting schedule, with no adjustment for performance goals or other conditions. See “—Deferred Unit Incentive Plan”.
- (2) Includes unvested Deferred Trust Units and Income Deferred Trust Units. Based on the closing price on the TSX as at December 29, 2017 of \$22.16 per REIT A Unit.
- (3) Includes vested Deferred Trust Units and Income Deferred Trust Units for which the issuance of REIT A Units has been deferred. Based on the closing price on the TSX as at December 29, 2017 of \$22.16 per REIT A Unit.

**Deferred Unit Incentive Plan**

The Board of Trustees may designate individuals eligible to receive grants of Deferred Trust Units. In determining grants of Deferred Trust Units, an individual’s performance and contributions to Dream Office REIT’s success, relative position, tenure and past grants are taken into consideration.

Eligible participants who may participate in the Deferred Unit Incentive Plan consist of: (a) the Trustees and officers of Dream Office REIT; (b) employees or officers of Dream Office REIT or any of its affiliates; and (c) employees of certain service providers who spend a significant amount of time and attention on the affairs and business of one or more of Dream Office REIT and its affiliates.

The Deferred Unit Incentive Plan provides for the grant to eligible participants of Deferred Trust Units. Income Deferred Trust Units are credited based on distributions paid by Dream Office REIT on the REIT Units.

Up to a maximum of 2,550,000 Deferred Trust Units and Income Deferred Trust Units are issuable under the Deferred Unit Incentive Plan, representing approximately 3.5% of the number of issued and outstanding REIT A Units and approximately 3.2% of the number of issued and outstanding REIT Units, each as of December 31, 2017. As of December 31, 2017, a total of 2,047,224 Deferred Trust Units and Income Deferred Trust Units have been granted (or credited, in the case of Income Deferred Trust Units) under the Deferred Unit Incentive Plan (representing approximately 2.8% of the issued and outstanding REIT A Units and 2.6% of the issued and outstanding REIT Units) and 502,776 Deferred Trust Units remained available for issuance (representing approximately 0.7% of the issued and outstanding REIT A Units and 0.6% of the issued and outstanding REIT Units). As of the same date, 889,301 Deferred Trust Units and Income Deferred Trust Units remained outstanding under the Deferred Unit Incentive Plan (representing approximately 1.2% of the issued and outstanding REIT A Units and 1.1% of the issued and outstanding REIT Units).

The aggregate of the REIT A Units: (a) issued to insiders of Dream Office REIT, within any one year period, and (b) issuable to insiders of Dream Office REIT, at any time, under the Deferred Unit Incentive Plan, when combined with all of Dream Office REIT's other security based compensation arrangements, shall not exceed 10% of the total issued and outstanding REIT Units. In addition, (i) the number of REIT Units of Dream Office REIT issuable to non-employee Trustees, at any time, under all of Dream Office REIT's security based compensation arrangements may not exceed 1% of the issued and outstanding REIT Units; and (ii) the aggregate value of all Deferred Trust Units and Income Deferred Trust Units issued to any non-employee Trustee within any one financial year under all of Dream Office REIT's security based compensation arrangements may not exceed \$150,000. Unitholder approval is required for any modification or amendment to the limitations on insider and non-employee Trustee participation.

Under the Deferred Unit Incentive Plan, Deferred Trust Units may be granted from time to time to eligible participants at the discretion of the Compensation Committee. The number of Income Deferred Trust Units credited to a participant is calculated by multiplying the aggregate number of Deferred Trust Units and Income Deferred Trust Units held on the relevant distribution record date by the amount of distributions declared and paid by Dream Office REIT on each REIT A Unit, and dividing the result by the market value of the REIT A Units on the distribution payment date. Market value for this purpose is the volume weighted average closing price of the REIT A Units on the TSX for the five trading days immediately preceding the relevant distribution payment date.

Except as provided below, Deferred Trust Units will vest on either a five year or a three year vesting schedule. Deferred Trust Units granted to a participant who is an officer of Dream Office REIT (a "**Five Year Grantee**"), will vest on a five year vesting schedule, pursuant to which one-fifth of the Deferred Trust Units granted to such individual will vest on each anniversary of the grant date for a period of five years. Commencing in 2017, Deferred Trust Units granted to Trustees vest immediately on the date of grant; prior to 2017, Deferred Trust Units granted to Trustees vested on the basis of a five-year vesting schedule. Deferred Trust Units granted to any other participants will vest on a three year vesting schedule, pursuant to which one-third of the Deferred Trust Units granted to such individual will vest on each anniversary of the grant date for a period of three years. Income Deferred Trust Units credited to participants vest on the same schedule as their corresponding Deferred Trust Units and are issued on the same date as the Deferred Trust Units or Income Deferred Trust Units in respect of which they were credited.

Upon the vesting of Deferred Trust Units and Income Deferred Trust Units, Dream Office REIT will issue REIT A Units to participants on the basis of one REIT A Unit for each Deferred Trust Units and Income Deferred Trust Units that has vested. REIT A Units are issued by Dream Office REIT at no cost to participants. Subject to certain prohibitions on deferrals by participants in the U.S., Five Year Grantees and Trustees have the ability to elect to defer the issuance of REIT A Units to them on the vesting of their Deferred Trust Units and Income Deferred Trust Units in respect of any vesting date. Subject to the prohibitions on deferrals by participants in the U.S., the issuance of REIT A Units to Five Year Grantees and Trustees may be deferred indefinitely, unless the Five Year Grantee's or Trustee's employment or term of office is terminated, in which case REIT A Units will be issued on the relevant date of termination of employment or term of office. Eligible participants for whom the award of Deferred Trust Units or Income Deferred Trust Units would otherwise be subject to U.S. taxation under the United States Internal Revenue

Code of 1986 may not elect to defer the issuance of REIT A Units to them on the vesting of their Deferred Trust Units and Income Deferred Trust Units.

Any unvested Deferred Trust Units or Income Deferred Trust Units held by a participant will be forfeited if the employment or term of office of the individual is terminated for any reason, whether voluntarily or involuntarily. However, pursuant to the Deferred Unit Incentive Plan, the Compensation Committee may, in its discretion if the circumstances warrant, accelerate the vesting of such Deferred Trust Units or Income Deferred Trust Units held by an individual whose employment or term of office is terminated. In these circumstances, any unvested Deferred Trust Units or Income Deferred Trust Units will vest effective upon the termination date of the individual or, other than for participants in the U.S., on such later date or dates determined by the Compensation Committee in their discretion.

Deferred Trust Units and Income Deferred Trust Units are non-transferable, except to a participant's estate, and the rights of participants under the Deferred Unit Incentive Plan are not assignable, except as required by law.

The Compensation Committee may review and confirm the terms of the Deferred Unit Incentive Plan from time to time and may, subject to applicable stock exchange rules, amend or suspend the Deferred Unit Incentive Plan in whole or in part as well as terminate the Deferred Unit Incentive Plan without prior notice as it deems appropriate; provided, however, that any amendment to the Deferred Unit Incentive Plan that would, among other things, result in any increase in the number of Deferred Trust Units and Income Deferred Trust Units issuable under the Deferred Unit Incentive Plan or permit Deferred Trust Units or Income Deferred Trust Units granted under the plan to be transferable or assignable other than for normal estate settlement purposes will be subject to the approval of unitholders. Without limitation, the Compensation Committee may, without obtaining the approval of unitholders, make changes: (a) to correct errors, immaterial inconsistencies or ambiguities in the Deferred Unit Incentive Plan; (b) that are necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements); and (c) to the vesting provisions applicable to Deferred Trust Units and Income Deferred Trust Units. However, subject to the terms of the Deferred Unit Incentive Plan, no amendment may materially adversely affect the Deferred Trust Units or Income Deferred Trust Units previously granted under the Deferred Unit Incentive Plan without the consent of the affected participant.

### **Annual Burn Rate**

In accordance with the requirements of section 613 of the TSX Company Manual, the following table sets out the burn rate of the awards granted under Dream Office REIT's security based compensation arrangements as of the end of the financial year ended December 31, 2017 and for the two preceding financial years. The only security based compensation arrangement included in the calculation below is the Deferred Unit Incentive Plan. The burn rate is calculated by dividing the number of securities granted under the Deferred Unit Incentive Plan during the relevant fiscal year by the weighted average number of REIT A Units outstanding as at December 31 of the applicable fiscal year.

	2017	2016	2015
<b>Burn Rate</b>	0.19%	0.13%	0.19%

### **Incentive Plan Awards - Value vested or earned during the year**

Deferred Trust Units granted to the Named Executive Officers and their related Income Deferred Trust Units vest on a five year vesting schedule, pursuant to which one-fifth of the Deferred Trust Units granted to such individuals and their related Income Deferred Trust Units will vest on each anniversary of the grant date for a period of five years.

<b>Name</b>	<b>Unit-based awards - Value vested during the year<sup>(1)(2)</sup></b>	<b>Non-equity incentive plan compensation - Value earned during the year</b>
<b>Jane Gavan</b> Chief Executive Officer	\$359,704	N/A

Name	Unit-based awards – Value vested during the year <sup>(1)(2)</sup>	Non-equity incentive plan compensation – Value earned during the year
<b>Rajeev Viswanathan</b> Chief Financial Officer	\$172,545	N/A

**Notes:**

- <sup>(1)</sup> Based on the closing price on the TSX per REIT A Unit as at the vesting date.
- <sup>(2)</sup> Includes Deferred Trust Units that vested but were deferred indefinitely at the election of the Named Executive Officer. Income Deferred Trust Units continue to be credited to holders of such Deferred Trust Units. See “—Deferred Unit Incentive Plan”.

**Pension Plan - Defined Contribution Plan**

Certain of the Named Executive Officers participate in a defined contribution registered pension plan to which a subsidiary of Dream Office REIT (or DAM in the case of the Chief Executive Officer) contributes an amount equal to the Named Executive Officers’ required contributions for each full or partial year of membership in the plan. Each Named Executive Officer may elect to contribute an amount equal to 2%, 3%, 4% or 5% of such Named Executive Officer’s base salary during each full or partial year of membership in the plan. Total contributions with respect to each plan member in any year may not exceed the maximum permitted under applicable law.

Generally, all full-time employees are eligible to participate in the pension plan after completing 12 months of continuous employment. If a plan member’s employment is terminated before the completion of two years of continuous membership in the pension plan, then he/she is entitled to receive a cash refund equal to the accumulated value of his/her employee contributions. If a plan member’s employment is terminated after the completion of two years of continuous membership in the pension plan, then he/she is entitled to receive a pension equal to the accumulated value of his/her employee contributions and the accumulated value of the employer contributions.

Pension benefits are paid to plan members on the first day of the month immediately following their 65th birthday, unless the plan member elects otherwise. A plan member’s retirement benefit is based on the accumulated value of contributions made by both the plan member and the employer. The pension plan provides for early retirement at any time up to 10 years prior to age 65 and allows plan members to postpone retirement beyond age 65 (up to the maximum age for income commencement under applicable tax legislation), provided the plan member remains an employee.

Plan members have the choice to receive their pension in a number of ways including a single life annuity and joint and survivor annuity.

The following table outlines specific information relating to the defined contribution registered pension plan for each of the Named Executive Officers:

Name	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Accumulated Value at End of Year (\$)
<b>Jane Gavan</b> Chief Executive Officer	\$0	\$7,869	\$16,066
<b>Rajeev Viswanathan</b> Chief Financial Officer	\$37,978	\$13,105	\$70,035

### Securities Authorized for Issuance under Equity Compensation Plans

The following table provides a summary as of December 31, 2017, of Dream Office REIT’s Deferred Unit Incentive Plan, being the only equity compensation plan of Dream Office REIT pursuant to which equity securities of Dream Office REIT may be issued.

Plan Category	Number of REIT A Units to be issued pursuant to outstanding Deferred Trust Units <sup>(1)</sup>	Weighted-average exercise price of unvested Deferred Trust Units	Number of Deferred Trust Units remaining available for future grant under the Deferred Unit Incentive Plan <sup>(2)</sup>
Equity compensation plans approved by unitholders	889,301	N/A	502,776

**Notes:**

- <sup>(1)</sup> Includes Deferred Trust Units and Income Deferred Trust Units that have not vested, as well as those that would have vested, but were deferred at the election of the holder.
- <sup>(2)</sup> 2,550,000 Deferred Units are currently authorized under the Deferred Unit Incentive Plan.

### Termination and Change of Control

There are no pre-defined termination payments or change in control arrangements for the Named Executive Officers.

### Non-GAAP Measures

Dream Office REIT’s consolidated financial statements are prepared in accordance with IFRS. In this “Executive Compensation” section, Dream Office REIT discloses and discusses certain non-IFRS financial measures including FFO well as other measures discussed elsewhere in this section. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. Dream Office REIT has presented such non-IFRS measures as management believes they are relevant measures of our underlying operating performance and debt management. Non-IFRS measures should not be considered as alternatives to net income, total comprehensive income, cash flows generated from operating activities or comparable metrics determined in accordance with IFRS as indicators of Dream Office REIT’s performance, liquidity, cash flow and profitability. See the Glossary of Terms set out in Appendix A for the definition of FFO. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to the “Non-GAAP Measures” section in our 2017 MD&A.

# TRUSTEE COMPENSATION

## HIGHLIGHTS OF TRUSTEE COMPENSATION:

- The objectives of Dream Office REIT's trustee compensation program include aligning the interests of the trustees with the interests of the unitholders; attracting, retaining and motivating Trustees who will contribute to the success of Dream Office REIT; and providing fair and competitive compensation that takes into account the time commitment and responsibilities of Trustees
- Trustee Compensation program overhauled in 2017 to eliminate meeting fees and provide for immediate vesting of Deferred Trust Unit grants
- Dream Office REIT does not have a unit option plan and options do not form part of trustee compensation
- All Trustees are subject to minimum equity ownership requirements

## Overview

The Trustees' compensation program is designed to attract and retain the most qualified individuals to serve on the Board of Trustees. Dream Office REIT's compensation program integrates the following objectives: (i) to align the interests of the Trustees with the interests of the unitholders, (ii) to attract, retain and motivate Trustees who will contribute to the success of Dream Office REIT; (iii) to provide fair and competitive compensation that takes into account the time commitment and responsibilities of Trustees; and (iv) the types of compensation and the amounts paid to trustees of comparable public companies and REITs. The companies in the comparable group for trustee compensation are the same comparator group used for the compensation of management.

In 2017, the Board, on the recommendation of the Compensation Committee, adopted a flat retainer arrangement for Trustee compensation, eliminating Board and committee meeting attendance fees and determined, as a matter of Board policy, that Deferred Trust Units granted to Trustees would vest immediately on the date of grant.

The Trustee compensation package for 2017 included the following components; (i) an annual retainer for the Chair and each Trustee, (ii) Deferred Trust Units, (iii) Board committee chair fees, and (iv) Board committee member fees. The Compensation Committee reviews the adequacy and form of Trustees' compensation annually. The elements of the Trustee compensation package for 2017 are set out below.

Type of Fee		Amount
Dream Office REIT Board Chair Annual Retainer <sup>(1)</sup>		\$120,000/year
Dream Office REIT Trustee Annual Retainer <sup>(2)</sup>		\$44,000/year
Committee Chair Annual Fees	Audit Committee	\$26,000/year
	Compensation Committee	\$26,000/year
	Governance and Nominating Committee	\$11,000/year
	Other Committee Chair	
Committee Member Annual Fees	Audit Committee	\$16,000/year
	Compensation Committee	\$16,000/year
	Governance and Nominating Committee	\$6,000/year
Deferred Trust Units granted in 2017		3,000 per Trustee

**Notes:**

- <sup>(1)</sup> The Chair of the Board receives such amount if he or she is not an employee of Dream Office REIT or one of its subsidiaries, but does not receive any other fees for any committee membership. In 2018, Michael Cooper will not receive the Chair annual retainer as he is the Chief Executive Officer of the Trust.
- <sup>(2)</sup> Trustees may elect to be paid the annual board retainer as well as any committee chair or membership fees in cash or in an equivalent value of Deferred Trust Units granted under the Deferred Unit Incentive Plan.

Trustees are reimbursed for their out-of-pocket expenses incurred in acting as Trustees. In addition, Trustees are entitled to receive remuneration for services rendered to Dream Office REIT in any other capacity, except in respect of their service as directors or trustees of any subsidiary of Dream Office REIT. Trustees who are employees of and who receive salaries from Dream Office REIT or one of its subsidiaries are not entitled to receive any remuneration for their services in acting as Trustees, but are entitled to reimbursement of their out-of-pocket expenses incurred in acting as Trustees.

Trustees may participate in the Deferred Unit Incentive Plan. Non-employee Trustees may elect to receive their annual retainer as well as any committee chair or membership fees in Deferred Trust Units under the Deferred Unit Incentive Plan. If so elected, Dream Office REIT will credit to the Trustee's account such number of Deferred Trust Units equal to the amount of the retainer deferred, divided by the fair market value of the REIT A Units based on the weighted average closing price of the REIT A Units on the TSX for five trading days immediately preceding the grant date on the date of the award. In addition, Trustees are eligible to receive awards of Deferred Trust Units as designated by the Board of Trustees. See "Executive Compensation – Incentive Plan Awards – Deferred Unit Incentive Plan".

### Trustee Summary Compensation Chart

The following table provides a summary of the compensation earned by the Trustees who are non-employee trustees, meaning a Trustee that is not an employee of Dream Office REIT or one of its affiliates, for the year ended December 31, 2017:

Name	Unit-based awards	Non-equity incentive plan compensation	Annual Board Retainer	Board and Committee Chair Fees	Audit/Compensation/Governance Committee Member Fee	Total Fees (Taken in Cash and/or Deferred Trust Units)	All Other Compensation	Total
Detlef Bierbaum	\$58,530	N/A	\$44,000	N/A	\$16,000	\$60,000 Deferred Trust Units	N/A	\$118,530
Donald Charter	\$58,530	N/A	\$44,000	\$33,283	\$1,500	\$78,783 Deferred Trust Units	N/A	\$137,313
Michael Cooper	\$240,360	N/A	\$120,000	\$5,000	N/A	\$125,000 Cash	N/A	\$365,360
Joanne Ferstman	\$58,530	N/A	\$44,000	\$26,000	N/A	\$70,000 Deferred Trust Units	N/A	\$128,530
Robert Goodall	\$58,530	N/A	\$44,000	N/A	\$16,000	\$60,000 Deferred Trust Units	N/A	\$118,530
Johann Koss	\$58,530	N/A	\$26,065 <sup>(1)</sup>	N/A	\$3,027	\$25,224 Deferred Trust Units	N/A	\$87,622
The Hon. Dr. Kellie Leitch	\$58,530	N/A	\$44,000	N/A	\$6,000	\$50,000 Deferred Trust Units	N/A	\$108,530
Karine MacIndoe	\$58,530	N/A	\$44,000	N/A	\$32,848	\$76,848 Deferred Trust Units	N/A	\$135,378

**Notes:**

<sup>(1)</sup> Mr. Koss served as a Trustee from May 4, 2017 to November 3, 2017 and therefore his Annual Board Retainer has been pro-rated.

## Incentive Plan Awards

### Outstanding Unit-Based Awards at December 31, 2017

Name	Aggregate holdings of Deferred Trust Units as at December 31, 2017 <sup>(1)</sup>	Unvested Deferred Trust Units as at December 31, 2017 <sup>(2)</sup>		Vested Deferred Trust Units not paid out or distributed as at December 31, 2017 <sup>(3)</sup>	
		(#)	(\$)	(#)	(\$)
Detlef Bierbaum	13,017	12,054	267,117	963	21,340
Donald Charter	52,403	11,537	255,660	40,866	905,591
Michael Cooper	277,576	51,730	1,146,337	225,846	5,004,747
Joanne Ferstman	62,614	15,112	334,882	47,502	1,052,644
Robert Goodall	60,364	11,179	247,727	49,185	1,089,940
Johann Koss	4,325	Nil	Nil	4,325	95,842
Kellie Leitch	12,122	3,982	88,241	8,140	180,382
Karine MacIndoe	18,606	8,207	181,867	10,400	230,464

#### Notes:

- (1) Includes Deferred Trust Units and Income Deferred Trust Units that have not vested, as well as those that would have vested, but were deferred at the election of the Trustee. Such units vest on a five year vesting schedule, with no adjustment for performance goals or other conditions. See “—Deferred Unit Incentive Plan”.
- (2) Includes unvested Deferred Trust Units and Income Deferred Trust Units. Based on the closing price on the TSX as at December 29, 2017 of \$22.16 per REIT A Unit.
- (3) Includes vested Deferred Trust Units and Income Deferred Trust Units for which issuance of REIT A Units has been deferred. Based on the closing price on the TSX as at December 29, 2017 of \$22.16 per REIT A Unit.

### Incentive Plan Awards – Value Vested or Earned During 2017

Commencing in 2017, Deferred Trust Units granted to the Trustees vest immediately on the date of grant. Deferred Trust Units granted to the Trustees prior to 2017 and their related Income Deferred Trust Units vest on a five year vesting schedule, pursuant to which one-fifth of the Deferred Trust Units granted to such individuals and their related Income Deferred Trust Units will vest on each anniversary of the grant date for a period of five years.

Name	Unit-based awards – Value vested during the year <sup>(1)(2)</sup>	Non-equity incentive plan compensation – Value earned during the year
Detlef Bierbaum	\$133,368	N/A
Donald Charter	\$151,457	N/A
Michael Cooper	\$718,749	N/A
Joanne Ferstman	\$189,841	N/A
Robert Goodall	\$169,876	N/A
Johann Koss	Nil	N/A
Kellie Leitch	\$21,731	N/A
Karine MacIndoe	\$48,225	N/A

**Notes:**

- (1) Based on the closing price on the TSX per REIT A Unit as at the vesting date.
- (2) Includes Deferred Trust Units that vested but were deferred indefinitely at the election of the Trustee. Income Deferred Trust Units continue to be credited to holders of such Deferred Units. See “—Deferred Unit Incentive Plan”

**Trustee Unit Ownership Guidelines and Anti-Hedging Requirements**

Under our Charter of Expectations for Trustees, each Independent Trustee is required to own REIT Units or Deferred Trust Units with an aggregate value of at least three times the amount of their annual retainer (calculated including equity grants) over a five-year period, commencing twelve months after the date of their election or appointment. All Trustees currently meet or are on track to meet this requirement. The Charter of Expectations for Trustees also provides that Independent Trustees may not engage in transactions that could reduce or limit his or her economic risk with respect to the Independent Trustee’s holdings of (i) REIT Units or other securities of Dream Office REIT, or (ii) outstanding Deferred Trust Units. Prohibited transactions include hedging strategies, equity monetization transactions, transactions using short sales, puts, calls, exchange contracts, derivatives and other types of financial instruments (including, but not limited to, prepaid variable forward contracts, equity swaps, collars and exchange funds), and limited recourse loans to the Independent Trustees secured by REIT Units or other securities of Dream Office REIT.

**2017 Trustee Attendance Record**

The table below provides a summary of the attendance of Trustees at Board and committee meetings held during the year ended December 31, 2017. Attendance is a critical element for trustees to perform their duties and responsibilities. Trustees are expected to attend all Board meetings and committee meetings and management and the Board do their best to arrange meetings so that all trustees can attend, although circumstances do arise where it is impossible for a Board member to make a meeting particularly when the meetings are called on short notice.

Board/Committee	Number of meetings	Attendance
Regular Board Meeting	6	98%
Additional Board Meetings	3	96%
Audit Committee Meeting	4	100%
Governance and Nominating Committee Meeting	4	100%
Compensation, Health and Environmental Committee Meeting	3	89%
Investment Committee Meeting	N/A	N/A
<b>Total meetings held and overall average attendance</b>	<b>20</b>	<b>97%</b>

## OTHER INFORMATION

### Trustees' and Officers' Liability Insurance

Dream Office REIT carries trustees' and officers' liability insurance with a total annual aggregate policy limit of \$40 million (comprised of a \$10 million primary policy and \$30 million in excess policies). Under this insurance coverage, Dream Office REIT is reimbursed for payments made under indemnity provisions on behalf of Trustees and officers contained in the Declaration of Trust, and pursuant to individual indemnity agreements between Dream Office REIT and each officer and Trustee (the "**Indemnities**") subject to a deductible payable by Dream Office REIT of \$50,000 for securities claims and indemnifiable losses. The Declaration of Trust and the Indemnities provide for the indemnification in certain circumstances of Trustees and officers from and against liability and costs in respect of any action or suit against them in respect of the execution of their duties of office.

### Indebtedness of Trustees, Officers and Employees

There is no indebtedness of Trustees, officers or employees to Dream Office REIT.

### Interest of Informed Persons in Material Transactions

Except as described below or as otherwise disclosed in this Circular, Dream Office REIT and management are not aware of any material interest, direct or indirect, of any Trustee, executive officer of Dream Office REIT, trustee, director or executive officer of any subsidiary of Dream Office REIT, any person or company who beneficially owns, directly or indirectly, voting securities of Dream Office REIT or who exercises control or direction over voting securities of Dream or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of Dream Office REIT, any Trustee, director or executive officer of any such person or company, or any associate or affiliate of any of the foregoing, in any transaction since the commencement of Dream Office REIT's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Dream Office REIT or its subsidiaries. See also "Voting Information — Principal Holders of Voting Securities".

### Management Services Agreement

On April 2, 2015, Dream Office REIT announced the 2015 Reorganization of its management structure whereby the annual management fee, acquisition fee, financing fee and capital expenditure fee payable by Dream Office REIT to DAM pursuant to the Asset Management Agreement were eliminated in exchange for 4,850,000 LP B Units which are exchangeable for REIT A Units. In connection with the 2015 Reorganization, Dream Office REIT and certain of its subsidiaries entered into a Management Services Agreement with DAM, pursuant to which DAM continues to provide strategic oversight to Dream Office REIT and the services of a Chief Executive Officer as requested by Dream Office REIT, on a cost recovery basis and which includes the payment to DAM of an incentive fee tied to increases in Dream Office REIT's net asset value which is payable upon termination of the Management Services Agreement.

For more information, the 2015 Reorganization is described under the heading “Management Services Agreement” in our 2017 Annual Information Form which has been filed and is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The head office of DAM is located at 30 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 3H1. DAM is a subsidiary of Dream and an associate of Michael Cooper. As of the date of this Circular, the directors of DAM are Michael Cooper, Joanne Ferstman, Richard N. Gateman, Jane Gavan, Duncan Jackman, Jennifer Lee Koss and Vincenza Sera, and the executive officers of DAM are Michael J. Cooper, Pauline Alimchandani, Jane Gavan, Daniel Marinovic and Jason Lester. Each of the foregoing individuals is resident in Ontario other than Richard Gateman who is resident in Alberta. See also “Statement of Corporate Governance Practices – Internalization of Management Structure”.

The address for Dream and each of the parties to the Management Services Agreement is State Street Financial Centre, 30 Adelaide Street East, Suite 301, Toronto, ON M5C 3H1.

### **Other Business**

Management does not currently know of any matters to be brought before the Meeting other than those set forth in the Notice of Meeting accompanying this Circular.

### **Additional Information**

Additional information relating to Dream Office REIT is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca) including additional financial information which is provided in Dream Office REIT’s consolidated comparative financial statements and management’s discussion and analysis for its most recently completed financial year. Unitholders may request copies of Dream Office REIT’s financial statements and management’s discussion and analysis by sending a request in writing to:

Dream Office Real Estate Investment Trust  
c/o Chief Financial Officer  
30 Adelaide Street East, Suite 301  
Toronto, Ontario  
M5C 3H1

## BOARD APPROVAL

The contents and sending of this Circular have been approved by the Board of Trustees.

**DATED** at Toronto, Ontario, the 26<sup>th</sup> day of March, 2018.

By Order of the Board

By:

A handwritten signature in black ink, appearing to read "M.J. Cooper", with a long horizontal flourish extending to the right.

MICHAEL J. COOPER  
Chairman and Chief Executive Officer

## APPENDIX A GLOSSARY OF TERMS

The following is a glossary of terms used frequently throughout the Meeting Materials. References to “we”, “our” and “us” refer to Dream Office Real Estate Investment Trust.

“**2015 Reorganization**” has the meaning given in the section entitled “Statement of Corporate Governance Practices – Internalization of Management Structure”.

“**2017 Annual Information Form**” means Dream Office REIT’s annual information form dated March 27, 2018.

“**2017 MD&A**” means Dream Office REIT’s management’s discussion and analysis of financial condition and results of operations in respect of our 2017 financial year, a copy of which has been filed on SEDAR.

“**affiliate**” has the meaning ascribed thereto in NI 45-106.

“**Asset Management Agreement**” means the amended and restated asset management agreement dated December 31, 2007 between Dream Office REIT, Dream Office OTA LP, Dream Office OTB LP, Dream Office LP and DAM, as amended by the amending agreement dated April 2, 2015 between Dream Office REIT, Dream Office OTA LP, Dream Office OTB LP, Dream Office LP, Dundee Real Estate Asset Management Limited Partnership and DAM.

“**associate**” has the meaning ascribed thereto in the *Securities Act* (Ontario).

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

“**Broadridge**” has the meaning given in the section entitled “Notice and Access”.

“**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, on which Canadian chartered banks are generally open in Toronto, Ontario for the transaction of banking business.

“**Circular**” means this management information circular dated March 26, 2018.

“**Code of Conduct**” has the meaning given in the section entitled “Statement of Corporate Governance Practices - Code of Conduct”.

“**comparative properties NOI**” has the meaning given in the section entitled “Executive Compensation – Evaluating Performance and Determining Compensation of Named Executive Officers for 2017 – Corporate Performance Goals and Achievements for 2017”.

“**Compensation Committee**” has the meaning given in the section entitled “Statement of Corporation Governance Practices – Committees of the Board”.

“**Core Assets**” means those properties identified by Dream Office REIT as part of its Strategic Plan as core holdings. For further details regarding the Core Assets and our Strategic Plan, see our 2017 MD&A.

“**DAM**” means Dream Asset Management Corporation, a corporation governed by the laws of the Province of British Columbia and a subsidiary of Dream.

“**Declaration of Trust**” means the amended and restated declaration of trust of Dream Office REIT dated as of May 8, 2014, as amended or amended and restated from time to time, which is available on our website at [www.dreamofficereit.ca](http://www.dreamofficereit.ca).

“**Deferred Trust Units**” means deferred trust units under the Deferred Unit Incentive Plan.

“**Deferred Unit Incentive Plan**” means the deferred unit incentive plan of Dream Office REIT.

“**Deferred Units**” means Deferred Trust Units and Income Deferred Trust Units.

“**Disclosure Policy**” means the disclosure policy adopted by the Board.

“**Diversity Policy**” has the meaning given in the section entitled “Statement of Corporate Governance Practices – Board Diversity Policy”.

“**Dream**” means Dream Unlimited Corp., a corporation governed by the laws of the Province of Ontario.

“**Dream Alternatives**” means Dream Hard Asset Alternatives Trust, an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario.

“**Dream Alternatives Master GP**” means Dream Alternatives Master GP Inc., a corporation incorporated under the laws of the *Business Corporations Act* (Ontario) as a wholly-owned subsidiary of DAM and the general partner of Dream Alternatives Master LP.

“**Dream Alternatives Master LP**” means Dream Alternatives Master LP, a limited partnership formed under the laws of Ontario and the principal entity for the business of Dream Alternatives.

“**Dream Entities**” means Dream, Dream Office REIT, Dream Industrial REIT, Dream Global REIT and Dream Alternatives.

“**Dream Global REIT**” means Dream Global Real Estate Investment Trust, an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario.

“**Dream Industrial REIT**” means Dream Industrial Real Estate Investment Trust, an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario.

“**Dream Office LP**” means Dream Office LP, a limited partnership formed under the laws of the Province of Ontario.

“**Dream Office REIT**” or “**the Trust**” means Dream Office Real Estate Investment Trust, an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario.

“**Dream REITs**” means, together Dream Office REIT, Dream Industrial REIT and Dream Global REIT.

“**FFO**” means funds from operations. See our 2017 MD&A for a description of our calculation of FFO and a reconciliation of FFO to net income. This non-IFRS measurement is commonly used by real estate investment trusts to measure performance of operations; however, it does not represent net income or cash generated from operating activities, as defined by IFRS, and is not necessarily indicative of cash available to fund Dream Office REIT’s needs.

“**GAAP**” or “**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the Canadian Professional Accountants of Canada in Part I of The Canadian Professional Accountants of Canada Handbook – Accounting, as amended from time to time.

“**Governmental Authority**” means any: (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign; or (ii) regulatory authority, including any securities commission or stock exchange.

“**Income Deferred Trust Units**” means income deferred trust units under the Deferred Unit Incentive Plan.

“**Indemnities**” has the meaning given in the section entitled “Trustees’ and Officers’ Liability Insurance”.

“**Independent Lead Trustee**” has the meaning given in the section entitled “Board of Trustees – Independent Lead Trustee and Trustee Meetings without Management”.

“**Independent Trustee**” means a Trustee that is independent within the meaning of such term in NI 58-101. Pursuant to NI 58-101, an Independent Trustee is one who is not an employee or executive officer of Dream Office REIT and who is free from any direct or indirect relationship which could, in the view of the Board, be reasonably expected to interfere with such Trustee’s independent judgment.

“**intermediary**” refers to a bank, trust company, securities dealer or broker, or director or administrator of a self-administered RRSP, RRRIF, RESP, TFSA or similar plan.

“**LP Class B Units, Series 1**” or “**LP B Units**” means the LP Class B, Series 1 limited partnership units of Dream Office LP.

“**Management Services Agreement**” means the management services agreement dated April 2, 2015 between Dream Office REIT, Dream Office LP and DAM, as amended or amended and restated from time to time.

“**Meeting**” means the annual meeting of unitholders to be held on Thursday, May 17, 2018 at 1:00 p.m. (Toronto time), and any postponements or adjournments thereof.

“**Meeting Materials**” means collectively, the Notice of Meeting, the Circular and the form(s) of proxy.

“**Named Executive Officers**” has the meaning given in the section entitled “Executive Compensation – Named Executive Officers”.

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**NI 58-101**” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

“**Notice of Meeting**” means the notice of meeting accompanying the Circular.

“**Notice Package**” has the meaning given in the section entitled “Voting Information – Notice and Access”.

“**person**” includes any individual, firm, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, director, executor, administrator, legal personal representative, estate, group, body corporate, trust, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status.

“**Record Date**” means April 6, 2018, the date for the determination of unitholders entitled to receive notice of and vote at the Meeting.

“**REIT**” means a real estate investment trust.

“**REIT A Units**” means REIT Units, Series A of Dream Office REIT, each representing an undivided beneficial interest in any distributions from Dream Office REIT.

“**REIT B Units**” means REIT Units, Series B of Dream Office REIT, each representing an undivided beneficial interest in any distributions from Dream Office REIT.

“**REIT Units**” means, collectively, the REIT A Units, the REIT B Units and the Special Trust Units, but “**REIT units**”, when units is used in lower case type, means, collectively, the REIT A Units and REIT B Units.

“**RESP**” means a registered education savings plan.

“**RRIF**” means a registered retirement income fund.

“**RRSP**” means a registered retirement savings plan.

“**Special Trust Units**” means the Special Trust Units of Dream Office REIT issued to the holders of LP Class B Units, Series 1 providing rights to vote (and only a nominal economic interest) as a unitholder of Dream Office REIT, all of which are currently indirectly held by DAM.

“**Strategic Plan**” means our strategic plan announced on February 18, 2016.

“**subsidiary**” has the meaning ascribed to it in NI 45-106.

“**TFSA**” means a tax-free savings account.

“**Transfer Agent**” means Computershare Trust Company of Canada and its successors and assigns.

“**Trustee**” means a trustee of Dream Office REIT.

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

“**Unitholders**” means holders of REIT units, but “**unitholders**”, when used in lower case type, refers to all holders of REIT Units.

“**U.S.**” means the United States of America.

## **APPENDIX B MANDATE FOR THE BOARD**

### **DREAM OFFICE REAL ESTATE INVESTMENT TRUST (the “Trust”)**

#### **MANDATE FOR THE BOARD OF TRUSTEES**

The board of trustees (the “**Board**”) of the Trust is elected by the holders of REIT Units, Series A of the Trust, REIT Units, Series B of the Trust and special trust units of the Trust (the “**Unitholders**”). The Board is responsible for the stewardship of the activities and affairs of the Trust. The Board seeks to discharge such responsibility by reviewing, discussing and approving the Trust’s strategic planning and organizational structure and supervising management of the Trust to oversee that the strategic planning and organizational structure enhance and preserve the business of the Trust and the underlying value of the Trust. Although trustees may be elected by the Unitholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Trust must be paramount at all times.

#### **MEETINGS**

The Board shall meet at least once in each quarter, with additional meetings held as necessary to carry out its duties effectively. The Board will hold a special meeting at least once a year to specifically discuss strategic planning and the Trust’s annual business plan. At the conclusion of every Board meeting, the independent trustees shall have an in camera session without management present, chaired by the Chair of the Board. The procedures for meetings of the Board shall be determined by the Chair, unless otherwise determined by the declaration of trust of the Trust, as amended or amended and restated from time to time (the “Declaration of Trust”) or a resolution of the Board.

#### **DUTIES OF TRUSTEES**

The Board discharges its responsibility for overseeing the management of the Trust’s activities and affairs by delegating to the Trust’s senior officers the responsibility for day-to-day activities of the Trust. The Board discharges its responsibilities both directly and by delegation through its standing committees, the Audit Committee, the Governance, Compensation and Environmental Committee, and the Investment Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature.

The Board’s primary roles are overseeing the performance of senior management of the Trust.

Other principal duties include, but are not limited to the following categories:

#### **Appointment of Management**

1. The Board is responsible for reviewing matters relating to senior management and succession planning.
2. In approving the appointment of the chief executive officer and all other senior management, the Board will, to the extent feasible, satisfy itself as to the integrity of these individuals and that they create a culture of integrity throughout the Trust.
3. The Board from time to time delegates to senior management the authority to enter into certain types of transactions, including financial transactions, subject to specified limits. Investments and other expenditures above the specified limits, and material transactions outside the ordinary course of business are reviewed by and are subject to the prior approval of the Board.
4. The Board oversees that succession planning programs are in place, including programs to train and develop management.

#### **Board Organization**

5. The Board will respond to recommendations received from the Governance, Compensation and Environmental Committee, but retains responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the chair of the Board, the selection of the lead trustee of the Board, if applicable, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and trustee compensation. At all times, a majority of trustees of the Board shall be resident Canadians.

6. The Board may establish committees of the Board, where required or prudent, and define their mandate. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the Board and any internal senior management, the granting of deferred units or other entitlements under any equity compensation plan of the Trust, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

#### **Strategic Planning**

7. The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the objectives and strategy of the Trust.
8. The Board is responsible for participating in the development of, and reviewing and approving, the business, financial and strategic plans by which it is proposed that the Trust may reach those goals.
9. The Board is responsible for supervising the activities, managing the investments and affairs and approving major decisions of the Trust.
10. The Board will consider alternate strategies in response to possible change of control transactions or take-over bids with a view to maximizing value for Unitholders.
11. The Board is responsible for monitoring and assessing the resources required to implement the Trust's business, financial and strategic plans and for reviewing the debt strategy of the Trust.

#### **Monitoring of Financial Performance and Other Financial Reporting Matters**

12. The Board is responsible for enhancing congruence between Unitholder expectations, Trust plans and management performance.
13. The Board is responsible for adopting processes for monitoring the Trust's progress toward its strategic and operational goals, and to revise and alter its direction to management in light of changing circumstances affecting the Trust.
14. The Board is responsible for approving the audited financial statements, interim financial statements and the notes and management's discussion and analysis accompanying such financial statements.
15. The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters which the Board is required to approve under the Declaration of Trust and other governing documents, including the payment of distributions, purchase and redemptions of securities, acquisitions and dispositions.

#### **Risk Management**

16. The Board is responsible for overseeing the identification of the principal risks of the Trust's business and the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Trust and achieving a proper balance between the risks incurred and the potential return to the Trust's Unitholders.

#### **Corporate Governance**

17. The Board is responsible for developing the Trust's approach to corporate governance and for approving policies and procedures to ensure the Trust has appropriate structures in place to permit the Board to effectively discharge its duties and responsibilities.

#### **Policies and Procedures**

18. The Board is responsible for:
  - (a) approving and assessing compliance with all significant policies and procedures by which the Trust is operated; and

- (b) approving policies and procedures designed to ensure that the Trust operates at all times within applicable laws and regulations and in accordance with ethical and moral standards.
19. The Board is responsible for supporting a corporate culture of integrity and responsible stewardship and overseeing the discharge by the Trust of its responsibilities as a good corporate citizen, including environmental health and safety and social responsibility.
20. The Board shall enforce its policy respecting confidential treatment of the Trust's proprietary information and the confidentiality of Board deliberations.

#### **Communications and Reporting**

21. The Board has approved and will revise from time to time as circumstances warrant policies to address communications with Unitholders, employees, financial analysts, governments and regulatory authorities, the media and the Canadian and international communities.

#### **Miscellaneous**

22. The Board is responsible for:
- (a) overseeing the accurate reporting of the financial performance of the Trust to Unitholders, other securityholders and regulators on a timely and regular basis;
  - (b) overseeing that the financial results are reported fairly and in accordance with International Financial Reporting Standards and related legal disclosure requirements;
  - (c) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Trust;
  - (d) encouraging effective and adequate communication with Unitholders, other stakeholders and the public, and reporting annually to Unitholders on its stewardship for the preceding year;
  - (e) overseeing the Trust's implementation of systems which accommodate feedback from Unitholders;
  - (f) ensuring the integrity and adequacy of internal controls and management information systems;
  - (g) maintaining records and providing reports to Unitholders; and
  - (h) determining the amount and timing of distributions to Unitholders.

#### **ADVISORS**

The Board may, at the Trust's expense, engage such outside financial, legal or other advisors as it determines necessary or advisable to permit it to carry out its duties and responsibilities, including approving any such advisor's fees and other retention terms.