



Dream Unlimited Corp.

Annual Information Form

March 28, 2024

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GLOSSARY OF TERMS

When used in this annual information form, the following terms have the meanings set forth below unless expressly indicated otherwise:

“**2022 NCIB**” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**2023 NCIB**” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**2024 NCIB**” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**AIF**” means this annual information form of Dream.

“**Arrangement**” has the meaning given in “General Development of the Business – History of Dream and DAM”.

“**ASP Plan**” has the meaning given under “General Development of the Business – Normal Course Issuer Bids”.

“**Board**” or “**Board of Directors**” means the board of directors of Dream.

“**CMHC**” has the meaning given in “General Development of the Business – Impact Investing”.

“**Co-Development Projects**” has the meaning given in “Description of the Business – Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds”.

“**Common Shares**” means the Class B common shares in the capital of Dream.

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

“**DCF**” has the meaning given in “General Development of the Business – Impact Investing”.

“**DIIH LP**” means Dream Industrial International Holdings LP, a limited partnership governed by the laws of the Province of Ontario and a Subsidiary of Dream Industrial REIT.

“**Directors**” means the directors of Dream from time to time, and “**Director**” means any one of them.

“**DIR Europe Asset Management Agreement**” means the asset management agreement dated as of January 1, 2022, between Dream Industrial International Sub-Trust, Dream Industrial International Holdings LP, Dream Industrial Europe Advisors Coöperatieve U.A., Dream Europe Asset Management Corporation and DAM in respect of the DIR European Properties, as amended or amended and restated from time to time.

“**DIR European FFO**” means the funds from operations of DIIH LP and its subsidiaries in a fiscal year, calculated as the consolidated net income in accordance with IFRS Accounting Standards of DIIH LP and its subsidiaries in a fiscal year as adjusted in accordance with the methodology set out in the management’s discussion and analysis of Dream Industrial REIT for determining funds from operations of Dream Industrial REIT for the most recent fiscal quarter as filed with the Canadian Securities Regulatory Authorities.

“DIR European FFO Per Unit” means the quotient obtained by dividing: (i) the sum of: (A) the gain (or loss) on the disposition of any DIR European Properties in the fiscal year (calculated as the difference between the property sale price and the historical property purchase price of such DIR European Property), and (B) DIR European FFO, by (ii) the total number of issued and outstanding DIR Units and issued and outstanding LP Class A units in DIIH LP as at the end of such fiscal year.

“DIR European Hurdle Amount” means: (i) in any fiscal year ended on or prior to the Separation Date, the product of (A) the amount of \$0.951 as at January 1, 2020, increasing annually by 50% of the increase in the consumer price index for all items in Toronto, and (B) the quotient obtained by dividing the historical property purchase price of all DIR European Properties as at the end of the fiscal year by the historical property purchase price of all DIR Properties as at the end of the fiscal year; (ii) in the first fiscal year after the Separation Date, the product of (X) the DIR European Hurdle Amount for the immediately preceding fiscal year increased by 50% of the increase in the consumer price index for all items in Toronto and (Y) the quotient obtained by dividing the number of issued and outstanding DIR Units and LP B Units as at the Separation Date by the number of issued and outstanding LP Class A units of DIIH LP as at the Separation Date; and (iii) in any fiscal year ended after the first anniversary of the Separation Date, the DIR European Hurdle Amount for the immediately preceding fiscal year increased by 50% of the increase in the consumer price index for all items in Toronto.

“DIR European Properties” has the meaning given in “General Development of the Business – Recurring Income”.

“DIR North America Asset Management Agreement” means the amended and restated asset management agreement dated as of January 1, 2022, between Dream Industrial REIT, Dream Industrial LP and DAM in respect of the DIR North American Properties, as amended or amended and restated from time to time. DAM assigned its interest in the DIR North America Asset Management Agreement to Dream DIR Asset Management LP, a Subsidiary of Dream, on October 1, 2022.

“DIR North American FFO” means the funds from operations of Dream Industrial REIT and its subsidiaries (other than Sub-Trust and its subsidiaries) in a fiscal year, calculated as the consolidated net income in accordance with IFRS Accounting Standards of Dream Industrial REIT and its subsidiaries (other than Sub-Trust and its subsidiaries) in a fiscal year as adjusted in accordance with the methodology set out in management’s discussion and analysis of Dream Industrial REIT for determining funds from operations of Dream Industrial REIT for the most recent fiscal quarter as filed with the Canadian Securities Regulatory Authorities and, for greater certainty, not including the amount of any distributions received by Dream Industrial REIT and its subsidiaries in the fiscal year from Sub-Trust and any proceeds of sale from the disposition by Dream Industrial REIT and its subsidiaries in the fiscal year of units of Sub-Trust in connection with an acquisition of control of Sub-Trust.

“DIR North American FFO Per Unit” means the quotient obtained by dividing: (i) the sum of: (A) the gain (or loss) on the disposition of any DIR North American Properties in the fiscal year (calculated as the difference between the property sale price and the historical property purchase price of such North American Property), and (B) DIR North American FFO, by (ii) the total number of issued and outstanding DIR Units and LP B Units as at the end of such fiscal year.

“DIR North American Hurdle Amount” means: (i) in any fiscal year ended on or prior to the Separation Date, the product of (A) the amount of \$0.951 as at January 1, 2020, increasing annually by 50% of the increase in the consumer price index for all items in Toronto, and (B) the quotient obtained by dividing the historical property purchase price of all DIR North American Properties as at the end of the fiscal year by the historical property purchase price of all DIR Properties as at the end of the fiscal year; and (ii) in any fiscal year ended after the Separation Date, the DIR North American Hurdle Amount for the immediately preceding fiscal year increased by 50% of the increase in the consumer price index for all items in Toronto, provided that in a fiscal year including the Separation Date, the DIR North American Hurdle Amount shall be adjusted as agreed by Dream Industrial REIT and Dream DIR Asset Management LP, a Subsidiary of

Dream, each acting reasonably, to reflect the receipt by Dream Industrial REIT or one of its subsidiaries of any cash proceeds from the sale of units of Sub-Trust in the fiscal year unless such cash proceeds are distributed to unitholders prior to the end of the fiscal year.

“**DIR North American Properties**” has the meaning given in “Description of the Business – Recurring Income”.

“**DIR Properties**” means the commercial revenue producing properties or interests in commercial revenue producing properties owned indirectly by Dream Industrial REIT through Dream Industrial LP and its subsidiaries.

“**DIR Unit**” means a unit representing an interest in Dream Industrial REIT (other than DIR Special Trust Units) authorized and issued under Dream Industrial REIT’s declaration of trust.

“**DIR Special Trust Units**” means units in Dream Industrial REIT (other than DIR Units) authorized and issued under the Dream Industrial REIT declaration of trust to a holder of securities which are exchangeable for DIR Units, including the LP B Units, all of which are currently held directly and indirectly by DOLP.

“**Diversity Policy**” has the meaning given in “Directors and Executive Officers – Committees – Governance, Environmental and Nominating Committee”.

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

“**Dream DRR Asset Manager**” means DRR Asset Management LP, a limited partnership formed pursuant to the laws of the State of Delaware and a Subsidiary of Dream. The general partner of Dream DRR Asset Manager is Dream DRR Asset Management LLC.

“**Dream Entities**” means Dream, Dream Office REIT, Dream Industrial REIT, Dream Residential REIT, and Dream Impact.

“**Dream Europe Holding Corp.**” means Dream Europe AMIF Holding Corp., a subsidiary of DAM.

“**Dream Impact**” means Dream Impact Trust (formerly Dream Hard Asset Alternatives Trust), an unincorporated open-ended trust governed by the laws of the Province of Ontario.

“**Dream Impact Fund**” means Dream Impact Fund LP, an open-ended fund governed by the laws of the Province of Ontario.

“**Dream Impact Trust Units**” means units in Dream Impact (other than special trust units and preferred units) authorized and issued under Dream Impact’s declaration of trust.

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

“**Dream Industrial REIT Non-Competition Agreement**” means the non-competition agreement dated October 4, 2012 between DAM and Dream Industrial REIT, as described under “Material Contracts – Dream Industrial REIT Non-Competition Agreement”.

“**Dream Office REIT**” 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 Office REIT Non-Competition Agreement**” means the amended and restated non-competition agreement dated April 2, 2015 and amended January 1, 2019 between Dream, DAM, Dream Office LP and

Dream Office REIT, as described under “Material Contracts – Dream Office REIT Non-Competition Agreement”.

“**Dream Office REIT Units**” has the meaning given in “General Development of the Business – Dream Office REIT Substantial Issuer Bid”.

“**Dream Publicly Listed Funds**” means Dream Office REIT, Dream Industrial REIT, Dream Residential REIT, and Dream Impact.

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

“**Dream Residential REIT Non-Competition Agreement**” means the non-competition agreement dated May 6, 2022 between Dream, Pauls and Dream Residential REIT, as described under “Material Contracts – Dream Residential REIT Non-Competition Agreement”.

“**Dream Summit JV**” has the meaning given in “General Development of the Business – Summit Industrial Income REIT Transaction”.

“**DRR Asset Management Agreement**” means the asset management agreement dated May 6, 2022 between Dream Residential REIT, Dream DRR Asset Management LLC, Pauls DRR Asset Manager, DRR Holdings Inc. and DRR Holdings LLC, as amended or amended and restated from time to time. Dream DRR Asset Management LLC assigned its interest in the DRR Asset Management Agreement to Dream DRR Asset Manager on June 11, 2022.

“**DRR Asset Managers**” has the meaning given in “Description of the Business – Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds”.

“**DRR FFO**” means the funds from operations of Dream Residential REIT and its subsidiaries in a fiscal year, calculated as the consolidated net income in accordance with IFRS Accounting Standards of Dream Residential REIT and its subsidiaries in a fiscal year, adjusted in accordance with the methodology set out in the DRR IPO Prospectus, as such methodology may be amended from time to time by Dream Residential REIT with the agreement of the DRR Asset Managers, acting reasonably, and, for the avoidance of doubt, not including any proceeds of sale from the deemed disposition of any property by Dream Residential REIT and its subsidiaries in such fiscal year.

“**DRR FFO Per Unit**” means the quotient obtained by dividing: (i) the sum of: (A) the gain (or loss) on the disposition of any properties in a fiscal year (calculated as the difference between the property sale price and the DRR Historical Property Purchase Price), and (B) DRR FFO; by (ii) the weighted average number of issued and outstanding units of Dream Residential REIT and class B units of DRR Holdings LLC, a subsidiary of Dream Residential REIT, for such fiscal year. In the event there is an acquisition of control of Dream Residential REIT during the term of the DRR Asset Management Agreement, there shall be deemed to be a disposition of all properties owned by Dream Residential REIT and its subsidiaries as of the date of such acquisition of control of Dream Residential REIT (at a deemed property sale price equal to the implied value of the properties based on the transaction giving rise to the acquisition of control, as agreed by Dream Residential REIT and the DRR Asset Managers, acting reasonably) of all properties and the calculation of the amount in clause (A) of the definition of DRR FFO Per Unit shall be calculated as the sum of (x) the amount determined in clause (A) of the definition of DRR FFO Per Unit in respect of the disposition of any properties in the fiscal year, plus (y) the difference between the deemed property sale price of all such properties deemed to be disposed of and the DRR Historical Property Purchase Price of all such properties.

“**DRR Historical Property Purchase Price**” means, unless otherwise agreed by Dream Residential REIT and the DRR Asset Managers: (i) in respect of a direct investment property (consolidated in the Dream

Residential REIT’s audited annual financial statements), the purchase price of such property, converted into U.S. dollars at the exchange rate in effect on the date of purchase if purchased in a currency other than U.S. dollars, plus the amount of all hard and soft construction costs (including, for greater certainty, any development fees) incurred by or on behalf of Dream Residential REIT or its subsidiaries in developing or redeveloping a new building on the property or adding gross leasable area to an existing building on the property (but excluding construction costs incurred for work done on behalf of tenants or incurred for regular maintenance capital expenditures); and (ii) in respect of an indirect investment property (whose value is not consolidated in Dream Residential REIT’s audited annual financial statements), the amount of our equity investment in the indirect investment entity, grossed up for the amount of our proportionate share of target leverage (or actual leverage if available) of such indirect investment entity at the time of investment, provided that such investment entity has agreed at the time of such investment that we will not be required to pay, directly or indirectly, any asset management or investment management fee in connection with our equity investment in such investment property.

“**DRR IPO Prospectus**” means the final prospectus of Dream Residential REIT dated April 29, 2022.

“**ESG**” has the meaning given in “General Development of the Business – Environmental, Social and Governance”.

“**Exchangeable Units**” has the meaning given in “General Development of the Business – Dream Office REIT Substantial Issuer Bid”.

“**Exclusionary Offer**” has the meaning given in “Description of Capital Structure – Subordinate Voting Shares and Common Shares”.

“**First Preference Shares**” has the meaning given in “Description of Capital Structure”.

“**Framework Agreement**” has the meaning given in “Description of the Business – Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds”.

“**GHG**” means greenhouse gas.

“**GLA**” means gross leasable area, but excludes gross leasable area resulting from parking space, where applicable.

“**GRESB**” means the Global Real Estate Sustainability Benchmark.

“**GTA**” means Greater Toronto Area.

“**GTA Land Joint Venture**” has the meaning given under “General Development of Business – GTA Land Joint Venture”.

“**IFRS Accounting Standards**” means IFRS Accounting 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.

“**Indemnities**” has the meaning given under “Directors and Executive Officers – Directors’ and Officers’ Liability Insurance”.

“**Independent Director**” means a Director that is independent within the meaning of NI 58-101.

“**Investment Notice**” has the meaning given under “Material Contracts – Dream Residential REIT Non-Competition Agreement”.

“**Letter Agreement**” has the meaning given under “Description of the Business – General Business Overview – Dream Impact”.

“**LP B Units**” means the Class B limited partnership units of Dream Industrial LP, a Subsidiary of Dream Industrial REIT.

“**National Capital Region**” means the official federal designation for the Canadian capital of Ottawa, Ontario, the neighbouring city of Gatineau, Quebec, and surrounding suburban and exurban communities.

“**NCC**” has the meaning given in “General Development of the Business – Impact Investing”.

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

“**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*.

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

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

“**NZAM**” has the meaning given in “General Development of the Business – Environmental, Social and Governance”.

“**OBCA**” means the *Business Corporations Act* (Ontario), as amended from time to time.

“**Operating Line**” has the meaning given in “General Development of the Business – Amendment to the Operating Line and Non-Revolving Term Facility”.

“**Pauls**” means Pauls Capital, LLC.

“**PAULSCorp**” means PAULS Corp, LLC, a limited liability company formed under the laws of the State of Delaware and based in Denver, Colorado.

“**Pauls DRR Asset Manager**” means Pauls Realty Services, LLC, a limited liability company existing under the laws of the State of Delaware, and a Subsidiary of Pauls.

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

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

“**Second Letter Agreement**” has the meaning given under “Description of the Business – General Business Overview – Dream Impact”.

“**SEDAR+**” means the System for Electronic Data Analysis and Retrieval at www.sedarplus.com or any successor or replacement thereof.

“**Separation Date**” means the date that Sub-Trust ceases to be a wholly-owned Subsidiary of Dream Industrial LP.

“**Series 1 Preference Shares**” means the first preference shares, Series 1 in the capital of Dream which were fully redeemed on December 20, 2019 and subsequently delisted from the TSX.

“**Shared Services Agreement**” means the shared services agreement dated as of January 1, 2019 between DAM, Dream Office REIT, Dream Office LP, Dream Office Management LP and Dream Office Management Corp.

“**square feet**” means square feet of GLA, unless otherwise indicated.

“**Subordinate Voting Shares**” means the Class A subordinate voting shares in the capital of Dream.

“**Sub-Trust**” means Dream Industrial International Sub-Trust, a trust governed by the laws of the Province of Ontario and a Subsidiary of Dream Industrial REIT.

“**Subsidiary**” has the meaning given to that term in NI 45-106.

“**Summit Arrangement**” has the meaning given in “Recent Developments – Summit Industrial Income REIT Transaction”.

“**Summit REIT**” has the meaning given in “Recent Developments – Summit Industrial Income REIT Transaction”.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time, and the *Income Tax Regulations* (Canada), as amended from time to time, as applicable.

“**TCFD**” has the meaning given in “General Development of the Business – Environmental, Social and Governance”.

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

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

“**UN PRI**” has the meaning given in “General Development of the Business – Environmental, Social and Governance”.

NOTICE TO READER

This is the annual information form of Dream for the year ended December 31, 2023. In this AIF, unless the context otherwise requires, when we use terms such as “we”, “us” and “our”, we are referring to Dream and the Subsidiaries of, and partnership interests held by, Dream subsequent to May 30, 2013, the effective date of the Arrangement.

Unless otherwise specified, all dollar amounts are expressed in Canadian dollars and all references to “dollars” or to “\$” are to Canadian dollars.

This AIF includes market and industry data and other information that has been obtained from third party sources. Although we believe this information is reliable, the accuracy and completeness of this information is not guaranteed. We have not independently verified this information and make no representation as to its accuracy.

Unless otherwise specified, all information in this AIF is presented as at December 31, 2023.

FORWARD-LOOKING INFORMATION

Certain information in this AIF may constitute “forward-looking information” within the meaning of applicable securities legislation. Specific forward-looking information in this AIF includes, without limitation, statements in respect of our sustainability goals, including our commitment to achieving net zero Scope 1 and 2, and select Scope 3 GHG emissions (operational and development) by 2035 and our commitment to report on responsible investment activities commencing in 2023; potential opportunities to acquire additional interests in Dream Impact and Dream Office REIT; future development opportunities (including with respect to anticipated sizes, affordable units, carbon footprints, densities and returns); expectations regarding the integration of Summit REIT into our asset management business; future acquisition and disposition opportunities; expectations regarding the Quayside Development; expectations regarding the sale of Arapahoe Basin; the payment of dividends; expectations regarding growth within Dream Impact’s and Dream Office REIT’s development portfolios and potential to generate attractive financial returns; co-development opportunities between Dream and Dream Impact; expectations regarding financial returns from Dream’s active development assets; the generation of more recurring income in the future as development properties are completed and held for the long term; the growth of assets in our recurring income segment; the continued growth of home sales and momentum of the land and housing business in Western Canada; expectations regarding future economic and population growth and stability in Canada; and expectations regarding interest rate movements. The forward-looking information in this AIF is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Forward-looking information may also include information regarding our respective future plans or objectives and other information that is not comprised of historical fact. Forward-looking information is predictive in nature and depends upon or refers to future events or conditions; as such, this AIF uses words such as “may”, “would”, “could”, “should”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “project”, “estimate” and similar expressions suggesting future outcomes or events to identify forward-looking information.

Any such forward-looking information is based on information currently available to us, and is based on assumptions and analyses made by us in light of our respective experiences and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, including but not limited to: that no unforeseen changes in the legislative and operating framework for our business will occur, including unforeseen changes to tax laws; that we will meet our future objectives, priorities and growth targets; that we receive the licenses, permits or approvals necessary in connection with our projects; that we will have access to adequate capital to fund our future projects, plans and any potential future acquisitions; that our future projects and plans will proceed as anticipated; that we are able to identify high quality investment opportunities; that competition

for and availability of acquisitions remains consistent with the current climate; that we find suitable partners with which to enter into joint ventures or partnerships; that we are able to integrate acquisitions and joint ventures into our operations; that inflation and interest rates will not materially increase beyond current market expectations; that there will not be a material change in foreign exchange rates; that we continue to be able to refinance our debts as they mature; that we do not incur any material environmental liabilities and there will be no material change to environmental regulations that may adversely impact our business; that valuation assumptions including market rents, leasing costs, vacancy rates, discount rates and cap rates remain in line with management's expectations; and that future market and economic conditions will occur as expected and that geopolitical events, including disputes between nations, will not disrupt global economies.

However, whether actual results and developments will conform with the expectations and predictions contained in the forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict. Factors that could cause actual results or events to differ materially from those described in the forward-looking information include, but are not limited to: development risk; the risk of delays and cost overruns; permitting risks; risks relating to the supply of materials and services; competition risks; residential rental business risk; joint venture risks; risks relating to geographic concentration; risks related to acquisitions; risks relating to master-planned communities; real estate ownership risks; leasing risk; market conditions risks; sales risks; regulatory risks; expropriation risks; environmental and climate change risks; risks relating to home warranty and construction defect claims; seasonality risk; asset management risks; financing risk; interest rate risk; financial covenant risks; risks relating to our ability to obtain performance, payment, completion and surety bonds and letters of credit; default risk; credit risk and concentration risk; economic environment risks; public health risks; tax risks; cyber security risk; risks relating to adverse weather conditions and natural disasters; risks relating to uninsured losses; risks relating to our ability to retain key personnel; risks relating to changes in law; impact investment strategy risk; risks relating to adverse global market, economic and political conditions; risks relating to competition for investment opportunities; risks relating to our ability to source suitable investments; our dependence on information technology systems; risks relating to controls and procedures; controlling shareholder risk; risks relating to the ownership of our Subordinate Voting Shares; risks related to dividends; and risks related to the subordination of the rights of shareholders. For a further description of these and other factors that could cause actual results to differ materially from the forward-looking information contained, or incorporated by reference, in this AIF, see the risk factors discussed under "Risk Factors" in this AIF.

In evaluating any forward-looking information contained, or incorporated by reference, in this AIF, we caution readers not to place undue reliance on any such forward-looking information. Any forward-looking information speaks only as of the date on which it was made. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained, or incorporated by reference, in this AIF to reflect subsequent information, events, results, circumstances or otherwise.

NON-IFRS FINANCIAL MEASURES AND OTHER SUPPLEMENTARY DISCLOSURES

Dream's consolidated financial statements are prepared in accordance with IFRS Accounting Standards. In this AIF, Dream may refer to certain non-IFRS financial measures and other performance measures, as well as other measures discussed elsewhere in this section. Non-IFRS financial measures are not defined by IFRS Accounting Standards and do not have a standardized meaning under IFRS Accounting Standards. However, we believe that these non-IFRS financial measures are relevant in assessing the economics of the business of Dream and its investments, are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or our objectives and policies, as applicable. Dream's method of calculating these non-IFRS financial measures may differ from other issuers and may not be comparable with similar measures presented by other issuers.

This AIF also refers to certain terms commonly used in the real estate industry, such as “fee-earning assets under management” and “assets under management”. These terms are not considered non-IFRS financial measures and are considered supplementary measures.

Non-IFRS financial measures and supplementary measures should not be considered as alternatives to metrics determined in accordance with IFRS Accounting Standards as indicators of Dream’s performance, liquidity, cash flow and profitability. For additional disclosure regarding these financial measures and supplementary measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS Accounting Standards, please refer to the “Non-GAAP Measures and Other Disclosures” section in our 2023 MD&A, which information is incorporated by reference herein. The 2023 MD&A is available on SEDAR+ at www.sedarplus.com.

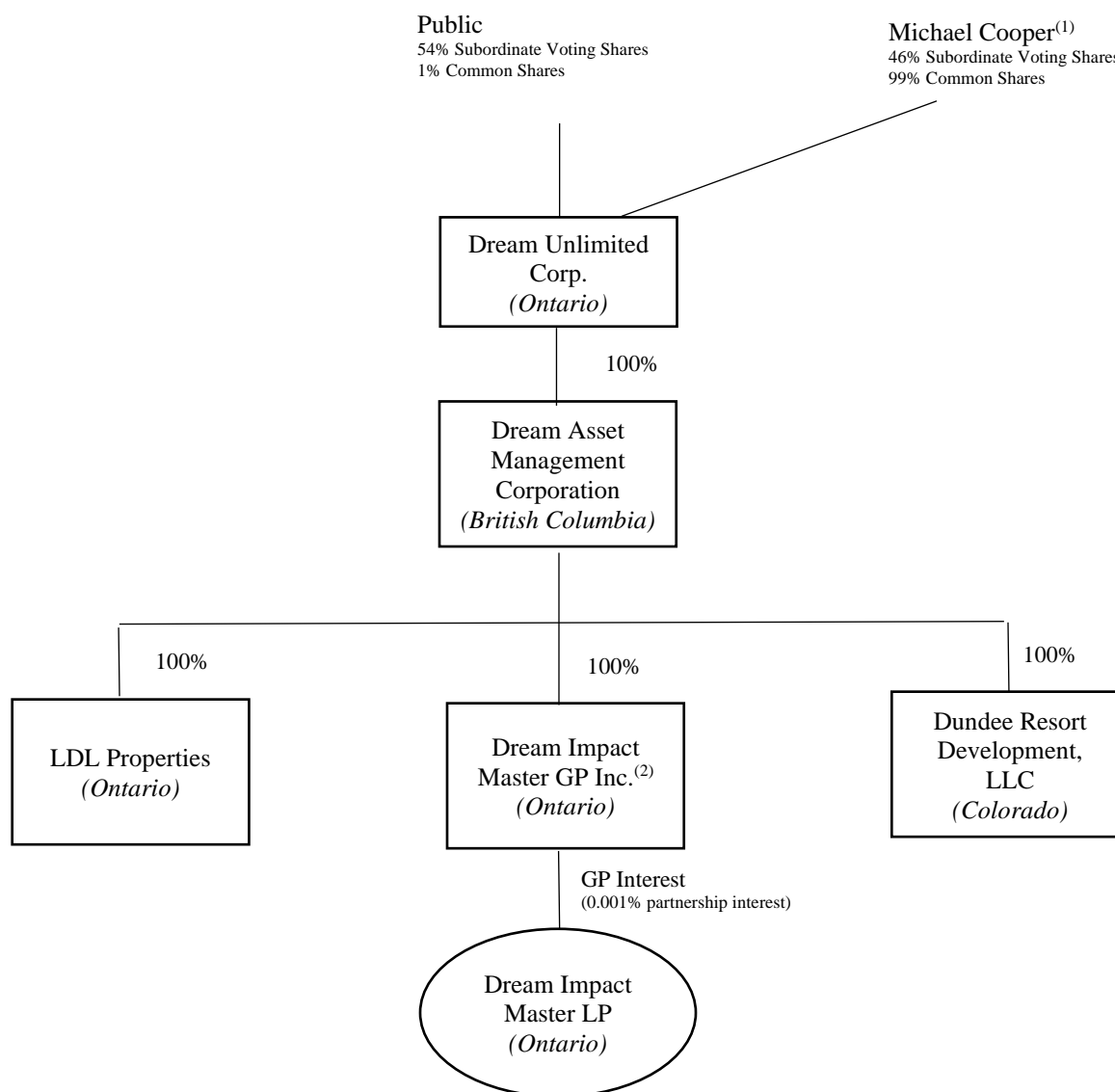
CORPORATE STRUCTURE

Dream Unlimited Corp. was incorporated on April 9, 2013 under the OBCA for purposes of effecting the Arrangement. Pursuant to the Arrangement, Dream and 2368464 Ontario Inc. amalgamated under the OBCA on May 30, 2013 with the amalgamated company’s name being “Dream Unlimited Corp.”. Dream’s head and registered office is located at State Street Financial Centre, 30 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 3H1. Prior to completion of the Arrangement, Dream and 2368464 Ontario Inc. did not carry on any active business and did not issue any shares.

For a further description of the Arrangement, see “General Development of the Business – History of Dream and DAM”.

Intercorporate Relationships

The following chart is a simplified illustration of our organizational structure as at December 31, 2023:



Notes:

⁽¹⁾ The Common Shares and Subordinate Voting Shares beneficially owned by Mr. Cooper are held directly and indirectly by Sweet Dream Corp., a private corporation controlled by Mr. Cooper, Sweet LP, a limited partnership of which the sole general partner is a corporation controlled by Mr. Cooper, Sweet Dream Partnership, a general partnership between Mr. Cooper and Sweet Dream Corp., Sweet Dream Partnership 2021, a general partnership between Sweet Dream Corp. and 2818099 Ontario Inc., and the Dream Unlimited Foundation. A limited partner of Sweet LP has the right to acquire up to 1,402,542 Subordinate Voting Shares from Sweet LP.

⁽²⁾ Dream Impact Master GP is the general partner of Dream Impact Master LP. It is a wholly-owned Subsidiary of DAM and holds a 0.001% partnership interest in Dream Impact Master LP. Dream Impact Trust is the sole limited partner of Dream Impact Master LP and holds a 99.999% partnership interest in such partnership.

The principal Subsidiaries of Dream are DAM, LDL Properties, Dundee Resort Development LLC, and Dream Impact Master LP.

Dream owns 100% of the voting securities of DAM. DAM controls 100% of the voting securities of each of LDL Properties and Dundee Resort Development LLC, through its direct and indirect ownership of 100% of the general partnership interest of LDL Properties and Dundee Resort Development LLC. DAM also indirectly owns a limited partnership interest in LDL Properties. DAM owns 100% of Dream Impact Master GP Inc., the general partner of Dream Impact’s underlying operating entity, Dream Impact Master LP. As at December 31, 2023, DAM also owned approximately 6.1 million Dream Impact Trust Units (representing approximately 34.5% of the outstanding Dream Impact Trust Units as at December 31, 2023, on a post-consolidation basis).

The jurisdiction of formation of each of the principal Subsidiaries of Dream is listed below:

Name	Jurisdiction of Formation
Dream Asset Management Corporation	British Columbia
LDL Properties	Ontario
Dundee Resort Development LLC	Colorado
Dream Impact Master LP	Ontario

GENERAL DEVELOPMENT OF THE BUSINESS

The scope of Dream’s business includes the development of office, residential and retail assets in Toronto and Ottawa/Gatineau, asset management services for both public and private partnerships, and the development of land and residential assets in Western Canada. Dream became a public company on May 30, 2013 following the Arrangement. A Subsidiary of Dream, DAM, started its real estate business in 1989. DAM is an innovative real estate manager and developer primarily focused on the commercial and residential sectors in North America and Europe.

History of Dream and DAM

DAM was founded as a public company in 1996 with one employee and initial equity of \$0.5 million. Today DAM has over \$1.5 billion of total equity on the balance sheet and approximately 700 employees across Canada, the United States and Europe, employed directly by DAM or the Dream Entities. In 2003, DAM formed Dream Office REIT as a new publicly-traded real estate investment trust and transferred its commercial revenue producing properties to Dream Office REIT. DAM retained its land development and other businesses and was concurrently privatized by Dundee Corporation and Mr. Michael Cooper. Dream Office REIT grew significantly after its formation, more than doubling its total assets and nearly doubling its total revenues until 2007 when it sold its portfolio of real estate assets in Ontario, Quebec and Atlantic Canada for a total purchase price of approximately \$2.3 billion. Since then, Dream Office REIT has significantly transformed and owns a portfolio of high-quality assets primarily located in Toronto.

In 2012, Dream Industrial REIT was created from the spin out of Dream Office REIT’s industrial properties and the acquisition of a co-owners’ interest in a number of those properties. The value of the initial portfolio

was \$575.9 million, which was funded through the proceeds of an initial public offering, together with a concurrent \$25 million investment by Dundee Corporation and Mr. Michael Cooper. In 2017, Dream Industrial REIT announced its U.S. expansion strategy. In January 2020, Dream Industrial REIT announced its expansion into the European light industrial and logistics market. Since it commenced operations in October 2012 to date, Dream Industrial REIT has sourced over \$6.6 billion of acquisitions. As at March 28, 2024, Dream Industrial REIT's portfolio consists of 331 assets (550 industrial buildings) totalling approximately 71.8 million square feet of GLA in key markets across Canada, Europe and the U.S.

On May 30, 2013, Dream became a public company pursuant to a plan of arrangement involving Dundee Corporation, Dream, DAM and SDC (the "**Arrangement**"). Under the terms of the Arrangement, Dream acquired an approximate 70% voting and equity interest in DAM from Dundee Corporation, Dundee Corporation received Subordinate Voting Shares representing approximately 28.6% of the total number of outstanding Subordinate Voting Shares and Common Shares and each shareholder of Dundee Corporation received their proportionate interest in Dream based on their Dundee Corporation share ownership through a distribution of shares of Dream. In total, Dream issued 72,614,163 Subordinate Voting Shares, 3,116,326 Common Shares and 6,000,000 Series 1 Preference Shares. The Subordinate Voting Shares and Series 1 Preference Shares were listed on the Toronto Stock Exchange on May 31, 2013. The Series 1 Preference Shares were subsequently redeemed on December 20, 2019 and delisted from the TSX.

Dream Impact was established in July 2014. Dream Impact works towards its objective to provide investors with the opportunity to participate in hard asset alternative investments, including real estate developments, real estate lending, real estate and renewable power, managed by an experienced team with a successful track record in these areas. In October 2020, Dream Impact announced its new mandate to become Canada's first publicly traded impact investment vehicle. Impact investing is the intention of creating measurable positive, social and environmental change in the community and for stakeholders, while generating attractive financial returns. On October 26, 2020, to align with the new mandate, Dream Impact changed its name and ticker symbol, from "Dream Hard Asset Alternatives Trust" and "DRA.UN", to "Dream Impact Trust" and "MPCT.UN", respectively.

Dream Impact works towards its objectives by operating its business under two distinct segments: recurring income, and development and investment holdings. In line with Dream Impact's overarching strategy to be a dedicated impact investment vehicle, it utilizes assets in both operating segments to generate positive impact across its impact verticals. These verticals are aligned with the widely recognized and accepted United Nations Sustainable Development Goals and are: environmental sustainability and resilience, attainable and affordable housing, and inclusive communities. Dream Impact released its inaugural impact report in 2021 which introduced the Dream Impact Management System, which allows for the transparent, reliable, and verifiable measurement of Dream Impact's impact. Dream Impact is committed to transparency in how it measures impact, and reports on key performance indicators annually.

Dream Residential REIT was established on February 24, 2022 and went public on May 6, 2022. Dream Residential REIT was formed for the purpose of acquiring and owning multi-residential rental real estate properties in the United States and currently owns 15 garden-style multi-residential properties. The portfolio targets mid-market renters and consists of 3,300 units primarily located in three markets across the Sunbelt and Midwest regions of the United States, including the Greater Dallas-Fort Worth region, Greater Oklahoma City Region, and Greater Cincinnati region. As at December 31, 2023, Dream held, directly or indirectly, an approximate 11.9% effective ownership interest in Dream Residential REIT.

DAM is an asset manager and strategic advisor to each of Dream Industrial REIT, Dream Impact, Dream Residential REIT and private partnerships and provides development management and administrative services to Dream Office REIT, and as such receives fees as described under "Description of Business – General Business Overview – Recurring Income – Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds" below.

Pursuant to an advisory agreement, Dream Residential REIT paid an aggregate advisory fee of US\$4.4 million on May 6, 2022, payable as to 50% to Dream DRR Asset Management LP, an affiliate of Dream DRR Asset Management LLC and Dream, and 50% to Pauls Realty Services, LLC, in recognition of the advisory services provided by such parties to Dream Residential REIT in relation to the initial public offering of Dream Residential REIT. The advisory fee was satisfied by the issuance of 169,230 units of Dream Residential REIT to Dream DRR Asset Management LP and of 169,230 Class B units of DRR Holdings LLC to Pauls Realty Services, LLC, in each case at a price of US\$13.00 per unit.

Dream Real Estate Private Equity

Dream Real Estate Private Equity Inc. is our private equity business, which pursues opportunities to invest capital on behalf of institutions and high net worth individuals through funds that Dream creates and segregated accounts.

On February 2, 2021, Dream entered into a partnership with a global investment manager with over US\$100 billion of assets under management to create a multi-family investment platform in the United States. Dream and PAULSCorp sold 90% of the 1,200 Dallas apartments that were acquired earlier in 2020 into the partnership and PAULSCorp and Dream became the general partners, earning asset management fees, property management fees and a promote on assets under management. Immediately after entering into this arrangement, Dream acquired 792 apartment units in Phoenix, Arizona for US\$120 million adding to our platform. In 2022, the partnership sold 445 units in three apartment buildings located in Phoenix, Arizona for US\$95 million.

On March 16, 2021, Dream announced the launch of the Dream Impact Fund for private investors, with initial commitments of \$136 million. Commitments were obtained from a broad investor base, comprised of leading financial institutions, money managers and family offices. In addition, in the third quarter of 2022, we secured \$110 million in commitments for the second close of Dream Impact Fund, after which Dream Impact Fund has approximately \$255 million of equity. Dream has contributed four high-quality, active development assets with strong impact qualities that are expected to generate attractive financial returns to form Dream Impact Fund's seed portfolio. This includes Dream's interest in the Indigenous Hub (Canary Block 10), Maple House at Canary Landing, the Federal Government building under construction at Zibi and Dream's interest in Zibi Community Utility, the system created in partnership with Hydro Ottawa to provide net zero heating and cooling to the entire Zibi project. In the third quarter of 2022 Dream Impact Fund and Dream Impact Trust closed on the acquisition of 70 park, a 210-unit multi-family rental property for a purchase price of \$105.5 million. On April 3, 2023, Dream contributed three additional development assets into Dream Impact Fund - Cherry House at Canary Landing and Aalto Suite I and II at Zibi for gross proceeds of \$18.3 million.

On July 1, 2021, Dream Industrial REIT effectively transferred control of 18 of Dream Industrial REIT's assets with a group of institutional investors to Dream U.S. Industrial Fund, a private open-ended fund. On December 10, 2021, Dream Industrial REIT sold its 80% interest in a U.S. development project and its remaining two U.S. investment properties to the Dream U.S. Industrial Fund. A subsidiary of Dream is the investment manager of the Dream U.S. Industrial Fund, earning a management fee at market price.

Impact Investing

We have developed a well-defined impact strategy that can be applied not only to Dream Impact and Dream Impact Fund, but is intended to be applied across our various business lines as well as Dream Industrial REIT, Dream Office REIT and Dream Residential REIT. In May 2021, we released our inaugural impact report and disclosure statement as a signatory to the Operating Principles for Impact Management. On December 1, 2021, we set out to achieve net zero GHG emissions by 2035 or sooner for all of our operations and new developments. The announcement represents one of the most ambitious targets in the industry, aiming to achieve net zero 15 years ahead of the Paris Agreement. We also announced our Social Procurement Program on November 8, 2021, with quantifiable supply chain targets to be met by 2025.

To support our commitment to achieving net zero targets, we pursued creative financing arrangements across our platform, including a \$136.6 million commitment from the Canada Infrastructure Bank to retrofit 19 buildings in Ontario and Saskatchewan, two green bond closings by Dream Industrial REIT raising \$650 million to finance eligible green projects, \$189 million in green loans relating to Canary Block 10 (our interest in the Indigenous Hub in Toronto), a \$30 million convertible debenture offering by Dream Impact used to finance impact investments, and \$23 million in financing for Zibi Community Utility secured through the Federation of Canadian Municipalities Green Municipal Fund. In addition, on June 9, 2022 Dream Impact closed on an offering of \$40 million convertible debentures. The net proceeds were used for eligible impact investments as described in the Impact Financing Framework.

On December 1, 2021, Canada Housing Mortgage Corporate (“**CMHC**”) announced the MLI Select program, which is designed to preserve and create affordable, climate-compatible multi-unit residential housing. Through collaborative engagement, we supported CMHC as they designed this innovative insured financing product. On April 5, 2022, Dream and Dream Impact announced the securing of insured financing under the MLI Select insurance product through TD Bank. The \$153 million insured loan through TD is expected to finance Dream’s plans to preserve and increase the number of affordable units from 52 to 189 at the Residence at Weston apartment complex – representing 40 per cent of all units. The affordable units are not expected to exceed 30 per cent of Toronto’s median renter income. The MLI Select program provides a rate benefit linked to achieving energy and GHG reduction targets. In 2023, Dream closed on \$158 million in loans through the MLI Select program.

On April 13, 2022, Dream Industrial REIT completed an additional green bond closing, raising a further \$200 million to finance eligible green projects. To date, Dream Industrial REIT has issued \$850 million of green bonds to support its sustainable corporate strategy, of which over \$690 million has been deployed, including approximately \$275 million in eligible green projects completed in 2023, and \$300 million of eligible green projects that are either underway, planned or in preliminary stages.

In 2022, the National Capital Commission (“**NCC**”) announced in partnership with CMHC that Dream was selected to develop the first phase of the Building LeBreton project in Ottawa, Ontario. In the fourth quarter of 2022, the city of Ottawa’s planning committee approved two towers at our LeBreton Library Flats site, granting us an exemption to the city’s 25 storey height limit. The 31 and 36 storey towers are expected to deliver 608 rental units, including 250 units designated as affordable, and we expect that they will be the largest net zero carbon residential community in Canada upon completion in 2026.

In 2022, Waterfront Toronto approved a project agreement for the development of a 12-acre site at the east end of downtown Toronto's waterfront to build Canada's largest all-electric, zero-carbon master-planned community. The community is expected to comprise over 4,000 residential units, including over 800 affordable housing units and 3.5 acres of public space with a car-free green oasis from Parliament Street to Bonnycastle Street that will connect projects further west towards Jarvis Street. On March 1, 2023, Dream Impact and Dream Impact Fund completed the acquisition of the first phase of Quayside for \$259 million (at project level).

Dream Community Foundation (“**DCF**”) is a registered charitable entity, funded by Dream employees. Building on the Dream Impact mandate, Dream Community Foundation builds communities through programs that bring people together. Through the “Eat Together”, “Play Together”, and “Grow Together” pillars, DCF aims to create thriving, healthy, and vibrant communities that unite individuals of all ages, backgrounds, and cultures. When individuals feel a sense of belonging and connection, communities thrive. In 2023, over 400 hours of programming was delivered which included summer camp, skills-based learning, afterschool and home clubs and an expanded scholarship program. In 2024, DCF plans to expand programming to Western Canada.

Amendment to the Operating Line and Non-Revolving Term Facility

In 2022, Dream amended its \$320.0 million revolving credit facility (the “**Operating Line**”) with a syndicate of Canadian financial institutions, increasing the available revolver from \$290.0 million to \$320.0 million and extending the maturity date to November 30, 2025. The Operating Line bears interest, at DAM’s option, at a rate per annum equal to either the bank’s prime lending rate plus 1.25% or the bank’s then prevailing bankers’ acceptance rate plus 2.50%. The Operating Line is secured by a general security agreement and a first charge against various real estate assets in Western Canada. Dream had previously amended the Operating Line in 2021, extending the maturity date to May 31, 2024 and revising certain covenants of DAM.

In 2022, Dream amended its non-revolving term facility with a syndicate of Canadian financial institutions, extending the maturity date to November 30, 2025, increasing it from \$215.0 million to \$225.0 million and revising certain covenants of DAM. The non-revolving term facility bears interest, at DAM’s option, at a rate per annum equal to either the bank’s prime lending rate plus 1.50% or the bank’s then prevailing bankers’ acceptance rate plus 2.75%. The non-revolving term facility is secured by a general security agreement and a first charge against various real estate assets and other financial assets of the Corporation. Dream had previously amended the non-revolving term facility in 2021, extending the maturity date to May 31, 2024 and revising certain covenants of DAM.

GTA Land Joint Venture

On April 28, 2022, Dream, along with Dream Industrial REIT, announced the formation of a \$1.5 billion develop-to-hold joint venture (“**GTA Land Joint Venture**”) between a subsidiary of Dream Industrial REIT and a global sovereign wealth fund to acquire land and build best-in-class logistic assets in the Greater Toronto Area and Greater Golden Horseshoe Area. A subsidiary of Dream entered into an asset management agreement with the GTA Land Joint Venture, effective April 28, 2022, pursuant to which the Corporation provides asset management services to GTA Land Joint Venture.

Summit Industrial Income REIT Transaction

On February 17, 2023, Dream Summit Industrial LP, a limited partnership owned by a joint venture (“**Dream Summit JV**”) between GIC and Dream Industrial REIT in which Dream Industrial REIT has a 10% interest, completed the previously-announced statutory arrangement (the “**Summit Arrangement**”) involving Summit Industrial Income REIT (“**Summit REIT**”) and Summit Industrial Income Management Corp. Pursuant to the Summit Arrangement, Dream Summit Industrial LP acquired all of the assets and assumed all of the liabilities of Summit REIT in a transaction valued at approximately \$5.9 billion, including the assumption of certain debt. Dream Industrial REIT also acquired Dream Summit Industrial Management Corp. (formerly Summit Industrial Income Management Corp.) and assumed its 52 employees for nominal consideration. A subsidiary of Dream is the asset manager for the Dream Summit JV and a subsidiary of Dream Industrial REIT provides property management, accounting, construction management and leasing services to the joint venture at market rates. Dream Industrial REIT pays fees to Dream on its interest in the Dream Summit JV under the DIR North America Asset Management Agreement.

Dream Impact Trust Unit Consolidation

On June 16, 2023, Dream Impact Trust completed a unit consolidation of all of the issued and outstanding Dream Impact Trust Units on the basis of one post-consolidation Dream Impact Trust Unit for every four pre-consolidation Dream Impact Trust Unit. The unit consolidation was authorized by the unitholders of Dream Impact Trust at the annual meeting of Dream Impact Trust held on June 6, 2023.

Dream Office REIT Substantial Issuer Bid

On June 22, 2023, Dream announced that we and our joint actors sold an aggregate of 7,608,897 REIT Units, Series A of Dream Office REIT (“**Dream Office REIT Units**”), pursuant to Dream Office REIT’s substantial issuer bid to purchase for cancellation up to 12,500,000 of its outstanding units, resulting in

aggregate cash proceeds to us and our joint actors of approximately \$118 million. Immediately following the completion of the offer, as of June 22, 2023, we and our joint actors owned, or had control or direction over, an aggregate of 7,113,490 Dream Office REIT Units and 5,233,823 LP Class B Units, Series 1 of Dream Office LP (“**Exchangeable Units**”), representing approximately 32.6% of the issued and outstanding Dream Office REIT Units on a fully exchanged basis (assuming the exchange of all outstanding Exchangeable Units that are exchangeable into Dream Office REIT Units).

Dividend Policy

On February 23, 2021, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.24 to \$0.28 per Subordinate Voting Share and Common Share (payable quarterly). The increase was effective with the dividend payable to shareholders on March 31, 2021.

On November 9, 2021, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.28 to \$0.40 per Subordinate Voting Share and Common Share (payable quarterly). The increase was effective with the dividend payable to shareholders on December 31, 2021.

On November 10, 2022, Dream announced that the Board of Directors approved the payment of a special cash dividend of \$0.50 per Subordinate Voting Share and Common Share. The special cash dividend was paid on December 30, 2022 to shareholders of record on December 15, 2022.

On February 21, 2023, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.40 to \$0.50 per Subordinate Voting Share and Common Share (payable quarterly). The increase was effective with the dividend payable to shareholders on March 31, 2023.

Normal Course Issuer Bids

In September 2021, we filed with the TSX a notice of intention to make a normal course issuer bid, which commenced on September 21, 2021 and expired on September 20, 2022 (the “**2022 NCIB**”). Under the 2022 NCIB, we had the ability to purchase for cancellation up to a maximum of 2,336,326 Subordinate Voting Shares (representing 10% of our public float of 23,363,265 Subordinate Voting Shares at the time of commencement of the bid through the facilities of the TSX). Daily repurchases under the 2022 NCIB were limited to 19,623 Subordinate Voting Shares (representing 25% of the average daily trading volume during the six calendar months being 78,494 Subordinate Voting Shares per day), other than purchases pursuant to applicable block purchase exceptions. Under the 2022 NCIB we purchased for cancellation 1,165,758 Subordinate Voting Shares at an average price of \$33.65 per Subordinate Voting Share for a total cost of approximately \$39.2 million.

In September 2022, we filed with the TSX a notice of intention to make a normal course issuer bid, which commenced on September 21, 2022 and expired on September 20, 2023 (the “**2023 NCIB**”). Under the 2023 NCIB, we had the ability to purchase for cancellation up to a maximum of 2,231,143 Subordinate Voting Shares (representing 10% of our public float of 22,311,439 Subordinate Voting Shares at the time of commencement of the bid through the facilities of the TSX). Daily repurchases under the 2023 NCIB were limited to 11,462 Subordinate Voting Shares (representing 25% of the average daily trading volume during the six calendar months being 45,850 Subordinate Voting Shares per day), other than purchases pursuant to applicable block purchase exceptions. Under the 2023 NCIB we purchased for cancellation 137,200 Subordinate Voting Shares at an average price of \$20.66 per Subordinate Voting Share for a total cost of approximately \$2.8 million.

In September 2023, we renewed our normal course issuer bid (the “**2024 NCIB**”), which commenced on September 21, 2023, and will remain in effect until the earlier of September 20, 2024, or the date on which we have purchased the maximum number of Subordinate Voting Shares permitted under the 2024 NCIB.

Under the 2024 NCIB, we have the ability to purchase for cancellation up to a maximum of 2,223,383 Subordinate Voting Shares (representing 10% of our public float of 22,233,838 Subordinate Voting Shares at the time of commencing the bid through the facilities of the TSX). Daily repurchases under the 2024 NCIB are limited to 8,986 Subordinate Voting Shares (representing 25% of the average daily trading volume during the six calendar months preceding the date of acceptance of notice of the bid by the TSX, being 35,945 Subordinate Voting Shares per day), other than purchases pursuant to an applicable block purchase exception. As of March 28, 2024 under the 2024 NCIB, we have purchased 648,670 Subordinate Voting Shares for cancellation at an average price of \$20.23 per Subordinate Voting Share for a total cost of approximately \$13.1 million.

In September 2023, in connection with the NCIB renewal, we entered into an automatic securities repurchase plan (the “**ASP Plan**”) with our designated broker in order to facilitate purchases of our Subordinate Voting Shares under the 2024 NCIB. The ASP Plan allows for purchases by our broker of Subordinate Voting Shares at any time including, without limitation, times when we would ordinarily not be permitted to make purchases due to regulatory restrictions or self-imposed blackout periods. Purchases by our broker are made based upon the parameters prescribed by the TSX and the terms of the parties’ written agreement. Outside of such restricted or blackout periods, Subordinate Voting Shares can also be purchased in accordance with management’s discretion. The ASP Plan will terminate on September 20, 2024.

Environmental, Social and Governance

We achieved significant environmental, social and governmental (“**ESG**”) milestones in 2023 and continued to execute on our sustainability commitments. On May 31, 2023, the Dream Entities released their 2022 Sustainability Report. This report highlights Dream’s approach to ESG, and impact investing, outlines how Dream has further integrated its ESG Framework into its operations, increased its alignment to the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) and reports on our 2022 performance and initiatives.

On May 31, 2023, Dream announced the publication of its 2022 Impact Report, which showcases our impact initiatives across the Dream Entities and continued commitment to being a leader in impact and ESG investing. Highlights from the 2022 Impact Report includes the following:

- Use of the Dream Impact Management System beyond Dream Impact and Dream Impact Fund, which now includes Dream Office REIT assets and selected Dream assets. In total we now have \$3.8 billion of impact assets under management⁽¹⁾ which will grow rapidly given our pipeline of opportunities.
- Sustainability – Dream has significantly expanded its efforts to address climate change. We now have an industry-leading net zero GHG emissions commitment by 2035 – fifteen years ahead of science-based targets and a detailed action plan to support it. We have committed \$171 million in capital expenditures to decarbonize 18 existing buildings and are Canada’s largest developer of new net zero communities⁽²⁾ with \$6 billion worth of projects at Zibi, LeBreton and Quayside.

⁽¹⁾ Represents a specified financial measure. Please refer to the “Non-IFRS Financial Measures and Other Supplementary Disclosures” section of this AIF for further details.

⁽²⁾ As of December 31, 2023, the total estimated financial value of Dream's net zero developments, including the Quayside development (3.4M ft²; targeting CaGBC ZCB Certification), Zibi (3.5M ft²; targeting CaGBC ZCB Certification and One Planet Living recognition), and LeBreton Flat Library Parcel (344k ft²; targeting One Planet Living recognition), is over \$6B and covers a projected 7.1M square feet of gross floor area. Based on an internally performed review of publicly available information from CaGBC and One Planet Living, Dream is developing approximately 7.1M square feet of new net zero developments, which we believe was significantly more than the next largest developers in Canada. Please note that this review is based on publicly available information and confidential projects were not included.

- Affordability – Dream increased its portfolio of affordable housing units to 2,772 units. Upon completion, residents in our portfolio will save a combined \$47.3 million annually.
- Inclusivity – As part of our commitment to building inclusive communities, we have launched the privately-funded Dream Community Foundation to support programming initiatives in our communities. In addition, Dream has created an industry-best Social Procurement Strategy to ensure the benefits of our spending on real estate activities flow to traditionally under-represented groups – an initiative for which Dream was recently given a Diversity in Leadership award from the Toronto Community Benefits Network.

On April 28, 2022, Dream, together with Dream Office REIT, Dream Impact, and Dream Industrial REIT released their Net Zero by 2035 Action Plan report, which highlights Dream’s approach to mitigating climate change. The report serves as an update to the bold, science-based commitments made in 2021, including the commitment to achieving net zero by 2035 and the commitment made by Dream, on behalf of Dream Office REIT, Dream Impact and Dream Industrial REIT, to join the Net Zero Asset Managers Initiative (“**NZAM**”), which represents asset managers around the world aligned with net zero targets of 2050 or sooner. NZAM covers 220 signatories and U.S.\$57.4 trillion in assets under management of which Dream was one of the first Canadian companies to join. The Net Zero Action Plan also outlines the steps we intend to take to get to net zero and how we will measure and verify our progress.

In 2021, we launched our Net Zero Steering Committee and announced our net zero goals for each Dream entity. Dream, Dream Office REIT and Dream Impact committed to be net zero by 2035 for operations and new developments, including Scope 1, 2 and select Scope 3 emissions. Dream Industrial REIT committed to be net zero by 2035 for operations including Scope 1 and 2 emissions and net zero by 2050 for select Scope 3 emissions. Upon closing of its initial public offering on May 6, 2022, Dream Residential REIT committed to be net zero Scope 1 and 2 emissions by 2050.

In November 2021, the Dream Entities became official supporters of TCFD, which provides guidance and recommendations to help companies provide better climate disclosures to support capital allocation. More than 2,300 companies support the TCFD and Dream was one of the first Canadian public real estate companies to become an official supporter.

Dream became a signatory to the United Nations Principles for Responsible Investment (“**UN PRI**”) in 2021. The UN PRI is the world’s leading responsible investor collaboration. It supports its signatories to incorporate ESG factors into their investment and ownership decisions. Signatories commit to follow UN PRI’s six principles and report annually on their progress through the UN PRI Reporting Framework.

In September 2023, the Dream group of companies (including Dream, Dream Impact Trust, Dream Office REIT, Dream Industrial REIT and Dream Residential REIT) made its first submission to the UN PRI.

In addition, Dream completed its second NZAM submission in 2023 in coordination with the UN PRI submission.

On December 8, 2021, Dream, Dream Office REIT, Dream Impact and Dream Industrial REIT published their 2020-2021 Sustainability Report, highlighting their progress in ESG matters.

The 2020-2021 Sustainability Report, Net Zero by 2035 Action Plan report, 2022 Impact Report and 2022 Sustainability Report are available on our website. The information contained on our website and in the 2020-2021 Sustainability Report, Net Zero by 2035 Action Plan report, 2022 Impact Report and 2022 Sustainability Report are not incorporated by reference into this AIF.

Equity and Debt Offerings

We did not complete any equity or debt offerings in 2021, 2022 or 2023.

RECENT DEVELOPMENTS

Sale of Arapahoe Basin

On February 5, 2024, Dream announced an agreement to sell Arapahoe Basin, our ski area in Colorado, to Alterra Mountain Company. Arapahoe Basin was purchased in 1997 and we have invested significantly in the ski hill, including the installation of snowmakers, its first six-person chair lift, six restaurants and an aerial adventure park. The transaction is expected to close in 2024 and is subject to customary closing conditions, including regulatory approvals. We believe that the sale will result in after-tax profit of approximately \$110 million before closing costs and adjustments.

Dividend Policy

On February 21, 2024, Dream announced that the Board of Directors approved an increase to the Corporation's annual dividend from \$0.50 to \$0.60 per Subordinate Voting Share and Common Share (payable quarterly). The increase is effective with the dividend payable to shareholders on March 28, 2024.

Management Changes

On February 21, 2024, Dream announced the retirement of Ms. Deborah Starkman, Chief Financial Officer, effective March 31, 2024.

Current Discussions Regarding Acquisitions and Dispositions

Consistent with our past practices and in the normal course of business, we are engaged in discussions with respect to possible acquisitions of new assets and dispositions of existing assets. However, there can be no assurance that any of these discussions will result in a definitive agreement and, if they do, what the terms or timing of any acquisition or disposition would be. We expect to continue current discussions and actively pursue other acquisition, investment and disposition opportunities.

DESCRIPTION OF THE BUSINESS

General Business Overview

Dream is a leading developer of exceptional office and residential assets in Toronto, owns stabilized income generating assets in both Canada and the U.S., and has an established and successful asset management business, inclusive of \$24 billion of assets under management⁽¹⁾ as at December 31, 2023 across four TSX listed trusts, our private asset management business and numerous partnerships. We also develop land, residential, and income generating assets in Western Canada. Dream expects to generate more recurring income in the future as its development properties are completed and held for the long term. Dream has a proven track record for being innovative and for our ability to source, structure and execute on compelling investment opportunities.

Recurring Income

Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds

As the manager of four publicly listed funds and numerous development partnerships, we are on the front line and well-positioned to observe, in real-time, the impact of economic trends on the drivers of demand for real property, such as demand for space, urbanization trends and employment levels in each of the markets in which we operate. This access to real-time economic data may provide us with a competitive advantage.

⁽¹⁾ Represents a specified financial measure. Please refer to the "Non-IFRS Financial Measures and Other Supplementary Disclosures" section of this AIF for further details.

The majority of our asset management fees in 2023 were derived from our asset management contracts with the Dream Publicly Listed Funds, excluding Dream Office REIT which is no longer subject to an asset management contract. Dream provides asset management services to Dream Industrial REIT, Dream Impact and Dream Residential REIT, various institutional/third party real estate partnerships, including our private asset management business and development management services to Dream Office REIT. As at December 31, 2023, Dream had assets under management⁽¹⁾ of \$24 billion, including fee-earning assets under management⁽¹⁾ of approximately \$17 billion.

Asset management (for which base fees are generated) for Dream Industrial REIT, Dream Impact and Dream Residential REIT includes the provision of a Chief Executive Officer and Chief Financial Officer as required. The Corporation receives revenues in respect of these services including base annual management fees, acquisition fees, financing fees, capital expenditure fees, development fees and incentive fees, determined in accordance with a formula as outlined in the respective agreements. As at December 31, 2023, Dream has not reached benchmarks to earn incentive fees relating to Dream Industrial REIT or Dream Residential REIT.

Effective January 1, 2022, Dream and Dream Industrial amended the asset management agreement in respect of Dream Industrial REIT to, among other matters, separate the contracts between North America and Europe. The overall economics to Dream Industrial REIT and Dream due to the separation of the contracts for North America and Europe will approximate the aggregate fees payable under the prior agreement, as described in more detail below. Dream and its Subsidiaries are parties to two asset management agreements with Dream Industrial REIT. The DIR North America Asset Management Agreement governs in respect of services provided to DIR Properties indirectly owned by Dream Industrial REIT through Dream Industrial LP and its subsidiaries (the “**DIR North American Properties**”) and the DIR Europe Asset Management Agreement governs in respect of services provided to DIR Properties indirectly owned by DIIH LP and its subsidiaries (the “**DIR European Properties**”).

The details of the fee structure for services provided to Dream Industrial REIT in respect of the DIR North American Properties during the year ended December 31, 2023 are as follows:

- Base annual management fee calculated and payable in cash on a monthly basis and in arrears on the first day of each month, equal to 0.25% of the historical purchase price paid (including the amount of all hard and soft construction costs) by Dream Industrial REIT for the DIR North American Properties. For any fiscal year ended on or prior to the Separation Date, the base asset management fee will be reduced to the extent that the DIR European FFO Per Unit exceeds the DIR European Hurdle Amount, resulting in Dream Europe Holding Corp. receiving a distribution in respect of its LP Class B units of DIIH LP, if DAM is not entitled to receive an incentive fee under the DIR North America Asset Management Agreement. The amount of such reduction will be equal to the lesser of the amount of the distribution received by Dream Europe Holding Corp. and the amount of the shortfall under the calculation of the incentive fee under the DIR North America Asset Management Agreement.
- Incentive fee for each fiscal year equal to: (i) the product of (a) the total number of issued and outstanding DIR Units and LP B Units as at the end of a fiscal year, multiplied by (b) 15% of the amount by which DIR North American FFO Per Unit exceeds the DIR North American Hurdle Amount less, in a fiscal year ended on or prior to the Separation Date, the amount of any shortfall under the calculation of the distribution to which Dream Europe Holding Corp. is entitled in respect of its LP Class B units of DIIH LP.

⁽¹⁾ Represents a specified financial measure. Please refer to the “Non-IFRS Financial Measures and Other Supplementary Disclosures” section of this AIF for further details.

- Capital expenditures fee for each fiscal year equal to the difference between: (i) 5% of all hard construction costs incurred on each capital project undertaken in respect of a DIR North American Property with costs in excess of \$1.0 million, excluding (A) construction costs incurred for work done on behalf of tenants or in respect of any maintenance capital expenditures, (B) construction costs incurred in connection with a development or redevelopment project for which Dream DIR Asset Management LP, a Subsidiary of Dream, or one of its affiliates acts as the development manager and is paid a development fee, and (ii) the amount of any development fee or cost recovery paid by Dream Industrial REIT in such fiscal year in respect of any development or redevelopment of a DIR North American Property pursuant to a development agreement entered into with a third party developer with the consent of Dream DIR Asset Management LP, a Subsidiary of Dream.
- Acquisition fee equal to (i) 1.0% of the historical purchase price of a DIR North American Property, on the first \$100 million of DIR North American Properties and, prior to the Separation Date, DIR European Properties acquired in such fiscal year; (ii) 0.75% of the historical purchase price of a DIR North American Property on the next \$100 million of DIR North American Properties and, prior to the Separation Date, DIR European Properties acquired in each fiscal year; and (iii) 0.50% of the historical purchase price on DIR North American Properties and, prior to the Separation Date, DIR European Properties in excess of \$200 million in each fiscal year.
- Financing fee covering actual expenses of supplying services to Dream Industrial REIT relating to financing transactions.

Dream Europe Asset Management Corporation, a wholly owned Subsidiary of DAM, serves as the asset manager to the DIR European Properties and DAM has guaranteed all of the asset manager's obligations under the DIR Europe Asset Management Agreement. The fees under the DIR Europe Asset Management Agreement are the same as and calculated in a similar manner to the fees under the DIR North America Asset Management Agreement, except that the DIR Europe Asset Management Agreement does not include an incentive fee. There is an asset management fee, capital expenditures fee, acquisition fee and financing fee.

Although fees from Dream Impact are eliminated from our consolidated financial statements, they are a component of cash flows from our asset management segment. Details of the fee structure for Dream Impact are as follows:

- Base annual management fee calculated and payable on a monthly basis, equal to 1.00% of the gross value of the assets of Dream Impact or a Subsidiary under management.
- Acquisition/origination fee equal to: (a) 0.40% of the principal amount of any loan originated by Dream Impact or a Subsidiary having an expected term of less than five years; (b) 1.0% of the principal amount of any loan originated by Dream Impact or a Subsidiary having an expected term of five years or more; and (c) 1.0% of the gross cost of any asset acquired or originated by Dream Impact or a Subsidiary represented by all other investments, assets or projects, provided that in connection with the acquisition of an asset that will be a development or a redevelopment project for Dream Impact or a Subsidiary for which DAM earns a development management fee, any amounts invested in such asset following the acquisition of such asset shall not be included in the gross cost of such asset.
- Disposition fee equal to 0.25% of the gross sale proceeds of any asset (including all indebtedness) sold by Dream Impact or any Subsidiary represented by loans, investments, assets or projects disposed of during a fiscal year, including any part of the initial assets, except for the disposition of individual loans having a term to maturity of 12 months or less, (other than as part of a portfolio disposition) or the disposition of assets (other than initial assets unless approved by the independent trustees) acquired in the preceding 12 months and excluding the regular and scheduled repayment of loans.

Effective January 1, 2018, DAM entered into a framework agreement (the “**Framework Agreement**”) with Dream Impact Master LP and Dream Impact that sets out the principal terms upon which DAM and Dream Impact Master LP have the right to work together (with or without additional parties) for the purpose of co-developing, owning, operating, leasing and/or selling or otherwise monetizing certain development properties (“**Co-Development Projects**”) that may be identified by DAM from time to time and approved by Dream Impact Master LP and to undertake certain activities in connection with such properties, with a view of maximizing the value of such properties for Dream Impact and DAM. Pursuant to the Framework Agreement, DAM identifies potential opportunities for Dream Impact and DAM to jointly invest in Co-Development Projects from time to time. If a Co-Development Project is approved by Dream Impact, the Framework Agreement sets out the parties’ intention with respect to structuring and governance of the potential Co-Development Projects. It is expected that each Co-Development Project would be held through a separate holding structure with Dream Impact’s equity interest ranging between 50% to 100% and DAM’s interest ranging between 0% to 50%. In connection with each Co-Development Project, DAM acts as the developer. On a project-by-project basis, the development fee that Dream Impact pays to DAM in respect of projects exclusive to Dream Impact and DAM is equal to 3.75% of total net revenues of the development investment projects. For projects involving third parties, the development fee is negotiated on a case by case basis with the parties involved. For rental properties, the development fee is based on the fair value of the project at substantial completion rather than net revenues. The commencement of such fees varies depending on certain milestones being met.

Dream DRR Asset Manager, a subsidiary of Dream, and Pauls DRR Asset Manager, a subsidiary of Pauls, are the co-asset managers (the “**DRR Asset Managers**”) of Dream Residential REIT and are each entitled to 50% of the management fees or in such other proportions as they may determine. Details of the fee structure for Dream Residential REIT are as follows:

- Base management fee of 0.25% on the historical cost of assets.
- Incentive fee calculated and payable annually, equal to the product of: (i) the weighted average number of issued and outstanding units of Dream Residential REIT and class B units of DRR Holdings LLC, a subsidiary of Dream Residential REIT, multiplied by, (ii) 15% of the amount by which DRR FFO per Unit exceeds the hurdle amount initially determined at 72 cents per unit of Dream Residential REIT, and which increases annually by 50% of the increase in the U.S. consumer price index;
- Capital expenditure fee payable quarterly, equal to the difference between: (i) 5% of hard construction costs incurred on all capital projects in respect of a direct investment property in excess of \$1 million for a fiscal year, excluding: (A) work done on behalf of tenants or maintenance capital expenditures, (B) construction costs incurred in connection with a development or redevelopment project where the DRR Asset Managers or one of their affiliates act as development manager and is paid a development fee, and (ii) the amount of any development fee or cost recovery paid by Dream Residential REIT in a fiscal year in respect of any development or redevelopment of a direct investment property pursuant to a development agreement entered into with a third party developer;
- Acquisition fee equal to: (i) 1% of the purchase price of a property on the first \$100 million of properties acquired in each fiscal year, (ii) 0.75% of the purchase price of the property on the next \$100 million of properties acquired in each fiscal year, and (iii) 0.50% of the purchase price of a property in excess of \$200 million of properties acquired in each fiscal year; and
- Financing fee equal to the expenses incurred in supplying services related to financing transactions.

DAM also provides services, such as administrative, legal and regulatory, tax advisory, communications, risk management, process improvements and branding, to each of Dream Industrial REIT, Dream Impact

and Dream Residential REIT, as agreed from time to time. DAM is reimbursed for its expenses in providing any agreed services.

In 2019, DAM and Dream Office REIT entered into the Shared Services Agreement pursuant to which DAM acts as the development manager for Dream Office REIT's future development projects and Dream Office REIT acts as the property manager for our stabilized investment properties. The Shared Services Agreement maintains certain resource sharing arrangements between us and Dream Office REIT. Under the Shared Services Agreement, in connection with each future development project, DAM earns a development fee equal to 3.75% of the total net revenue of the development or, for rental properties, 3.75% of the fair value of the development upon completion, without any promote or other incentive fees. DAM and Dream Office REIT will enter into specific agreements governing each development project at the commencement of the project. In connection with the property management services provided by Dream Office REIT, DAM pays an annual fee generally equal to 3.5% of the gross revenue generated by each property under management, subject to certain typical exclusions from gross revenue, provided that for certain specific properties owned by DAM, the property management fee is 1.75% of the gross revenue generated by such properties.

As of December 31, 2022, we owned approximately \$379 million of equity at fair value across the Dream Publicly Listed Funds. See “– Dream Impact” and “– Dream Residential REIT” below.

Our asset management and investments in the Dream Publicly Listed Funds is a significant component of our recurring income sources. Recurring income is an important measure used by management to manage the ongoing cash needs of our operating platform, including interest expense on our debt facilities.

We will continue to be proactive in seeking out opportunities to independently manage assets of third parties and/or create new, unique investment vehicles or partnerships that can provide value to investors. We have demonstrated our skills and track record in sourcing unique investment opportunities and generating high risk-adjusted returns through active asset management.

Stabilized Income Generating Assets

Dream owns several assets which are key contributors to our sources of recurring income. These assets include Arapahoe Basin, our ski hill in Colorado, and income producing assets in Toronto and Western Canada, including the Distillery District and stabilized residential units. As of December 31, 2023, we held 14.5 million square feet in GLA of retail, residential and mixed-use properties across the Dream Entities and we expect assets in this segment to grow over time, as we intend to hold stabilized investment properties that are developed by Dream in the core markets in which we operate in addition to sourced transactions in those markets. On February 5, 2024, we announced an agreement to sell Arapahoe Basin. Please refer to the “Recent Developments – Sale of Arapahoe Basin” section of this AIF.

Development

Urban Development – Toronto and National Capital Region

Our urban development assets are comprised of exceptional development opportunities in various planning and construction phases across Toronto and the National Capital Region and are comprised of condominium, purpose-built rental under development and mixed-use developments. They are expected to contribute meaningfully to our earnings in future periods as properties are developed and sold. In addition, through our equity ownership in Dream Impact and Dream Office REIT, we have indirect investments in high-quality assets located in the GTA with significant redevelopment potential. As of December 31, 2023, our Toronto and National Capital Region pipeline across the Dream portfolio is comprised of over 25,500 residential units and approximately 3.9 million square feet of commercial and retail GLA.

Dream has looked to acquire land for development that is well located and undervalued and is focused on the mid-market to appeal to a broad array of purchasers. We generally develop condominiums and purpose-

built rental properties with partners to capitalize on their expertise and to mitigate development risk. Condominium development typically does not commence until a substantial number of units have been pre-sold, thereby meeting requirements to secure construction financing. A few months after substantial completion and customer occupancy of the building, the developer obtains all necessary approvals and the building is registered, purchasers pay the balance of the purchase price and title is transferred. Multi-family/residential rental development typically does not commence until zoning approval has been obtained and construction financing has been secured.

We are continuously looking for unique investment opportunities which will further grow our development business in Toronto and add to our recurring income generating assets. We also believe there is potential for significant growth within Dream Impact's and Dream Office REIT's development portfolios.

Purchaser demand for residential condominiums is significantly affected by changes in general local and economic and industry conditions affecting the Toronto real estate market, such as immigration, employment, housing affordability, planning policy, interest rates, and supply available for new and existing homes, among others. Interest rate increases in 2022 and 2023 have had a severe impact on market uncertainty and homeownership affordability, causing new condo sales in the GTA in 2023 to decline by 41% from 2022, reaching a 15-year low⁽¹⁾. Condominium launches were down 24% from 2022 and 13% below the 10-year average, with unsold inventory equating to two-years of supply, slightly above balanced levels¹. Looking forward to 2024, sales are expected to improve due high population growth. Borrowing costs are expected to trend lower, reducing the barriers to entry in the housing market. While the residential condominium market is facing near-term challenges, demand for rentals remained strong in 2023, bolstered by strong population growth driven by immigration and non-permanent migration, a resilient labour market, and high homeownership borrowing costs. The vacancy rate for purpose-built rentals in the GTA has declined from 1.7% in 2022 to 1.5% in 2023. High competition for fewer vacant units has led to rapid rent growth – the growth in the average rent for a 2-bedroom increased to 8.7%, the largest increase recorded since 2000⁽²⁾. We expect that strong demographic and economic conditions will continue to support rental demand in 2024.

Notes:

⁽¹⁾ Urbanation, *February 2024*

⁽²⁾ CMHC, *Rental Market Report, January 2024*

Western Canada Community Development

Dream actively develops land in Alberta (Calgary and Edmonton) and Saskatchewan (Saskatoon and Regina). Land development involves the conversion of raw land to the stage where homes and commercial buildings may be constructed on the land. This process begins with the purchase or control of raw land, generally known as land held for development, and is followed by the entitlement and development of the land. Once the process of converting raw or undeveloped land for end use has begun, that portion of the land that we conduct activity on is generally known as land under development.

We also have housing operations in Alberta (Calgary) and Saskatchewan (Saskatoon and Regina) within our master planned communities which we consider complementary to our land development business, in addition to our retail and commercial assets across our communities. New format retail centres are large aggregations of dominant retailers grouped together at high traffic and easily accessible locations. These unenclosed campus-style centres are generally anchored by supermarkets and may include entertainment (movie theatres and restaurants) and other needs-based retail components. Residential homebuilding involves the construction of single-family houses and multi-family buildings, such as townhouses and residential rental units. Each dwelling is generally referred to as a “unit”. A planned community typically includes a number of “lots” on which single-family units will be situated, as identified in the neighbourhood plan. Construction time for a residential home depends on a number of factors, including the availability of labour, materials and supplies, weather, and the type and size of home.

As at December 31, 2023, we owned approximately 8,900 acres of land in Western Canada, of which nearly 8,300 acres are in nine large master-planned communities at various stages of approval.

Land development is a highly cyclical business resulting from its inextricability from world and local economic conditions, political and industry factors including immigration, employment, housing affordability, planning policy, interest rates and supply available for new and existing homes, among others. Similarly, the residential housing market is driven by a number of variables, including population growth, employment, affordability and interest rates. While continuous efforts are made to refine Dream's competitive position to align with market trends, land and housing development within Saskatchewan and Alberta is subject to an economy which can be cyclical in nature and has generally been on an inconsistent recovery path since the initial commodity pricing shocks in 2013 and 2014, respectively. However, stronger demand and higher commodity prices have bolstered Alberta's and Saskatchewan's provincial energy sectors in recent years.

Alberta and Saskatchewan fared well relative to the rest of Canada in 2023, with the two provinces remaining above the national average in real GDP growth⁽¹⁾. Alberta has been well-insulated from broader macroeconomic challenges in 2023, in large part thanks to a strong commodities landscape as well as relative housing affordability. It is expected that this will continue to contribute to durable population gains and economic expansion in 2024. Saskatchewan faced a challenging growing environment in 2023, with unpredictable weather and suppressed potash prices. However, elevated uranium production, as prices continue to set record highs, as well as a relatively low household debt burden and one of the lowest unemployment rates in Canada (second to only Quebec) helped to offset some of the negative impacts from a suppressed agricultural market.

It is expected that commodity-producing provinces will be best-positioned to weather any growth challenges in 2024 as pricing should remain above long-term averages. More broadly speaking, anticipated rate cuts are expected to place upward pressure on housing prices across the country in 2024, in what is an already supply-constrained market. We are well-positioned for the year ahead as we are holding a healthy level of inventory and our land development activity is supported by builder commitments which will allow us to remain flexible and respond to changes in demand without holding high levels of speculative inventory.

Note:

⁽¹⁾ TD, *Provincial Economic Forecast Better, but Not Strong, March 2024*

Dream Impact

Dream Impact is an open-ended trust dedicated to impact investing. Dream Impact's underlying portfolio is comprised of exceptional real estate assets reported under two operating segments: development and investment holdings, and recurring income. As at December 31, 2023, we owned approximately 35% of Dream Impact's outstanding units, or \$37 million at fair value. Dream is the asset manager of Dream Impact and also has several co-owned development investments with Dream Impact. On January 1, 2018, under IFRS Accounting Standards, Dream was deemed to have acquired control of Dream Impact based on the increase in Dream's exposure to variable returns resulting from increased ownership through units held in Dream Impact and from new real estate joint venture agreements.

Dream Impact's operating segments are as follows:

- **Recurring income** – comprised of a portfolio of commercial real estate income properties and multi-family rental assets in the GTA and Ottawa/Gatineau, a utility asset, and interest-paying corporate loans; and

- **Development and investment holdings**– comprised of direct and indirect investments in residential and mixed-use developments, a hospitality asset, and participating mortgage receivables.

Effective April 1, 2019, DAM agreed that fees payable by Dream Impact pursuant to the management agreement would be satisfied by the delivery of Dream Impact Trust Units. DAM and Dream Impact Master LP entered into an agreement (the “**Letter Agreement**”) dated April 22, 2019, providing that for the period from April 1, 2019 to December 31, 2020, the management fees payable to DAM pursuant to the management agreement would be satisfied by the delivery of up to 3,000,000 Dream Impact Trust Units, valued at \$8.74 per Dream Impact Trust Unit for purposes of determining the number of Dream Impact Trust Units to be issued. The Letter Agreement and the issuance of Dream Impact Trust Units to DAM thereunder was approved by a majority of the Dream Impact unitholders voting at a meeting on June 17, 2019 and by the TSX. DAM and its associates and affiliates did not vote on the resolution because of their interest in the transaction.

On April 15, 2021, the DAM and Dream Impact Master LP entered into a second letter agreement (the “**Second Letter Agreement**”), providing that for the period from January 1, 2021 to December 31, 2023, the management fees payable to DAM pursuant to the management agreement would be satisfied by the delivery of up to 5,000,000 Dream Impact Trust Units, valued at the most recent year-end NAV (as defined in the Second Letter Agreement) per Dream Impact Trust Unit for purposes of determining the number of Units to be issued. The Second Letter Agreement and the issuance of Dream Impact Trust Units to DAM thereunder was approved by a majority of the Dream Impact unitholders on June 7, 2021 and by the TSX. DAM and its associates and affiliates did not vote on the resolution because of their interest in the transaction. For the year ended December 31, 2023, Dream Impact settled the management fee payable through the issuance of 447,712 Dream Impact Trust Units. Subsequent to December 31, 2023, Dream Impact settled a portion of its management fee to DAM with the issuance of 73,000 Dream Impact Trust Units. Dream Impact is currently in discussion with DAM, subject to Dream Impact unitholder approval, to extend the fee settlement arrangement effective January 1, 2024.

For further details on Dream Impact, please see the annual information form of Dream Impact, dated March 28, 2024, which is available on SEDAR+ at www.sedarplus.com.

Dream Residential REIT

Dream Residential REIT is an unincorporated, open-ended real estate investment trust dedicated to acquiring and owning residential rental real estate properties. Its strategy includes strategically deploying capital to reposition and modernize units and to increase rental rates on such units, as well as pursuing external growth through third-party acquisitions and investments, disciplined capital allocation into investment opportunities and focus on maintaining a prudent financial profile and generating positive returns and stable cash flows with a focus on ESG initiatives.

Over time, Dream Residential REIT intends to deploy capital into three types of real estate investment opportunities, referred to as the “Core” / “Core+”, “Value-Add” and “Opportunistic” categories. The Dream Residential portfolio of 15 garden-style properties targets mid-market renters and consists of 3,300 units located in three markets across the Sunbelt and Midwest regions of the United States, including the Greater Dallas-Fort Worth region, Greater Oklahoma City Region, and Greater Cincinnati region. As of December 31, 2023, Dream held an effective ownership interest of approximately 11.9% in Dream Residential REIT, or \$21 million at fair value.

For further details on Dream Residential REIT, please see the annual information form of Dream Residential REIT, dated March 28, 2024, which is available on SEDAR+ at www.sedarplus.com.

Competitive Conditions

A description of the competitive conditions relevant to our business is set out in the 2023 MD&A under “Risk Factors”. The disclosure in that section is incorporated by reference into this AIF. The 2023 MD&A has been filed and is available under our profile on SEDAR+ at www.sedarplus.com.

EMPLOYEES

As at December 31, 2023, Dream had 271 employees.

DIVIDEND POLICY

Dividends are declared at the discretion of the directors of the Corporation after consideration of the financial condition, results of operations and capital requirements of the Corporation and such other factors as the directors of the Corporation consider appropriate from time to time. The amount and timing of any dividends payable is at the discretion of the Board.

On February 23, 2021, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.24 to \$0.28 per Subordinate Voting Share and Common Share (paid quarterly). On November 9, 2021, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.28 to \$0.40 per Subordinate Voting Share and Common Share (paid quarterly). The increase was effective with the dividend payable to shareholders on December 31, 2021. On November 21, 2022, Dream announced that the Board of Directors approved the payment of a special cash dividend of \$0.50 per Subordinate Voting Share and Common Share. The special cash dividend was paid on December 30, 2022 to shareholders of record on December 15, 2022. On February 21, 2023, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.40 to \$0.50 per Subordinate Voting Share and Common Share (paid quarterly). On February 21, 2024, Dream announced that the Board of Directors approved an increase to the Corporation’s annual dividend from \$0.50 to \$0.60 per Subordinate Voting Share and Common Share (payable quarterly). The increase was effective with the dividend payable to shareholders on March 28, 2024.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of Subordinate Voting Shares, an unlimited number of Common Shares and an unlimited number of first preference shares, issuable in series (the “**First Preference Shares**”), of which the first series was designated as “first preference shares, series 1” (being the Series 1 Preference Shares) all of which were redeemed on December 20, 2019. The following is a summary of the rights, privileges, restrictions and conditions attached to each class of shares of the Corporation.

As of December 31, 2023, there were 40,682,688 Subordinate Voting Shares and 1,557,322 Common Shares issued and outstanding.

Subordinate Voting Shares and Common Shares

Holders of Subordinate Voting Shares and Common Shares are entitled to one vote and 100 votes, respectively, for each such share held on all votes taken at meetings of the shareholders of the Corporation. As at December 31, 2023, the Common Shares represented an aggregate of 79% of the outstanding voting rights and the Subordinate Voting Shares represented 21% of the outstanding voting rights.

Subject to the rights of holders of other shares of the Corporation ranking prior to the Subordinate Voting Shares and Common Shares, the Subordinate Voting Shares and Common Shares participate equally, share for share, as to dividends. The Common Shares are convertible into Subordinate Voting Shares on a one-for-one basis at any time, subject to adjustment.

In order to ensure that the holders of the Subordinate Voting Shares can participate in any offer which is made to the holders of the Common Shares (but is not made to the holders of Subordinate Voting Shares

on the same terms in terms of price per share, percentage of shares to be taken up and other essential terms), which offer, by reason of applicable securities legislation or the requirements of a stock exchange on which the Subordinate Voting Shares may then be listed, would have been required to be made to all or substantially all the holders of Subordinate Voting Shares who are in any province of Canada to which the requirement applies if the Common Shares were Subordinate Voting Shares (an “**Exclusionary Offer**”), each holder of Subordinate Voting Shares will, for the purposes of the Exclusionary Offer only, be permitted to convert all or part of the Subordinate Voting Shares held into an equivalent number of Common Shares during the applicable conversion period. In certain circumstances (namely, the delivery of certificates, at specified times, by holders of 50 per cent or more of the issued and outstanding Common Shares to the effect that they will not, among other things, tender to such Exclusionary Offer or make an Exclusionary Offer), these conversion rights will not come into effect.

The holders of the Subordinate Voting Shares and Common Shares are entitled to receive a cash dividend, if, as and when declared by the Board of Directors. On February 26, 2019, the Board of Directors approved its inaugural dividend policy. See “Dividend Policy”.

Subject to the rights of holders of other shares of the Corporation ranking prior to the Subordinate Voting Shares and Common Shares, holders of Subordinate Voting Shares and Common Shares are entitled to participate equally in the property and assets of the Corporation available to such holders in the event of the liquidation, dissolution or winding-up of the Corporation.

First Preference Shares

Each series of First Preference Shares, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, will rank on a parity with the First Preference Shares of every other series and senior to the Subordinate Voting Shares and Common Shares.

Except in accordance with any voting rights which may be attached to any series of First Preference Shares or as otherwise provided by law, the holders of First Preference Shares will not be entitled, as such, to receive notice of, or to attend, any meeting of shareholders of the Corporation, nor will they be entitled to vote at any such meeting; provided that such holders shall be entitled to receive notice of any meetings of shareholders of the Corporation called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all of its property. The approval of holders of First Preference Shares as a class to any matters which, by law, require such approval, may be given by the affirmative vote of holders of not less than two-thirds of the First Preference Shares represented and voted at a meeting called and held for such purpose.

MARKET FOR SECURITIES

Trading Price and Volume

The Subordinate Voting Shares are currently listed on the TSX under the symbol “DRM”. The following table sets forth the high and low reported trading prices and the trading volume of the Subordinate Voting Shares on the TSX for each month of the most recently completed financial year:

Month	High (\$)	Low (\$)	Volume
January 2023	28.65	24.91	722,195
February 2023	30.12	26.42	1,014,709
March 2023	26.70	22.70	1,122,261
April 2023	24.23	22.06	587,007
May 2023	22.79	20.41	697,904

Month	High (\$)	Low (\$)	Volume
June 2023	22.20	19.58	719,353
July 2023	21.35	19.61	537,433
August 2023	21.88	19.25	1,009,574
September 2023	22.64	18.23	716,056
October 2023	19.84	16.53	1,087,197
November 2023	20.84	16.70	1,233,130
December 2023	23.57	18.85	722,885

Prior Sales of Unlisted Securities

The Common Shares are not listed or quoted on any marketplace. See “Description of Capital Structure”. In 2023, no Common Shares were issued.

DIRECTORS AND EXECUTIVE OFFICERS

Names, Occupations and Security Holdings

The following table sets forth the name and place of residence, position held with the Corporation and principal occupation of each of the directors and executive officers of the Corporation as of March 28, 2024. Directors of the Corporation hold office until the next annual meeting of shareholders of the Corporation or until their successors are elected or appointed.

Name, Province or State and Country of Residence	Position Held in the Corporation	Director Since	Independent	Principal Occupation
Michael J. Cooper ⁽⁴⁾ Ontario, Canada	President and Chief Responsible Officer, Director	May 30, 2013	No	President and Chief Responsible Officer, Dream and DAM, and Chief Executive Officer of Dream Office REIT
James Eaton Ontario, Canada	Director	May 17, 2018	Yes	President of Weatons Holding Ltd., a Canadian private holding company
Joanne Ferstman ⁽¹⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Ontario, Canada	Director	May 12, 2014	Yes	Corporate Director
Richard N. Gateman ⁽²⁾⁽³⁾ Alberta, Canada	Director	May 30, 2013	Yes	Corporate Director
P. Jane Gavan ⁽⁴⁾ Ontario, Canada	President, Asset Management, Director	May 12, 2014	No	President, Asset Management, Dream and DAM

Name, Province or State and Country of Residence	Position Held in the Corporation	Director Since	Independent	Principal Occupation
Duncan Jackman Ontario, Canada	Director	May 9, 2017	Yes	Chairman and Chief Executive Officer of E-L Financial Corporation Limited, an investment and insurance holding company
Jennifer Lee Koss ⁽¹⁾⁽²⁾ Ontario, Canada	Director	May 12, 2014	Yes	Co-Founder, BRIKA, a retail platform for contemporary, elevated craft
Vincenza Sera ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	May 30, 2013	Yes	Corporate Director
Robert Hughes Ontario, Canada	General Counsel and Corporate Secretary	–	–	General Counsel and Corporate Secretary, Dream and DAM
Jay Jiang Ontario, Canada	Executive Vice President, Corporate Development and Strategy	–	–	Chief Financial Officer, Dream Office REIT
Jason Lester Ontario, Canada	Vice Chair, Development	–	–	Vice Chair, Development, Dream and DAM
Brian Pauls Colorado, United States	Executive Vice President, Industrial	–	–	Chief Executive Officer, Dream Residential REIT
Meaghan Peloso Ontario, Canada	Senior Vice President, Impact	–	–	Chief Financial Officer, Dream Impact Master GP Inc.
Alexander Sannikov Ontario, Canada	Executive Vice President, Industrial	–	–	President and Chief Executive Officer, Dream Industrial REIT
Deborah Starkman ⁽⁶⁾ Ontario, Canada	Chief Financial Officer	–	–	Chief Financial Officer, Dream and DAM
Bruce Traversy Ontario, Canada	Executive Vice President, Industrial	–	–	Executive Vice President and Head of Investments, Dream Industrial REIT

Name, Province or State and Country of Residence	Position Held in the Corporation	Director Since	Independent	Principal Occupation
Mindy Verwayne Ontario, Canada	Vice President and Chief Accounting Officer	–	–	Vice President and Chief Accounting Officer, Dream and DAM
Gordon Wadley Ontario, Canada	Executive Vice President, Commercial Properties	–	–	Chief Operating Officer, Dream Office REIT
Tsering Yangki Ontario, Canada	Executive Vice President, Real Estate Finance & Development	–	–	Executive Vice President, Real Estate Finance & Development

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Governance, Environmental and Nominating Committee.
- (3) Member of the Organization Design and Culture Committee.
- (4) Member of the Leaders and Mentors Committee.
- (5) Chair of the Board of Directors.
- (6) Ms. Starkman retired effective March 31, 2024.

Each of the foregoing has held his or her present principal occupation or other offices with the same company or its predecessors or affiliates for the past five years, except for:

- Ms. Deborah Starkman, who, prior to October 5, 2020 was the Chief Financial Officer and Corporate Secretary of GMP Capital Inc., a Canadian independent financial services firm.
- Mr. Brian Pauls, who was appointed Chief Executive Officer of Dream Residential REIT with an effective date of June 6, 2023.
- Mr. Alexander Sannikov, who was appointed President and Chief Executive Officer of Dream Industrial REIT with an effective date of January 1, 2024.

As at December 31, 2023, our directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, as a group, 18,835,070 Subordinate Voting Shares, which represented approximately 46% of the outstanding Subordinate Voting Shares, and 1,543,291 Common Shares, which represented approximately 99% of the outstanding Common Shares.

Committees

The Board has four committees: the Audit Committee, the Governance, Environmental and Nominating Committee, the Organization Design and Culture Committee and the Leaders and Mentors Committee.

Audit Committee

The Audit Committee is responsible for monitoring the Corporation’s systems and procedures for financial reporting and internal controls and the performance of the Corporation’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, the Corporation’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 the Corporation’s external auditor and internal audit function, without management present, to discuss and review specific issues as appropriate.

Applicable law requires the Board of Directors to have an Audit Committee consisting of at least three Directors, each of whom must be independent and “financially literate”. At March 28, 2024, the Audit Committee was comprised of the following three Directors: Joanne Ferstman (Chair), Jennifer Koss, and Vincenza Sera, each of whom is an Independent Director. The Board has determined that each of the members of the Audit Committee is “financially literate” within the meaning of NI 52-110. The Board of directors has adopted a charter for the Audit Committee, a copy of which is attached as Schedule A to this AIF.

Relevant Education and Experience

Ms. Joanne Ferstman is a corporate director. Over an 18-year period and until her retirement in June 2012, Ms. Ferstman held a variety of executive positions with the Dundee Group of Companies. Most recently, Ms. Ferstman was the President and Chief Executive Officer of Dundee Capital Markets Inc., a full-service investment dealer with principal businesses including investment banking, institutional sales and trading and private client financial advisory. Prior to January 31, 2011, Ms. Ferstman was Vice-Chair and Head of Capital Markets of DundeeWealth Inc., a diversified wealth management company. Prior to 2009, Ms. Ferstman was Executive Vice President and Chief Financial Officer of Dundee Wealth Inc. and Executive Vice President, Chief Financial Officer and Corporate Secretary of Dundee Corporation. In these senior financial roles, Ms. Ferstman was actively involved in all corporate strategy, including acquisitions and financings, and was responsible for all public financial reporting. In addition, Ms. Ferstman regularly represented Dundee Corporation on investee company boards and audit committees across various sectors. Prior to joining the Dundee Group of Companies, Ms. Ferstman spent four years as Chief Financial Officer for a national securities firm and five years at a major international accounting firm. Ms. Ferstman earned a Bachelor of Commerce and a Graduate degree in Public Accountancy from McGill University and is a Chartered Professional Accountant.

Ms. Jennifer Lee Koss is the Co-Founder and Builder of Business of BRIKA, a pre-eminent retail platform for contemporary, elevated craft online and offline representing a community of over 400 of the most talented artisans and designers. Prior to launching her business, she spent nearly five years at Ontario Teachers’ Private Capital investing in consumer/retail companies and in large private equity global funds. Her work experience also includes management consulting at The Bridgespan Group and The Parthenon Group, focusing on private equity due diligence, and in investment banking at JPMorgan. Ms. Koss is also a member of the Board of Trustees of the Art Gallery of Ontario and a Director of the Board of The National Ballet of Canada. Ms. Koss is a Juilliard-trained cellist and holds an AB degree magna cum laude from Harvard College, an MPhil from Oxford University and a Masters in Business Administration from Harvard Business School.

Ms. Vincenza Sera is an active corporate director who currently sits on the board of Investment Management Corporation of Ontario (IMCO) which manages approximately \$70 billion in assets for various Ontario stakeholders. Prior to this appointment, she was Chair of the Ontario Pension Board for nine years. Ms. Sera currently sits on the Boards of Dream Industrial REIT (Chair), Dream Unlimited Corp. and EQB Inc. She previously served on the Board of Directors of the Ontario Financing Authority. Ms. Sera was an investment banker with more than 25 years of experience in capital markets, corporate finance and corporate governance. She has held senior positions with National Bank Financial, First Marathon Securities and Canadian Imperial Bank of Commerce. Ms. Sera holds an MBA from the University of Toronto and is a graduate of the Directors Education Program (ICD.D).

Pre-Approval Policies and Procedures

The charter of the Audit Committee requires that all non-audit services to be provided to Dream or any of its Subsidiaries by the external auditor or any of its affiliates are subject to pre-approval by the Audit Committee; however, the Audit Committee may delegate such responsibility to one or more of its members.

Auditor's Fees

The aggregate fees billed by PricewaterhouseCoopers LLP, Dream's external auditor, or fees accrued by Dream in 2023 and 2022 for professional services, are presented below:

	Year ended December 31, 2023	Year ended December 31, 2022
Audit fees	\$802,000	\$684,000
Review of interim financial statements	\$236,000	\$219,000
Audit-related fees ⁽¹⁾	\$194,000	\$84,000
Audit and review of Dream's Subsidiaries	\$448,000	\$343,000
Tax and other fees ⁽²⁾	\$361,000	\$560,000
Total	\$2,041,000	\$1,890,000

Notes:

⁽¹⁾ "Audit-related fees" are aggregate fees billed by our external auditor in 2023 and 2022 for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit Fees" in the table above, and includes services relating to regulatory filings, ESG assurance services and future IFRS standards.

⁽²⁾ "Tax and other fees" include the aggregate fees paid to the external auditor for tax compliance, tax advice, tax planning and advisory services.

Governance, Environmental and Nominating Committee

It is the responsibility of the Governance, Environmental and Nominating Committee, in consultation with the Chair of the Board of Directors, 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 directors; to review the Corporation's statement of corporate governance practices; and to review and recommend the directors' compensation.

The Governance, Environmental and Nominating Committee reviews the performance of the Board, its committees and the contribution of individual Directors on an annual basis. The Board has in place a formal procedure for evaluating the performance of the Board, its committees and individual Directors, consisting of surveys, private interviews by the Chair of the Board and/or the Chair of the Governance, Environmental and Nominating Committee with each Director, and a report from the Chair of the Governance, Environmental and Nominating Committee.

The Governance, Environmental 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 shareholders of the Corporation. To do this, the Governance, Environmental and Nominating Committee together with the Chair of the Board regularly considers and meets with potential Director 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 has adopted a formal board diversity policy (the "**Diversity Policy**"). In identifying potential director candidates, in addition to skills and experience, the Governance, Environmental 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 director candidates. In accordance with Dream's Diversity Policy, the Governance, Environmental and Nominating Committee, with the assistance of the Leaders and Mentors Committee, identifies diverse candidates for election to the Board. In identifying nominees for election as Directors, the Corporation targets representation of women on the Board of at least 30%. Currently, four of the eight directors, comprising 50% of the Board, are women.

The Governance, Environmental 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 Directors is balanced, and that committee positions are rotated as appropriate. In doing so, the Governance, Environmental and Nominating Committee consults with the Chair of the Board and makes recommendations to the Board, which appoints committee members. The Corporation's President and Chief Responsible Officer does not participate in this process.

The Governance, Environmental and Nominating Committee oversees Dream's approach to environmental, social, governance and impact matters. This includes overseeing management in setting the tone and reinforcing the culture within Dream regarding environmental, social, governance and impact matters, and promoting discussion and integration of such matters into Dream's processes and goals. Specifically, the Governance, Environmental and Nominating Committee assists and oversees the management of Dream in connection with (a) setting the strategy and direction with respect to environmental, social, governance and impact matters, (b) developing metrics, systems and procedures to monitor and track performance in relation to environmental, social, governance and impact goals, initiatives and commitments, (c) developing policies, practices, approaches and disclosures relating to environmental, social, governance and impact matters, (d) identifying and managing risks and opportunities related to environmental, social, governance and impact matters, and (e) internal and external communications regarding Dream's position on or approach to environmental, social, governance and impact matters, including Dream's sustainability reports.

The Governance, Environmental and Nominating Committee is also responsible for reviewing the environmental state of any real property owned by Dream's Subsidiaries and for establishing policies and procedures to review and monitor Dream's environmental exposure. Monitoring and reviewing the environmental state of Dream's properties 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 Dream's hazardous materials management plan.

At March 28, 2024, the Governance, Environmental and Nominating Committee was comprised of the following three Directors: Richard Gateman, Jennifer Koss and Vincenza Sera (Chair), all of whom are Independent Directors.

Organization Design and Culture Committee

The Organization Design and Culture 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 the Chief Responsible Officer and other senior executives. The Organization Design and Culture Committee also reviews the performance of senior management against written objectives and reports thereon to the Board.

The Organization Design and Culture Committee is also responsible to work with the Chief Responsible Officer to review internal practices (both formal and informal) that promote the culture of the Corporation. The success of Dream's business is influenced by the performance of management. Management is influenced by compensation and the environment in which it works. The Organizational Design and Culture Committee works with the Chief Responsible Officer to encourage a working culture that motivates colleagues to belong to the organization, perform at the highest level and to want to continue with the organization for reasons beyond compensation.

At March 28, 2024, the Organization Design and Culture Committee was comprised of the following three directors: Joanne Ferstman, Richard Gateman (Chair) and Vincenza Sera, all of whom are Independent Directors.

Leaders and Mentors Committee

The Leaders and Mentors Committee oversees Dream’s commitment to creating an environment at Dream that fosters excellence in what we do and how we do it. The mandate of the Leaders and Mentors Committee is to:

- Identify, mentor and champion exceptional talent within the organization;
- Oversee Dream’s commitment to being a leader in diversity and inclusion at all levels of the organization;
- Work with the Governance, Environmental and Nominating Committee to identify excellent candidates for Board positions, irrespective of prior board experience, who are most likely to help Dream achieve its goals; and
- Provide mentorship to new Board members.

The Leaders and Mentors Committee also reviews the number of women working for Dream and their salaries compared to men working for the Corporation, and women’s representation in senior management of Dream and within the entire business.

Dream has adopted a policy to provide mentorship by Board members to strong performers in the Corporation to promote further success with diversity within the Corporation.

At March 28, 2024, the Leaders and Mentors Committee was comprised of the following four Directors: Michael Cooper (Chair), Joanne Ferstman, Jane Gavan and Vincenza Sera.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Corporate Cease Trade Orders and Bankruptcies

None of the Directors or executive officers of Dream are, as at the date of this AIF, or have been within the 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that was (a) subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. None of the directors or executive officers of Dream are, and to the best of the Corporation’s knowledge, no shareholder holding a sufficient number of the Corporation’s securities to affect materially the control of Dream is, or have been within the 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, “**order**” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Individual Bankruptcies

None of the Directors or executive officers of Dream, and to the best of the Corporation’s knowledge, no shareholder holding a sufficient number of Dream’s securities to affect materially the control of Dream, have, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

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

Conflicts of Interest

Certain executive officers and Directors of the Corporation are officers and directors of, or are associated with, other public and private companies. Such associations may give rise to conflicts of interest with the Corporation from time to time. The OBCA requires, among other things, the executive officers and directors of the Corporation to act honestly and in good faith with a view to the best interest of the Corporation, to disclose any personal interest which they may have in any material contract or transaction which is proposed to be entered into with the Corporation and, in the case of directors, to abstain from voting as a director for the approval of any such contract or transaction.

Directors' and Officers' Liability Insurance

Dream carries directors' and officers' liability insurance with a total annual aggregate policy limit of \$60 million (comprised of a \$10 million primary policy and five \$10 million excess policies). Dream also carries an additional \$10 million of Side A difference in conditions (D.I.C.) coverage. Under this insurance coverage, Dream is reimbursed for payments made under indemnity provisions on behalf of Directors and officers contained Dream's by-laws, and pursuant to individual indemnity agreements between Dream and each officer and Director (the "**Indemnities**") subject to a deductible payable by Dream of \$100,000 for securities claims and indemnifiable losses. The by-laws and the Indemnities provide for the indemnification in certain circumstances of Directors 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.

RISK FACTORS

Ownership of Real Estate

Development Risk

The development industry is cyclical in nature and is significantly affected by changes in general and local economic and industry conditions, such as employment levels, availability of financing for homebuyers, government regulations, interest rates, consumer confidence, levels of new and existing homes for sale, demographic trends, housing demand and competition from other real estate companies.

An oversupply of alternatives to new homes and condominium units, such as resale properties, including properties held for sale by investors and speculators, foreclosed homes and rental properties, may reduce the Corporation's ability to sell new homes and condominium units and may depress prices and reduce margins from the sale of new homes and condominium units. Depending on market conditions, the Corporation may not be able, or may not wish, to develop its land holdings. Development of land holdings and properties that are to be constructed are subject to a variety of risks, not all of which are within the Corporation's control. Such risks include lack of funding, variability in development costs, construction delays, potential delays in occupancy and/or rent commencement and other unforeseeable delays.

Real estate assets, particularly raw land, are relatively illiquid in down markets. Such illiquidity tends to limit the Corporation's ability to vary its real estate portfolio promptly in response to changing economic or investment conditions. If there are significant adverse changes in economic or real estate market conditions, the Corporation may have to sell properties at a loss or hold undeveloped land or developed properties in inventory longer than planned. Inventory carrying costs can be significant and may result in losses in a poorly performing project or market.

The Corporation's and the other Dream Entities' assets may include interests in real estate under construction or held for development. We may commit to making further investments in respect of our interest in these types of properties, including through the provision of construction and completion guarantees by the co-owners to project lenders or otherwise. Our involvement in such development activity is subject to related risks that include: (i) construction or other unforeseen delays including municipal approvals; (ii) the potential insolvency of a developer; (iii) the developer's failure to use advanced funds in payment of construction costs; (iv) construction or unanticipated delays; (v) incurring construction costs before ensuring rental revenues will be earned from a project; (vi) cost overruns on a project; and (vii) the failure of purchasers to close on purchase transactions or the failure of tenants to occupy and pay rent in accordance with lease arrangements. Such risks are minimized, but not avoided, by generally not commencing construction until satisfactory levels of preleasing or sales, as applicable, are achieved. Dream also seeks to undertake such projects with other established developers. In addition, Dream uses a staggered approach in its development program to avoid unnecessary concentration of development projects in a single period of time so as to manage our development risk exposure and properly allocate our capital and personnel resources.

Delays and Cost Overruns

Delays and cost overruns may occur in completing the construction of development projects, prospective projects and future projects that may be undertaken. A number of factors that could cause such delays or cost overruns include, but are not limited to, permitting delays, changing engineering and design requirements, the performance of contractors, labour disruptions, adverse weather conditions and the availability of financing.

Permitting

Our development of real estate projects is subject to various regulations requiring us to obtain building permits and other authorizations. We may be unable to obtain or face significant delays in obtaining such permits or authorizations, which could result in increased development costs or the cancellation of parts or entire projects.

Supply of Materials and Services

The construction industry has from time to time experienced significant difficulties in the supply of materials and services, including with respect to shortages of skilled and experienced contractors and tradespeople, labour disputes, shortages of building materials, unforeseen environmental and engineering problems, and increases in the cost of certain materials. If any of these difficulties should occur, we may experience delays and increased costs in the construction of homes and condominiums.

Competition

The residential home and condominium and rental building industry is highly competitive. Residential home and condominium and rental builders compete for buyers, desirable properties, building materials, labour and capital. We compete with other local, regional and national builders. Any improvement in the cost structure or service of these competitors will increase the competition we face. We also compete with sellers of existing homes, housing speculators and investors in rental housing. Competitive conditions in the residential home and condominium and rental building industries could result in: difficulty in acquiring desirable land at acceptable prices, increased selling incentives, lower sales volumes and prices, lower profit margins, impairments in the value of our inventory and other assets, increased construction costs and delays in construction.

Our ability to successfully expand asset management activities in the future is dependent on our reputation with clients. We believe that our track record, the expertise of our asset management team and the performance of the assets currently under management will enable us to continue to develop productive relationships with these companies and to grow the assets under management. However, if we are not successful in doing so, our business and results of operations may be adversely affected.

Residential Rental Business Risk

Purchaser demand for residential rentals is cyclical and is affected by changes in general market and economic conditions, such as consumer confidence, employment levels, availability of financing for home buyers, interest rates, demographic trends, housing supply and housing demand. As a landlord in its properties that include rental apartments, the Corporation is subject to the risks inherent in the multi-unit residential rental business, including, but not limited to, fluctuations in occupancy levels, individual credit risk, heightened reputation risk, tenant privacy concerns, potential changes to rent control regulations, increases in operating costs including the costs of utilities and the imposition of new taxes or increased property taxes. In addition, multi-family rental properties are subject to rent control legislation in Ontario. The legislation in various degrees imposes restrictions on the ability of a landlord to increase rents above an annually prescribed guideline or requires the landlord to give tenants sufficient notice prior to an increase in rent, or restricts the frequency of rent increases permitted during the year. The lack of availability of affordable housing and related housing policy and regulations is continuing to increase in prominence as a topic of concern at the various levels of government. The Corporation may be exposed to the risk of the implementation of, or amendments to, existing legislative rent controls in the markets in which it operates, which may have an adverse impact on our operations and we may incur costs that will not be fully recoverable from rents charged to tenants. Multi-family rental business risk may result in a significant loss of earnings to the Corporation; however, to mitigate these risks, the Corporation's portfolio includes well located and professionally managed properties.

Joint Venture Risks

Real estate investments are often made as joint ventures or partnerships with third parties. These structures involve certain additional risks, including the possibility that the co-venturers/partners may, at any time, have economic or business interests inconsistent with ours, the risk that such co-venturers/partners could experience financial difficulties that could result in additional financial demands on us to maintain and operate such properties or repay debt in respect of such properties, and the need to obtain the co-venturers'/partners' consents with respect to certain major decisions in respect of such properties. Under most of our joint venture arrangements the Corporation has the discretion to elect to continue or discontinue funding of such joint venture activities at various points in time; however, under certain of the Corporation's joint venture arrangements, a decision to discontinue funding may result in penalties against non-funding investors, such as dilution or above market interest rates. Should the Corporation determine to discontinue the funding of any such joint venture, the value of the Corporation's investment may be adversely affected.

Our co-venturers/partners may, at any time, have economic or business interests inconsistent with ours and we may be required to take actions that are in the interest of the partners collectively, but not in Corporation's sole best interests. Accordingly, we may not be able to favourably resolve issues with respect to such decisions or we could become engaged in a dispute with any of them that might affect our ability to develop or operate the business or assets in question efficiently. Any failure of the Corporation or our co-venturers and partners to meet their obligations, or disagreements with respect to strategic decision making, could have an adverse effect on the joint ventures or partnerships, which may have an adverse effect on the Corporation. In addition, we face the risk that any interests that we directly or indirectly hold in any joint venture may be diluted in the event that additional capital is required from the partners of the joint venture and we are, or the entity holding such interests is, unable to participate in such capital raise. We cannot guarantee that we nor any entity in which we hold an interest will be able to access sufficient capital to perform any obligations in connection with any joint venture commitments.

We attempt to mitigate these risks by performing due diligence procedures on potential partners and contractual arrangements, and by closely monitoring and supervising the joint ventures or partnerships.

Geographic Concentration

Our land development and housing operations are concentrated in Saskatchewan and Alberta. Some or both of these regions could be affected by severe weather; natural disasters; shortages in the availability or increased costs of obtaining land, equipment, labour or building supplies; changes to the population growth

rates and therefore the demand for homes in these regions; and changes in the regulatory and fiscal environment. Due to the concentrated nature of our expected land development and housing operations, negative factors affecting one or a number of these geographic regions at the same time could result in a greater impact on our financial condition or results of operations than they might have on other companies that have a more diversified portfolio of operations.

Given the prominence of the oil and gas industry in Alberta and Saskatchewan, the economies of these provinces can be significantly impacted by the price of oil. Similarly, because of our substantial land and housing development operations in Alberta and Saskatchewan, any substantial decline in the price of oil could also adversely affect the Corporation's operating results. We continuously evaluate the economic health of the markets in which we operate through various means to ensure that we have identified and, where possible, mitigated risks to the Corporation, including the potential impacts of changes in the price of oil. Additionally, the land development process is longer term in nature, which, to some extent, mitigates the impacts of short-term fluctuations in the health of the economies in which we operate. As of December 31, 2023, the Corporation had not identified any material adverse effect on our business as a result of oil prices.

Our Saskatchewan and Alberta operations have historically focused on the Corporation's land and housing businesses, as well as a golf course reported under our recreational properties. The Corporation has also recognized the potential of our substantial land holdings in these markets for retail and multi-family residential development opportunities, and we expect to continue to increase the activity for these types of developments in the future. Our retail developments utilize the Corporation's existing land inventory to develop assets that will derive cash flows over a longer term.

In addition to our holdings in Saskatchewan and Alberta, a substantial portion of the projects in our Development segment are located in and around the GTA, and we have invested significantly in this region through both our Development segment and our investment in Dream Office REIT and Dream Impact, whose portfolios are concentrated in Toronto. Accordingly, any negative fluctuation in Toronto market fundamentals could result in a greater impact on our financial condition or results of operations than they might have on other companies that have a more diversified portfolio of operations.

Risks Related to Acquisitions

Our external growth prospects depend in large part on our ability to identify suitable investment opportunities, pursue such opportunities and consummate acquisitions, including direct or indirect acquisitions of real estate. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner, as well as our ability to realize our anticipated growth opportunities and synergies from our newly acquired investments. Integrating acquired investments and businesses also involves a number of risks that could materially and adversely affect our business, including: (i) failure of the acquired investment or businesses to achieve expected results; (ii) risks relating to the integration of the acquired investment or businesses and the retention and integration of key personnel relating to the acquired investment or businesses; and (iii) the risk that major tenants or clients of the acquired investment or businesses may not be retained.

Notwithstanding pre-acquisition due diligence, it is not possible to fully understand a property before it is owned and operated for an extended period of time and there may be undisclosed or unknown liabilities concerning the acquired properties. The Corporation may not be indemnified for some or all of these liabilities. To mitigate this risk, we conduct an appropriate level of due diligence and investigation in connection with acquisition of properties and seek, through contractual arrangements, to ensure that risks lie with the appropriate party. For example, we could directly or indirectly acquire a property that contains undisclosed environmental contamination. Accordingly, in the course of acquiring a property, specific risks might not be or might not have been recognized or correctly evaluated. Thus, we could have overlooked or misjudged legal and/or economic liabilities. These circumstances could lead to additional costs and could have a material adverse effect on our proceeds from sales and development or rental income of the relevant

properties, for which we may not be entitled to any recourse against the vendor, and any contractual, legal, insurance or other remedies may be insufficient. In addition, after the acquisition of a property by us, the market in which the acquired property is located may experience unexpected changes that materially adversely affect the property's value. For these reasons, among others, our property acquisitions may cause us to experience significant losses. The occupancy of rental properties that we acquire may decline during our ownership, and rents that are in effect at the time a rental property is acquired may decline thereafter. For these reasons, among others, our property acquisitions may cause us to experience significant losses. If we are unable to manage our growth and integrate our acquisitions effectively, our investments, operating results and financial condition could be materially adversely affected.

Risks Related to Master-Planned Communities

Before a master-planned community generates any revenues, material expenditures are incurred to acquire land, obtain development approvals and construct significant portions of project infrastructure, amenities, model homes and sales facilities. It generally takes several years for a master-planned community development to achieve cumulative positive cash flow. If we are unable to develop and market our master-planned communities successfully and generate positive cash flows from these operations in a timely manner, this may have a material adverse effect on our business and results of operations.

Real Estate Ownership

An investment in real estate is relatively illiquid. Such illiquidity tends to limit our ability to vary our commercial property portfolio promptly in response to changing economic or investment conditions. In recessionary times, it may be difficult to dispose of certain types of real estate. The costs of holding real estate are considerable and during an economic recession we may be faced with ongoing expenditures with a declining prospect of incoming receipts. In such circumstances, it may be necessary to dispose of properties at lower prices in order to generate sufficient cash for operations.

Certain significant expenditures (e.g., property taxes, maintenance costs, mortgage payments, insurance costs and related charges) must be made regardless of whether or not a property is producing sufficient income to pay such expenses. In order to retain desirable rentable space and to generate adequate revenue over the long term, properties must be maintained or, in some cases, improved to meet market demand. Maintaining a rental property in accordance with market standards can entail significant costs, which may not be able to be passed on to tenants. Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction, or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization. Any failure by us to ensure appropriate maintenance and refurbishment work is undertaken could materially adversely affect the rental income that we earn from such properties; for example, such a failure could entitle tenants to withhold or reduce rental payments or even terminate existing leases. Any such event could have an adverse effect on our cash flows, financial condition and results of operations.

Returns on real estate and real estate related assets and investments are generally subject to a number of factors and risks, including changes in general economic conditions (which could affect the availability, terms and cost of mortgage financings and other types of credit), changes in local economic conditions (such as an oversupply of properties or a reduction in demand for real estate in a particular area), the attractiveness of properties to potential tenants or purchasers, competition with other landlords with similar available space, and the ability of the owner to provide adequate maintenance at competitive costs.

These factors and risks could cause fluctuations in the value of the real estate and real estate related assets and investments owned by us, or in the value of the real estate securing mortgages and other loans our Subsidiaries may issue. These fluctuations could materially adversely affect us.

The revenue properties in the various Dream Entities' investment portfolios generate income through rent received from tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced for a number of reasons. Furthermore, the terms of any subsequent lease may be less

favourable than those of the existing lease. The Dream Entities' income and cash flows could be adversely affected if tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in any particular property could not be leased on economically favourable lease terms. In the event of default by a tenant, they may experience delays or limitations in enforcing their rights as lessor and incur substantial costs in protecting their investments. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to the other Dream Entities which may adversely affect the asset management revenue or distributions we receive from the other Dream Entities.

Rollover of Leases

Revenue properties generate income through rent received from tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced for a number of reasons. Furthermore, the terms of any subsequent lease may be less favourable than those of the existing lease. Our cash flows and financial position could be adversely affected if tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in our revenue properties could not be leased on economically favourable lease terms. In the event of default by a tenant, we may experience delays or limitations in enforcing our rights as lessor and incur substantial costs in protecting our investment. In addition, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws, which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to us.

Market Conditions

Revenue properties are subject to economic and other factors affecting the real estate markets in the geographic areas where we own and manage properties. These factors include government policies, demographics and employment patterns, the affordability of rental properties, competitive leasing rates and long term interest and inflation rates. These factors may differ from those affecting the real estate markets in other regions. If real estate conditions in areas where these properties are located decline relative to real estate conditions in other regions, our cash flows and financial condition may be more adversely affected than those of companies that have more geographically diversified portfolios of properties.

Sales Risks

Home and condominium buyers typically finance their home or condominium acquisitions through lenders providing mortgage financing. Increases in mortgage rates or decreases in the availability of mortgage financing could depress the market for new condominiums because of the increased monthly mortgage costs to potential buyers. In addition, increases in mortgage rates and other economic factors may negatively impact the capacity of prospective buyers to close on the acquisition of our units, resulting in buyers defaulting on their purchase agreements and providing us with a gain limited to the purchase agreement deposit. In such cases, we face the risk that we may need to sell the units at lower prices than expected, and that the deposit that we withheld from any defaulting buyers will not cover the loss in sales price of such units. Even if potential customers do not need financing, changes in mortgage interest rates and mortgage availability could make it harder for them to sell their existing homes to potential buyers who need financing, which would result in reduced demand for new homes. As a result, rising mortgage rates and reduced mortgage availability could adversely affect the Corporation's ability to sell new condominiums and the price at which it can sell them.

Regulatory Risks

The real estate development process is subject to a variety of laws and regulations. In particular, governmental authorities regulate such matters as zoning and permitted land uses, levels of density and building standards. We will have to continue to obtain approvals from various governmental authorities and comply with local, provincial and federal laws, including laws and regulations concerning the protection of the environment in connection with such development projects. Obtaining such approvals and complying

with such laws and regulations may result in delays which may cause us to incur additional costs that impact the profitability of a development project, or may restrict development activity altogether with respect to a particular project.

In addition, certain private funds that operate in the United States in which we hold interests are registered with the Securities and Exchange Commission (“SEC”), and are therefore subject to the regulations of the SEC. Any failure of such private funds to adhere to or abide by such applicable securities regulations may result in fines or other enforcement action by the SEC, which could result in significant financial and reputational costs for such funds and adversely affect the value of our investment in such funds.

Expropriation Risk

We are subject to laws and regulations governing the ownership and leasing of real property and are subject to the possibility that our assets may be expropriated. Should any assets that we hold for development or other assets be expropriated, there is a risk that we may not realize the profit that we expected upon planning the development, sale or lease of such asset. Expropriation of our assets may also affect the value of any assets that we have in physical proximity to the expropriated asset, including as a result of disruption of our community planning initiatives. These factors may have adverse effects on our business and may negatively impact our expected development project and other returns.

Environmental and Climate Change Risks

As an owner of real property, we are subject to various federal, provincial or state, and municipal laws relating to environmental matters. Such laws provide a range of potential liability, including potentially significant penalties, and potential liability for the costs of removal or remediation of certain hazardous substances. The presence of such substances, if any, could adversely affect our ability to sell or redevelop such real estate or to borrow using such real estate as collateral and, potentially, could also result in civil claims against us. In order to obtain financing for the purchase of a new property through traditional channels, we may be requested to arrange for an environmental audit to be conducted. Although such an audit provides us and our lenders with some assurance, we may become subject to liability for undetected pollution or other environmental hazards on our properties against which we cannot insure, or against which we may elect not to insure where premium costs are disproportionate to our perception of relative risk.

We have formal policies and procedures to review and monitor environmental exposure. In 2021, we became an official supporter of the TCFD, and will develop a plan to systematically assess climate change-related risk around the four TCFD core reporting areas, being governance, strategy, risk management, and metrics and targets. Climate change continues to attract the focus of governments, investors and the general public as an important threat, given that the emission of GHGs and other activities continue to negatively impact the planet. We face the risk that our properties or tenants will be subject to government initiatives aimed at countering climate change, such as reduction of GHG emissions, which could impose constraints on our operational flexibility or cause us or our tenants to incur financial costs to comply with various reforms. Any failure to adhere and adapt to climate change reform could result in fines or adversely affect our reputation, operations or financial performance. Furthermore, our properties or tenants may be exposed to the impact of events caused by climate change, such as natural disasters and increasingly frequent and severe weather conditions. Such events could interrupt our operations and activities, damage our properties, and potentially decrease our property values or require us to incur additional expenses including an increase in insurance costs to insure our properties against natural disasters and severe weather.

Home Warranty and Construction Defect Claims

As a homebuilder, we are subject to construction defect and home warranty claims arising in the ordinary course of our business. These claims are common in the homebuilding industry and can be costly. Where we act as the general contractor, we will be responsible for the performance of the entire contract, including work assigned to subcontractors. Claims may be asserted against us for construction defects, personal injury or property damage caused by the subcontractors, and if successful these claims give rise to liability. Where we hire a general contractor, if there are unforeseen events such as the bankruptcy of, or an uninsured or

under-insured loss claimed against our general contractor, we will sometimes become responsible for the losses or other obligations of the general contractor. The costs of insuring against construction defect and product liability claims are high, and the amount of coverage offered by insurance companies may be limited. There can be no assurance that this coverage will not be further restricted and become more costly. If we are not able to obtain adequate insurance against these claims in the future, our business and results of operations may be adversely affected.

Seasonality

The nature of our land development and housing business is inherently seasonal as it depends on sales of specific projects dictated by the marketplace and the availability of buyers as well as weather-related delays. We have historically experienced, and we expect that we will continue to experience, variability in our results on a quarterly basis. We generally have more homes under construction, close more home sales and have greater revenues and operating income from our housing business in the fourth quarter of our fiscal year. Therefore, although new home contracts are obtained throughout the period, a significant portion of our home closings occur in the second fiscal quarter. Our revenues from our land and housing development business therefore may fluctuate significantly on a quarterly basis, and we must maintain sufficient liquidity to meet short-term operating requirements.

Asset Management Risks

Our ability to successfully expand our asset management activities is dependent on a number of factors, including certain factors that are outside our control. In the event that the asset base of our funds were to decline, our management fees could decline as well. In addition, we could experience losses on our investments of our own capital in our funds as a result of poor performance by our funds. Termination of an asset management agreement in accordance with its terms by any of our funds would also result in a decline in our management fees.

Our ability to successfully expand asset management activities is dependent on our reputation with clients. We believe that our track record, the expertise of our asset management team and the performance of the assets currently under management will enable us to continue to develop productive relationships with these companies and to grow the assets under management. However, if we are not successful in doing so, our business and results of operations may be adversely affected.

Our revenues from the asset management segment are dependent on agreements with a few key clients. Although we have long-term, stable management contracts with clients that may only be terminated in limited circumstances, any such termination could have a material adverse effect on our revenue from management fees.

Financial and Liquidity Risk

Financing Risk

Ownership of certain of our assets and the industries in which we operate are capital intensive. We will require access to capital to ensure properties are maintained, as well as to fund our growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. Our access to third-party financing will be subject to a number of factors, including general market conditions, the market's perception of our growth potential, our current and expected future earnings and our cash flows and dividends and cash interest payments, and the market price of our shares. Upon the expiry of the term of the financing of any particular property, refinancing may not be available or may not be available on reasonable terms. Our failure to access required capital and access such capital on favourable terms could materially adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the shares and our ability to implement our growth strategy.

The degree to which we are leveraged could have important consequences to our operations. A high level of debt will reduce the amount of funds available for the payment of dividends to shareholders; limit our flexibility in planning for and reacting to changes in the economy and in the industry, and increase our vulnerability to general adverse economic and industry conditions; limit our ability to borrow additional funds, dispose of assets, encumber our assets and make potential investments; place us at a competitive disadvantage compared to other owners of similar assets that are less leveraged and, therefore, may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing; make it more likely that a reduction in our borrowing base following a periodic valuation (or redetermination) could require us to repay a portion of then outstanding borrowings; and impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions or other purposes.

Interest Rate Risk

When negotiating or amending and extending financing agreements and instruments, we depend on our ability to agree on terms, including in respect of interest payments and amortization. In addition, we have entered into, and we may continue to enter into, financing agreements with variable interest rates. There is a risk that interest rates will continue to increase. To the extent the Corporation utilizes variable rate debt, this will result in fluctuations in our cost of borrowing and further increases in interest rates could result in a significant increase in the amount paid by us to service debt that could materially adversely affect our cash flows.

We have entered into certain interest rate hedging arrangements to mitigate the impact of rising interest rates on our business, including project-level debt in our equity accounted investments, which under IFRS Accounting Standards, is not consolidated on our balance sheet. Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the Corporation's cost of borrowing on variable rate loans. Our obligations under hedging arrangements may be secured by all or a portion of our assets or cash, the value of which generally must cover the fair value of the transactions outstanding under the facility by some multiple. If we are unable to provide adequate security to support hedging arrangements, the Corporation will remain exposed to interest rate fluctuations. We may from time to time implement other hedging programs in order to offset the risk of revenue losses and to provide more certainty on our cash flows, should current variable interest rates increase. However, to the extent that we fail to adequately manage these risks, our financial results and our ability to make interest payments under future financings may be adversely affected. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by financial institutions, could have a material adverse effect on our ability to sell any of our investments.

Liquidity Risk

Our ability to meet our financial obligations as they become due represents our exposure to liquidity risk. Our principal liquidity needs are to ensure adequate operating funds are available to fund development costs, to cover leasing costs, overhead and capital expenditures for income generating assets, to provide for resources needed to fund capital calls for existing developments, to generate a target rate of return on investments and to cover dividend payments. As at December 31, 2023, there were adequate resources to address the Company's short-term liquidity requirements. Our ability to meet our future obligations may be impacted by the liquidity risk associated with receiving repayments of our loans, distributions from equity accounted investments, amounts receivable and other, deposits, and cash equivalents on time and in full and the realization of fair value on any disposition of our non-core properties and investments. If we are unable to meet our obligations as they come due or otherwise renegotiate such obligations, our ability to continue as a going concern may be adversely affected.

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. In recent years, the level of transaction activity and general liquidity in the Company's primary markets has decreased considerably.

Such illiquidity may limit our ability to vary our portfolio promptly in response to changing economic or investment conditions and may impact our ability to successfully execute on our business strategies. If we were required to liquidate our real property investments, the proceeds to us might be significantly less than the aggregate carrying value of our properties.

Management manages liquidity risk by monitoring actual and projected cash flows and liquidity requirements of the Company. Management seeks to ensure that it has sufficient cash to meet operational needs by maintaining sufficient cash, ensuring availability under its credit facilities and its ability to lease out vacant properties. The Company mitigates liquidity risk by staggering the maturity date of its borrowing, maintaining borrowing relationships with different lenders and maintaining sufficient availability on its credit facilities. The failure of the Company to adequately manage its liquidity risk could have an adverse effect on our financial condition and results of operation and decrease the amount of cash available for distribution to shareholders and cause the price of our Subordinate Voting Shares to decrease.

Financial Covenants

Our credit facilities and other financial instruments contain customary covenants and conditions, including, among others, compliance with various financial ratios and restrictions upon the incurrence of additional indebtedness and liens on our properties. These covenants may limit our flexibility in conducting our operations. Furthermore, the terms of some of this indebtedness may adversely affect our ability to consummate transactions that result in a change of control. Existing mortgages may also contain customary negative covenants such as those that limit our or our affiliates' ability, without the prior consent of the lender, to further mortgage the applicable property. If we or our affiliates were to breach covenants in these debt agreements, the lender could declare a default and require us to repay the debt immediately. If we fail to make such repayment in a timely manner, the lender may be entitled to take possession of any property securing the loan. If the lenders declared a default under our credit facilities, all amounts outstanding thereunder would become due and payable and our ability to borrow in future periods could be restricted. In addition, any such default on indebtedness in excess of a stipulated amount, unless waived, could constitute a default under other facilities or financial instruments, giving rise to the acceleration of such indebtedness.

Ability to Obtain Performance, Payment, Completion and Surety Bonds and Letters of Credit

We may often be required to provide performance, payment, completion and surety bonds or letters of credit to secure the completion of our construction contracts, development agreements and other arrangements. We have obtained facilities to provide the required volume of performance, payment, completion and surety bonds and letters of credit for our expected growth in the medium term; however, unexpected growth may require additional facilities. Our ability to obtain further performance, payment, completion and surety bonds and letters of credit primarily depends on our perceived creditworthiness, capitalization, working capital, past performance and claims record, management expertise and certain external factors, including the capacity of the performance bond markets. If our future claims record or our providers' requirements or policies are different, if we cannot obtain the necessary consent from lenders to renew or amend our existing facilities, or if the market's capacity to provide performance and completion bonds is not sufficient, we could be unable to obtain further performance, payment, completion and surety bonds or letters of credit when required, which could have a material adverse effect on our business, financial condition and results of operations.

Loans Receivable and Investment Holdings

Default Risk

If a borrower under a loan defaults under any terms of the loan, we may have the ability to exercise our enforcement remedies in respect of the loan. Exercising enforcement remedies is a process that requires a significant amount of time to complete, which could adversely impact our cash flow. In addition, as a result of potential declines in real estate values, there is no assurance that we will be able to recover all or substantially all of the outstanding principal and interest owed to us in respect of such loans by exercising

our enforcement remedies. Our inability to recover the amounts owed to us in respect of such loans could materially adversely affect us.

There can be no assurance that any of the loans comprising our borrowers' portfolio can or will be renewed at the same interest rates and terms, or in the same amounts as are currently in effect. The lenders, the borrowers or both may elect to not renew any loan. If loans are renewed, the principal balance, the interest rates and the other terms and conditions will be subject to negotiation between the lenders and the borrowers at the time of renewal.

In addition, the composition of our loans receivable may vary widely from time to time and may be concentrated by type of security, industry or geography, resulting in it being less diversified during certain periods. A lack of diversification may result in exposure to economic downturns or other events that have an adverse and disproportionate effect on particular types of securities, industries or geographies.

Credit Risk and Concentration Risk

There is a risk that a borrower or issuer of an investment security will not make a payment on debt or that an originating lender will not make its payment on a loan participation interest purchased by us or that an issuer or an investment security or an originating lender retaining the original loan in which it grants participation may suffer adverse changes in financial condition, lowering the credit quality of its security or participation and increasing the volatility of the security or participation price. Such changes in the credit quality of a security or participation can affect its liquidity and make it more difficult to sell if we wish to do so. In addition, with respect to loans made or held by us, a change in the financial condition of a borrower could have a negative financial impact on us.

While we intend to diversify our investments to ensure that we do not have excessive concentration in any single borrower or counterparty, or related group of borrowers or counterparties, the Corporation currently holds various lending instruments and investments with the same counterparty or related counterparties within its loans receivable and development and investment holdings portfolio. A change in the financial condition of a single borrower or counterparty or related group of borrowers or counterparties to which the Corporation has concentrated exposure could significantly and adversely affect the overall performance of the Corporation.

Other Applicable Risks

Economic Environment

Uncertainty over whether the economy will be adversely affected by inflation or stagflation, and the systemic impact of volatile energy costs and geopolitical issues, may contribute to increased market volatility. Such economic uncertainties and market challenges, which may result from a continued or exacerbated general economic slowdown, and their effects could materially and adversely affect the Corporation's ability to generate revenues, thereby reducing its earnings. A difficult operating environment could also have a material adverse effect on the ability of the Corporation to maintain occupancy rates at its properties, which could harm the Corporation's financial condition. Under such economic conditions, the Corporation's tenants may be unable to meet their rental payments and other obligations due to the Corporation, which could have a material adverse effect on the Corporation's financial position.

Increased inflation could have a more pronounced negative impact on any variable rate debt the Corporation is subject to or incurs in the future and on its results of operations. Similarly, during periods of high inflation, annual rent increases may be less than the rate of inflation on a continual basis. Substantial inflationary pressures and increased costs may have an adverse impact on the Corporation's tenants if increases in their operating expenses exceed increases in revenue. This may adversely affect the tenants' ability to pay rent, which could negatively affect the Corporation's financial condition.

The Corporation is also subject to the risk that if the real estate market ceases to attract the same level of capital investment in the future that it attracts at the time of its real estate purchases, or the number of investors seeking to acquire properties decreases, the value of the Corporation's investments may not appreciate or may depreciate. Accordingly, the Corporation's operations and financial condition could be materially and adversely affected to the extent that an economic slowdown or downturn occurs, is prolonged or becomes more severe.

Public Health Risk

Public health crises, pandemics and epidemics, such as those caused by new strains of viruses such as the novel coronavirus (COVID-19), could adversely impact our and our customers' businesses, and thereby our and our customers' ability to meet payment obligations, by disrupting supply chains and transactional activities, causing reduced traffic at our properties, leading to mobility restrictions and other quarantine measures, precipitating increased government regulation and negatively impacting local, national or global economies. Public health crises, pandemics and epidemics may also increase the volatility in financial markets and impact debt and equity markets, which could affect our ability to access capital. All of these factors may have a material adverse effect on our business, results of operations and our ability to make cash distributions to unitholders.

Tax Risks

We are subject to income taxes both federally and provincially in Canada and the United States. Significant judgments and estimates are required in the determination of our tax balances. Our income tax expense and deferred tax liabilities reflect management's best estimate of current and future taxes to be paid. We are subject to tax audits from various government and regulatory agencies on an ongoing basis. As a result, from time to time, taxing authorities may disagree with the interpretation and application of tax laws taken by us in our tax filings. These reassessments could have a material impact on us in future periods.

The determination of our income and other tax liabilities requires interpretation of complex laws and regulations, often involving multiple jurisdictions. Judgment is required in determining whether deferred income tax assets should be recognized on the consolidated statements of financial position. Deferred income tax assets are recognized to the extent that we believe it is probable that the assets can be recovered. Furthermore, deferred income tax balances are recorded using enacted or substantively enacted future income tax rates. Changes in enacted income tax rates are not within the control of management. However, any such changes in income tax rates may result in actual income tax amounts that may differ significantly from estimates recorded in deferred tax balances.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Proposed amendments to the Tax Act will, if the amendments are passed in their current form, have the effect of denying the deductibility of net interest and financing expenses that are in excess of allowable amounts, in the computation of taxable income by a corporation. As a result of these proposed amendments, the amount of interest and finance expenses deducted by the Corporation and subsidiaries owned by the Corporation may be reduced and/or the Corporation and subsidiaries owned by the Corporation may be required to include in its income its share of denied net interest and financing expenses of its subsidiary partnerships.

Proposed amendments to the Tax Act will, if passed in their current form, impose a 2% tax to the extent that amounts paid on the redemption, acquisition or cancellation of shares of the Corporation in a taxation year exceeds the amount received on the issuance of shares of the Corporation in the taxation year.

Cyber Security Risk

Cyber security has become an increasing area of focus for issuers and businesses in Canada and globally, as reliance on digital technologies to conduct business operations has grown significantly. As we continue to increase our dependence on information technologies to conduct our operations, the risks associated with cyber security also increase. We rely on management information systems and computer control systems. Business disruptions, utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm our operations and materially adversely affect our operating results. Cyber-attacks against organizations are increasing in sophistication and can include but are not limited to intrusions into operating systems, theft of personal or other sensitive data and/or cause disruptions to business operations. Such cyber-attacks could compromise the Corporation's confidential information as well as that of the Corporation's employees, customers and third parties with whom the Corporation interacts and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage. Our exposure to cyber security risks includes exposure through third parties on whose systems we place significant reliance for the conduct of our business. We have implemented security procedures and measures in order to protect our systems and information from being vulnerable to cyber-attacks. However, we may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to our information and control systems could have severe financial and other business implications.

Adverse Weather Conditions and Natural Disasters

Adverse weather conditions and natural disasters such as hurricanes, tornadoes, earthquakes, droughts, floods, fires, extreme cold, snow and other natural occurrences could have a significant effect on our ability to develop land. These adverse weather conditions and natural disasters could cause delays and increase costs in the construction of new homes and the development of new communities. If insurance is unavailable to us or is unavailable on acceptable terms, or if the insurance is not adequate to cover business interruption or losses resulting from adverse weather or natural disasters, our business and results of operations could be adversely affected. In addition, damage to new homes caused by adverse weather or a natural disaster could cause our insurance costs to increase.

Adverse weather conditions and natural disasters could also limit the ability to generate or sell power. In certain cases, some events may not excuse us from performing obligations pursuant to agreements with third parties, and we may be liable for damages or suffer further losses as a result. In addition, many of our power generation assets are located in remote areas, which makes access for repair of damage difficult.

Uninsured Losses

The Corporation carries comprehensive general liability, environmental, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (including, but not limited to, environmental contamination or catastrophic events such as war or acts of terrorism) which are either uninsurable, in whole or in part, or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, the Corporation could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and the Corporation would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

Key Personnel

The Corporation's executive and other senior officers have a significant role in our success and oversee the execution of our strategy. Our ability to retain our management team or attract suitable replacements should any members of the management group leave is dependent on, among other things, the competitive nature of the employment market. The Corporation has experienced departures of key professionals in the past and may do so in the future, and we cannot predict the impact that any such departures will have on its ability to achieve its objectives. The loss of services from key members of the management team or a limitation in their availability could adversely impact our financial condition and cash flow. We rely on the

services of key personnel on our executive team, including our President and Chief Responsible Officer, Chief Financial Officer, President of Asset Management, and the Corporation's directors. The loss of their services could have an adverse effect on the Corporation. We mitigate key personnel risk through succession planning, but do not maintain key personnel insurance.

Changes in Law

We are subject to laws and regulations governing the ownership and leasing of real property, (including the expropriation thereof), employment standards, environmental matters, taxes and other matters. It is possible that future changes in such laws or regulations or changes in their application, enforcement or regulatory interpretation could result in changes in the legal requirements affecting commercial properties (including with retroactive effect). Any changes in the laws to which we are subject or in the political environment in the jurisdictions where the commercial properties in which we have an interest are operated could adversely affect us and the revenues we are able to generate from our investments.

Impact Investment Strategy Risk

Dream Impact has deployed its capital into impact investment opportunities that are aligned with Dream Impact's three impact verticals. Dream Impact's ability to achieve its investment objectives will be dependent on Dream Impact's ability to successfully identify and realize on investment opportunities that align with their investment framework. There can be no assurance that they will achieve these objectives or that its impact investments or developments will generate positive returns in a timely manner. In addition, Dream Impact has implemented its own impact investing framework, which it believes will be aligned with existing frameworks in this field. However, these may or may not be interpreted differently from other issuers or other participants in the impact investing space. While Dream Impact intends to responsibly create positive social and environmental change in its communities, the success of its impact investment strategy and its ability to generate market returns will be based on various and unpredictable factors, including investor perceptions and reactions and future economic or investment conditions.

Adverse Global Market, Economic and Political Conditions

Adverse Canadian, U.S., European and global market, economic and political conditions, including dislocations and volatility in credit markets and general global economic uncertainty, unexpected geopolitical events, including disputes between nations, war, terrorism or other acts of violence, and international sanctions, could have a material adverse effect on our business, results of operations and financial condition with the potential to impact, among others: (i) the value of our properties; (ii) the availability or the terms of financing that we have or may anticipate utilizing; (iii) our ability to make principal and interest payments on, or refinance any outstanding debt when due; (iv) the occupancy rates in our properties; and (v) the ability of our tenants to enter into new leasing transactions or to satisfy rental payments under existing leases.

Continued concerns about the uncertainty over whether the economy will be adversely affected by geopolitical events may contribute to increased market volatility and weakened business and consumer confidence. The occurrence of war or hostilities between countries, including the conflict between Russia and Ukraine, or threat of terrorist activities and the responses to and results of these activities, could adversely impact the Corporation, its facilities, the financial markets and general economic conditions. In response to the conflict between Russia and Ukraine, countries in which we operate have implemented economic sanctions against Russia and may impose further sanctions or other restrictive actions against governmental or other entities in Russia or elsewhere. Any of the above factors, including sanctions and other governmental actions, could affect the financial condition of our tenants and may have a material adverse effect on our business, financial condition, cash flows and results of operations and could cause the market value of our Subordinate Voting Shares to decline.

Competition for Investment Opportunities

Our performance depends on our ability to source or acquire assets, including real estate and development assets, real estate, renewable power projects, mortgage and other loans and other investment opportunities at favourable yields or potential rates of return. We will compete with other investors, managers, corporations, institutions, developers and owners of real estate for investment opportunities in the financing and/or acquisition of assets, including real estate development, real estate and other lending. Certain competitors may have a higher risk tolerance, greater financial and other resources and greater operating flexibility than us, allowing these competitors to more aggressively pursue investment opportunities. Accordingly, we may be unable to acquire sufficient real property, real property lending assets, renewable power projects or other assets or investment opportunities at favourable yields or terms or at all.

Ability to Source Suitable Investments

Our strategy involves investing in, and sourcing for our asset management clients, suitable investment opportunities, pursuing such opportunities, consummating investments and, in the case of real estate property, and renewable power projects effectively operating and leasing such properties and assets. There can be no assurance as to the pace of growth through investments and/or acquisitions or that we or the other Dream Entities will be able to acquire assets on an accretive basis, which could adversely impact our financial performance. There can be no assurance that we will be able to find attractive opportunities toward which to deploy capital or the proceeds of dispositions, or that we will be able to replace the revenue from disposed investments with revenue from newly acquired investments on satisfactory terms.

Acquisitions are subject to commercial risks and satisfaction of closing conditions. Such acquisitions may not be completed or, if completed, may not be on terms that are as favourable as initially negotiated. In the event that we do not complete an announced acquisition, it may have an adverse effect on our operating results.

Dependence on Information Technology Systems

Our businesses depend on information technology systems for day-to-day operations. If we are unable to operate our systems or make enhancements as needed or if our systems go down, it could have an adverse effect on our ability to service tenants, manage our operations or meet our obligations, which in turn could have an adverse impact on our results and financial position. Important processes such as roll-outs, software and equipment upgrades and information security procedures are continually being assessed to ensure they are as effective as possible in order to support management in achieving our strategic objectives.

Controls and Procedures

Dream has established internal controls over financial reporting and disclosure controls and procedures are designed in accordance with NI 52-109. A control system, no matter how well conceived and operated, can provide only reasonable and not absolute assurance that the objectives of the control system are met. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, amongst other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; and (ii) the impact of isolated errors. In addition, controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any system of controls is also based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design procedures will succeed in achieving its stated goals under all potential (future) conditions.

General Risks Related to Dream

Controlling Shareholder Risk

Dream's business and affairs are controlled by Mr. Michael Cooper through his ownership of Subordinate Voting Shares and Common Shares. Accordingly, Mr. Cooper may be able to cause Dream to effect

corporate transactions without the consent of the minority shareholders or to cause or prevent a change of control of Dream. Under Canadian law, an offer to purchase the Common Shares, depending on the offered price, would not necessarily result in an offer to purchase the Subordinate Voting Shares.

Market Price of Shares

The trading price of our Subordinate Voting Shares in the open market is subject to volatility and cannot be predicted. Our shareholders may not be able to resell their Subordinate Voting Shares at or above the price at which they purchased their Subordinate Voting Shares due to such trading price fluctuations. The trading price could fluctuate significantly in response to factors both related and unrelated to our operating performance and/or future prospects, including, but not limited to: (i) variations in our quarterly or annual operating results and financial condition; (ii) changes in government laws, rules or regulations affecting our businesses; (iii) material announcements by our competitors; (iv) market conditions and events specific to the industries in which we operate; (v) changes in general economic conditions; (vi) differences between our actual financial and operating results and those expected by investors and analysts; (vii) changes in analysts' recommendations or earnings projections; (viii) changes in the extent of analysts' interest in covering the Corporation; (ix) the depth and liquidity of the market for our shares; (x) dilution from the issuance of additional equity; (xi) investor perception of our businesses and industries; (xii) investment restrictions; (xiii) our dividend policy; (xiv) the departure of key executives; (xv) sales of Subordinate Voting Shares by senior management or significant shareholders; and (xvi) the materialization of other risks described in this section.

Dividends

The payment of dividends is dependent on cash flows of the business and subject to change. Whether Dream will pay dividends on its shares, and the timing and amount of those dividends, will be subject to approval and declaration by the Board, and will depend on a variety of factors, including the projected earnings and cash flow, cash requirements and financial condition of Dream and other factors deemed relevant by the Board. Although we intend to make and pay dividends in accordance with our policies, there can be no assurance that Dream will be in position to pay dividends in the future.

Subordination

The rights of shareholders may be subordinated to the rights of creditors in certain insolvency events. In the event of a bankruptcy, liquidation or reorganization of Dream or its subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets from such entities before any assets are made available for upstream distribution, eventually to the shareholders of Dream. Subordinate Voting Shares and Common Shares will be effectively subordinated to our existing credit facilities and potentially future financings and most of the other indebtedness and liabilities of Dream and its Subsidiaries.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Corporation and its operating Subsidiaries may become liable under guarantees that are issued in the normal course of business and with respect to litigation and claims that arise from time to time. In the opinion of management, any liability that may arise from such contingencies would not have a material adverse effect on the consolidated financial results, cash flows or financial position of the Corporation. As at March 28, 2024, neither the Corporation nor any of its Subsidiaries, nor any of the property of the Corporation or any of its subsidiaries, is involved in, or was the subject of, any outstanding, threatened or pending litigation or regulatory action that would have a material adverse effect on the Corporation, nor, to the knowledge of the Corporation, is any such litigation or regulatory action contemplated.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or elsewhere in this AIF, no Director, executive officer of Dream, or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class

or series of shares of Dream, or any associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any past transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect Dream or any of its Subsidiaries.

Effective January 1, 2022, Dream and Dream Industrial REIT amended the asset management agreement in respect of Dream Industrial REIT. The DIR North America Asset Management Agreement in respect of Dream Industrial REIT was also assigned by DAM to Dream DIR Asset Management LP, a subsidiary of Dream, effective October 1, 2022. See “Description of the Business – General Business Overview – Recurring Income – Asset Management, Advisory Services and Investment in the Dream Publicly Listed Funds” for more details. Michael Cooper is the President and Chief Responsible Officer and a director of Dream, and holds a controlling interest in Dream. Mr. Cooper is also a trustee of Dream Industrial REIT.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the shares of Dream is Computershare Trust Company of Canada at its principal offices in Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts, other than contracts entered into in the ordinary course of business, that we have entered into and that are still in effect are as follows:

- the non-competition agreement dated October 4, 2012 between DAM and Dream Industrial REIT (the “**Dream Industrial REIT Non-Competition Agreement**”), as described below;
- the amended and restated non-competition agreement dated April 2, 2015 between Dream, DAM, Dream Office REIT and Dream Office LP (the “**Dream Office REIT Non-Competition Agreement**”), as described below; and
- the non-competition agreement dated May 6, 2022 between Dream, Pauls and Dream Residential REIT (the “**Dream Residential REIT Non-Competition Agreement**”), as described below.

Copies of the foregoing documents are available on SEDAR+ at www.sedarplus.com.

Dream Industrial REIT Non-Competition Agreement

The Dream Industrial REIT Non-Competition Agreement prohibits DAM and its affiliates (excluding affiliates which are public entities as described below) from directly or indirectly acquiring an ownership interest, on its own behalf, in any industrial revenue producing real property which meets the investment criteria of Dream Industrial REIT, unless such investment opportunity has first been offered to Dream Industrial REIT in accordance with the terms of the Dream Industrial REIT Non-Competition Agreement.

The above investment restriction does not apply to investments in vacant land, residential housing, multi-residential housing units, hotels, resorts, residential condominium units, nursing homes or retirement homes or any combination of the foregoing exceptions. This investment restriction also does not apply to: (a) passive real estate investments made by DAM or any of its affiliates which are each less than \$25 million and represent less than a 25% interest in the real property; (b) investments in properties that do not meet the investment criteria of Dream Industrial REIT; (c) investments in any property that will be used as office or industrial space by DAM or any affiliates; (d) investments made on behalf of fiduciary, managed or client accounts; (e) investments that result from the realization of a loan secured by the property; and (f) investments made by any affiliate of DAM that is a public company or any Subsidiaries or affiliates of such public companies (other than DAM and its direct Subsidiaries).

With respect to industrial revenue producing properties owned, rezoned or developed by DAM, DAM will provide Dream Industrial REIT with a first opportunity to acquire such properties, but DAM will be free to

offer such properties to other parties in the event that Dream Industrial REIT and DAM are not able to agree on price or other terms for the acquisition.

The Dream Industrial REIT Non-Competition Agreement provides that DAM and its affiliates are no longer bound by the terms of the Dream Industrial REIT Non-Competition Agreement when DAM is no longer Dream Industrial REIT's asset manager or, in the case of any affiliate, when such entity has ceased to be an affiliate of DAM.

Dream Office REIT Non-Competition Agreement

The Dream Office REIT Non-Competition Agreement prohibits Dream, DAM and each of their respective subsidiaries from directly or indirectly acquiring an ownership interest in a Restricted Property (as defined in the Dream Office REIT Non-Competition Agreement), unless such investment opportunity has first been offered to Dream Office LP in accordance with the terms of the Dream Office REIT Non-Competition Agreement.

The above investment restriction applies to a Restricted Property, which is defined as a commercial office property located in Canada including any mixed use property where a substantial portion of the property is used for commercial office purposes and any portfolio including such office properties, but does not include vacant land, residential housing, multi-residential housing units, residential condominium units, hotels (except to the extent that DAM intends to repurpose such hotel for use as an office building), retail shopping centres (except to the extent that DAM intends to repurpose such shopping centre for use as an office building), industrial properties (except to the extent that DAM intends to repurpose such industrial property for use as an office building), nursing homes or retirement homes or any combination of the foregoing exceptions. This investment restriction does not apply to Dream or its Subsidiaries with respect to any real property investment made in connection with or as a condition of their securing a property, facilities or leasing management assignment with respect to such investment; provided that if the investment (i) equals or exceeds \$25 million, or (ii) equals or exceeds \$10 million and results in Dream or its Subsidiary acquiring a 10% or greater interest in the property, Dream Office LP will be offered the right to co-invest with Dream or its Subsidiary, as the case may be, on an equal basis. Further, this investment restriction does not apply to: (a) passive real estate investments made by Dream or any Subsidiary which are each less than \$10 million and represent less than a 25% interest in the real property; (b) *bona fide* investments in any property that will be used as office space primarily by Dream or any Subsidiary; (c) investments that were already owned by Dream or any Subsidiary; (d) *bona fide* investments made on behalf of fiduciary, managed or client accounts; and (e) *bona fide* investments that result from the realization of a loan secured by the property.

In addition, Dream Office LP has the first right to acquire a minimum 50% interest in any commercial office property (or interest in such property if the entire property is not available for purchase, and including mixed use properties where a substantial portion represents commercial office space) and portfolios of such properties in Canada identified by DAM or its subsidiaries for purchase, as principal, or which any client of DAM or any subsidiary intends to acquire, to the extent that DAM or any subsidiary can, acting in good faith, control or direct the opportunity to acquire such 50% interest.

The Dream Office Non-Competition Agreement provides that Dream and its Subsidiaries will no longer be bound by the terms of the Dream Office Non-Competition Agreement upon the termination of the provisions of the Shared Services Agreement pursuant to which DAM provides Dream Office with administrative and support services (unless the Shared Services Agreement is terminated by notice from DAM, in which case the parties will no longer be bound 90 days following the date of termination of the Shared Services Agreement) or, in the case of a Subsidiary of Dream, when such person is no longer a Subsidiary of Dream.

Dream Residential REIT Non-Competition Agreement

The Dream Residential REIT Non-Competition Agreement prohibits Dream and Pauls and each of their respective subsidiaries from directly or indirectly acquiring an ownership interest in any multi-residential, revenue-producing real property located in the United States which meets the investment criteria of Dream Residential REIT (being an investment in a “Core” or “Core+” or “Value-Add” property and such other categories subsequently determined by the board of directors of Dream Residential REIT and agreed to by the DRR Asset Managers), unless such investment opportunity has first been offered to Dream Residential REIT (an “**Investment Notice**”) in accordance with the terms of the Dream Residential REIT Non-Competition Agreement. This investment restriction does not apply to vacant land, single-family residential housing, hotels, resorts, residential condominium units, nursing homes or retirement homes or any combination of the foregoing exceptions.

The above investment restriction does not apply to: (a) passive real estate investments made by Dream, Pauls or their respective subsidiaries where the amount of each investment is less than US\$25 million and represents less than a 25% interest in the real property; (b) investments by Dream, Pauls or their respective subsidiaries in properties that do not meet Dream Residential REIT’s investment criteria; (c) investments made by Dream, Pauls or their respective affiliates on behalf of fiduciary, managed or client accounts; (d) investments by Dream, Pauls or their respective subsidiaries that result from the realization on a loan secured by the restricted property; and (e) investments that were already owned by Dream, Pauls or any of their respective subsidiaries as of the date of the Dream Residential REIT Non-Competition Agreement.

With respect to multi-residential, revenue-producing real property located in the United States which meet the investment criteria of Dream Residential REIT that are owned, rezoned or developed by Dream, Pauls or any of their respective subsidiaries, other than any such property that has been previously the subject of an Investment Notice delivered to Dream Residential REIT which Dream Residential REIT elected not to pursue, each of Dream or Pauls, as the case may be, will provide Dream Residential REIT with a first opportunity to acquire such properties when offered for sale, but Dream and Pauls will be free to offer such properties to other parties in the event that Dream Residential REIT and Dream or Pauls, as the case may be, are not able to agree on the price or other terms for the acquisition. This right of first opportunity does not apply to investments that are already owned by Dream, Pauls or their respective affiliates as of the date of the Non-Competition Agreement.

The Dream Residential Non-Competition Agreement provides that Dream, Pauls and their respective Subsidiaries will no longer be bound by the terms of the Dream Residential REIT Non-Competition Agreement when the DRR Asset Managers are no longer the asset managers of Dream Residential REIT or, in the case of any subsidiary of Dream or Pauls, when such entity has ceased to be an affiliate of Dream DRR Asset Manager or Pauls DRR Asset Manager, as applicable.

INTEREST OF EXPERTS

Our auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, who has prepared an independent auditor’s report dated February 21, 2024 in respect of the Corporation’s consolidated financial statements as at December 31, 2023 and December 31, 2022 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Corporation within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

ADDITIONAL INFORMATION

Additional information with respect to the Corporation, including directors’ and officers’ remuneration and indebtedness, principal holders of the Corporation’s securities, and securities authorized for issuance under equity compensation plans, is contained in the Corporation’s management information circular for its most recent annual meeting of shareholders that involved the election of directors.

Additional financial information is provided in the Corporation's audited consolidated financial statements and notes to the consolidated financial statements and management's discussion and analysis for 2023.

Additional information relating to the Corporation has been filed with the securities regulators in Canada and may be accessed on SEDAR+ at www.sedarplus.com.

APPENDIX A

AUDIT COMMITTEE CHARTER

DREAM UNLIMITED CORP. (the “Corporation”)

AUDIT COMMITTEE CHARTER

(the “Charter”)

PURPOSE

The Audit Committee (the “**Committee**”) is a standing committee appointed by the board of directors of the Corporation (the “**Board**”). The Committee is established to fulfill applicable securities law obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting, including to:

- oversee the integrity of the Corporation’s financial statements and financial reporting process, including the audit process and the Corporation’s internal accounting controls and procedures and compliance with related legal and regulatory requirements;
- oversee the qualifications and independence of the external auditors;
- oversee the work of the Corporation’s financial management, internal auditors and external auditors in these areas; and
- provide an open avenue of communication between the external auditors, the internal auditors, the Board and management of the Corporation.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members (a) to plan or conduct audits, (b) to determine that the Corporation’s financial statements are complete and accurate and are in accordance with International Financial Reporting Standards or (c) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its chair and its audit committee financial expert members are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the member or members identified as audit committee financial experts shall not be accountable for giving professional opinions on the internal or external audit of the Corporation’s financial information.

Management is responsible for the preparation, presentation and integrity of the Corporation’s financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations. The chief financial officer is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls. The external auditors are responsible for planning and carrying out an audit of the Corporation’s annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with International Financial Reporting Standards.

PROCEDURES, POWERS AND DUTIES

The Committee shall have the following procedures, powers and duties:

General

- (a) *Composition* – The Committee shall consist of at least three members, all of whom shall be independent within the meaning of National Instrument 52-110 –*Audit Committees*. All members of the Committee must be or, within a reasonable period following appointment, become financially literate meaning that each has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.
- (b) *Separate Executive Meetings* – The Committee shall meet periodically with the chief financial officer, the head of the internal controls function (if other than the chief financial officer) and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. However, the Committee shall also meet periodically without management present.
- (c) *Professional Assistance* – The Committee may require the external auditors and internal controls function to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee’s duties at the Corporation’s expense.
- (d) *Reliance* – Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the external auditors as to any information technology, internal audit, internal controls and other non-audit services provided by the external auditors to the Corporation and its subsidiaries.
- (e) *Reporting to the Board* – The Committee will report through the chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.
- (f) *Procedure* – The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast; (ii) decisions may be taken by written consent signed by all members of the Committee; and (iii) meetings may be called by the external auditors of the Corporation or any member of the Committee upon not less than 48 hours notice, unless such notice requirement is waived by the Committee members. The external auditors of the Corporation are entitled to receive notice of every meeting of the Committee and, at the expense of the Corporation, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the external auditors.
- (g) *Access* – the Committee shall have unrestricted access to management and corporate information.

Appointment and Replacement of Committee Members

1. Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board shall fill any vacancy if the membership of the Committee is less than three directors. Whenever there is a vacancy on the Committee, the remaining members may exercise its powers as long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be appointed by the Board annually and each member of the Committee shall remain on the Committee until his or her successor shall be duly appointed and qualified or his or her earlier resignation or removal.

Committee Chair

2. Unless a chair of the Committee is designated by the full Board, the members of the Committee may designate a chair of the Committee by majority vote of the full Committee. The chair of the Committee shall be responsible for leadership of the Committee and reporting to the Board. If the chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present shall be chosen by the Committee to preside at the meeting. The Committee will report through chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

Conflicts of Interest

3. If a Committee member faces a potential or actual conflict of interest relating to a matter before the Committee, other than matters relating to the compensation of directors, that member shall be responsible for alerting the chair of the Committee. If the chair of the Committee faces a potential or actual conflict of interest, the chair of the Committee shall advise the Chair. If the chair of the Committee, or the Chair, as the case may be, concurs that a potential or actual conflict of interest exists, the member faced with such conflict shall disclose to the Committee the member's interest and shall not vote on the matter.

AUDIT RESPONSIBILITIES OF THE COMMITTEE

Selection and Oversight of the External Auditors

4. The external auditors are ultimately accountable to the Committee and the Board as the representatives of the shareholders of the Corporation and shall report to the Committee and the Committee shall so instruct the external auditors. The Committee shall evaluate the performance of the external auditors and make recommendations to the Board on the reappointment or appointment of the external auditors of the Corporation to be proposed in the Corporation's management information circular for approval of the shareholders of the Corporation and the compensation to be paid by the Corporation to the external auditors. If a change in external auditors is proposed, the Committee shall review the reasons for the change and any other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Board.
5. The Committee shall approve in advance the terms of engagement of the external auditors with respect to the conduct of the annual audit. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the external auditors, including *de minimis* exceptions, which policies and procedures shall include reasonable detail with respect to the services covered. All non-audit services to be provided to the Corporation or any of its subsidiaries by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee. The

Committee will review disclosure respecting fees paid to the external auditors for audit and non-audit services. Any services under pre-approval will be reported at the following meeting.

6. The Committee shall review the independence of the external auditors and shall make recommendations to the Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:
 - (a) actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;
 - (b) require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Corporation and its subsidiaries, on the one hand, and the external auditors and their affiliates on the other hand;
 - (c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies; and
 - (d) ensure periodic rotation of lead audit partner.
7. The Committee shall establish and monitor clear policies for the hiring by the Corporation of employees or former employees of the external auditors.
8. The Committee shall require the external auditors to provide to the Committee, and the Committee shall review and discuss with the external auditors, all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors, and any other reports which the Committee may require.
9. The Committee is responsible for resolving disagreements between management and the external auditors or internal controls function regarding financial reporting and the application of any accounting principles or practices. The Committee shall discuss with the external auditors any difficulties that arose with management or the internal controls function during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies.

Appointment and Oversight of Internal Controls Function

10. The appointment, terms of engagement, compensation, replacement or dismissal of the internal controls function shall be subject to prior review and approval by the Committee. When the internal controls function is performed by employees of the Corporation, the Committee may delegate responsibility for approving the employment, term of employment, compensation and termination of employees engaged in such function other than the head of the Corporation's internal controls function.
11. The Committee shall obtain from the internal controls function and shall review summaries of the significant reports to management prepared by the internal controls function, or the actual reports if requested by the Committee, and management's responses to such reports.
12. The Committee shall, as it deems necessary, communicate with the internal controls function with respect to their reports and recommendations, the extent to which prior recommendations have been implemented and any other matters that the internal controls function brings to the attention of the

Committee. The head of the internal controls function shall have unrestricted access to the Committee.

13. The Committee shall, annually or more frequently as it deems necessary, evaluate the internal controls function including their activities, organizational structure and qualifications and effectiveness.

Oversight and Monitoring of Audits

14. The Committee shall review with the external auditors, the internal controls function and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and the internal controls function and general audit approach and scope of proposed audits of the financial statements of the Corporation and its subsidiaries, the overall audit plans, the responsibilities of management, the internal controls function and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits.
15. The Committee shall meet periodically with the internal controls function to discuss the progress of their activities and any significant findings stemming from any internal audits or internal controls testing and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit-related deficiencies.
16. The Committee shall review with management the results of internal and external audits.
17. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies.

Oversight and Review of Accounting Principles and Practices

18. The Committee shall, as it deems necessary, oversee, review and discuss with management, the external auditors and the internal controls function:
 - (a) the quality, appropriateness and acceptability of the Corporation's accounting principles and practices used in its financial reporting, changes in the Corporation's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;
 - (b) all significant financial reporting issues and judgments made in connection with the financial statements, including the effect of any alternative treatment within International Financial Reporting Standards;
 - (c) any material change to the Corporation's auditing and accounting principles and practices as recommended by management, the external auditors or the internal controls function or which may result from proposed changes to applicable International Financial Reporting Standards;
 - (d) the effect of regulatory or accounting limitations on the Corporation's financial reporting;
 - (e) any reserves, accruals, provisions, estimates or Corporation programs and policies, including factors that affect asset and liability carrying values and the timing of revenue and expense recognition, that may have a material effect upon the financial statements of the Corporation;

- (f) any legal matter, claim or contingency that could have a significant impact on the financial statements and any material reports, inquiries or correspondence from regulators or governmental authorities regarding compliance with applicable requirements and any analysis respecting disclosure with regard to any such legal matter, claim or contingency in the financial statements;
- (g) the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Corporation's operations;
- (h) the use of any "pro-forma" or "adjusted" information not in accordance with International Financial Reporting Standards; and
- (i) management's determination of goodwill impairment, if any, as required by applicable accounting standards.

Oversight and Monitoring of Internal Controls

19. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with management, the external auditors and the internal controls function:
- (a) the adequacy and effectiveness of the Corporation's internal accounting and financial controls and the recommendations of management, the external auditors and the internal controls function for the improvement of accounting practices and internal controls;
 - (b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and
 - (c) management's compliance with the Corporation's processes, procedures and internal controls.

Communications with Others

20. The Committee shall establish and monitor procedures such as a Whistleblower Policy; for the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or audit matters and the anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and the internal controls function these procedures and any significant complaints received.

Oversight and Monitoring of the Corporation's Financial Disclosures

21. The Committee shall:
- (a) review with the external auditors and management and recommend to the Board for approval the audited annual financial statements and the notes and management's discussion and analysis accompanying such financial statements, and the Corporation's annual report;
 - (b) review with the external auditors and management each set of interim financial statements and the notes and management's discussion and analysis accompanying such financial statements; and
 - (c) if requested by the Board, review with the external auditors and management any financial statements included or to be included in a prospectus, any financial information of the

Corporation contained in any management information circular of the Corporation, and any other disclosure documents or regulatory filings of the Corporation containing or accompanying financial information of the Corporation.

Such reviews shall be conducted prior to the release of any summary of the financial results or the filing of such reports with applicable regulators.

22. Prior to their distribution, the Committee shall discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Corporation gives earning guidance.
23. The Committee shall review with management the assessment of the Corporation's disclosure controls and procedures and material changes in their design.

Oversight of Finance Matters

24. Appointments of the key financial executives involved in the financial reporting process of the Corporation, including the chief financial officer, shall require the prior review of the Committee.
25. The Committee shall receive and review:
 - (a) periodic reports on compliance with requirements regarding statutory deductions and remittances, the nature and extent of any non-compliance together with the reasons therefor and the management's plan and timetable to correct any deficiencies;
 - (b) material policies and practices of the Corporation respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Corporation; and
 - (c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.
26. The Committee shall meet periodically with management to review and discuss the Corporation's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.
27. The Committee shall meet with management to review the process and systems in place for ensuring the reliability of public disclosure documents that contain audited and unaudited financial information and their effectiveness.

Additional Responsibilities

28. The Committee shall review any significant or material transactions outside the Corporation's ordinary activities.
29. If requested by the Board, the Committee shall review and make recommendations to the Board concerning the financial condition of the Corporation and its subsidiaries, including with respect to annual budgets, corporate borrowings, investments, capital expenditures, long term commitments and the issuance and/or repurchase of securities.

30. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting.

AUDIT COMMITTEE CHARTER

31. The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated with reference to this Charter annually.
32. The Committee shall ensure that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the annual management information circular or annual information form of the Corporation.