

## Accounting, Auditing & Internal Controls Complaints Procedures

Date Issued: April 2020

Replaces Date Issued: October 2019

**Application:** This Procedure applies to all employees of Choice Properties Real Estate Investment Trust and its subsidiaries (collectively “Choice” or the “Trust”).

### 1 PURPOSE

The charter of the Audit Committee of the Board of Trustees of Choice provides that the Audit Committee is responsible for the procedures for the receipt, retention and follow-up of complaints (the “Complaint(s)”) received by Choice regarding accounting, internal controls, disclosure controls or auditing matters and for the confidential, anonymous submission of concerns by employees of Choice regarding accounting, internal controls, or auditing matters.

These Procedures have been adopted by the Audit Committee to establish and describe procedures for the receipt and treatment of such Complaints.

### 2 EXAMPLES OF COMPLAINTS

The following is a list of types of Complaints which must be reported by trustees, officers and employees (collectively referred to as “employee(s)”) of Choice:

- (a) tampering with any of the Trust’s accounting or audit-related records or documents (in any format, including electronic records such as emails) or destroying any of the Trust’s accounting or audit-related records or documents except as otherwise permitted or required by the Trust’s records retention guidelines;
- (b) fraud or deliberate error in the preparation, evaluation, review or audit of any of the Trust’s financial statements;
- (c) fraud or deliberate error in the recording and maintaining of the Trust’s financial records (for example, overstating expense reports, falsifying time sheets, preparing erroneous invoices, misstating inventory records or describing an expenditure for one purpose when, in fact, it is being made for something else);
- (d) deficiencies in or non-compliance with the Trust’s internal accounting controls (for example, circumventing the internal control compliance process);
- (e) misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in the Trust’s financial records, financial reports or audit reports; and
- (f) any effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statement or records of Choice.

Fraudulent activities which are not related to accounting, internal controls, disclosure controls or auditing matters must be reported in accordance with the Choice Code of Conduct and dealt with in accordance with the Trust's anti-fraud procedures.

### **3 REPORTING OF COMPLAINTS**

Every employee of Choice must report a Complaint promptly and in any event within 24 hours of becoming aware of the subject matter of the Complaint. Except as permitted under applicable securities laws, rules or regulations, complaints must be brought in any of the following ways:

- (a) by using the Integrity Action Line (1-855-441-6840 or [www.choiceintegrity.com](http://www.choiceintegrity.com));
- (b) by speaking to the most senior manager in your group or your Human Resources manager;
- (c) by contacting by phone, in writing or by email, one of the individuals set out on Exhibit "A"; or
- (d) If the Complaint is about one of the foregoing individuals, the chair of the Audit Committee may be contacted by using the contact information set out on Exhibit "B".

### **4 ANONYMITY AND CONFIDENTIALITY**

Complaints may be made on an anonymous basis. Unless otherwise required by law, Choice will maintain the strict confidentiality of the subject of the Complaint and the identity of the person making the Complaint (if disclosed). Such information will only be made available to those individuals who need to know of the Complaint, including any regulators and/or law enforcement individuals, as required, in order that the Complaint be properly investigated and addressed.

### **5 PROHIBITION ON RETALIATION**

In no circumstances will there be any reprisals by Choice or any of its employees against any person who has in good faith made a Complaint. "Reprisals" means termination, demotion, discipline or any other action with an adverse effect on such person. Nor shall any employee of Choice take any such actions with the aim of preventing any person from making a Complaint. Engaging in any of the above conduct will result in discipline, up to and including termination of employment.

### **6 INVESTIGATION OF COMPLAINTS**

Upon the receipt of a Complaint, the following individuals will be notified unless one of them is the subject of a Complaint in which case that individual shall not be notified:

- Chief Financial Officer
- Chair of the Audit Committee
- Senior Vice President, General Counsel & Secretary
- Senior Vice President, Corporate Administration & Governance

- Vice President and Chief Risk Officer, George Weston Limited

The Vice President and Chief Risk Officer of George Weston Limited and the Senior Vice President, General Counsel & Secretary, unless one of them is the subject of a Complaint, in which case only the other, shall:

- (a) determine whether an investigation into the Complaint is advisable;
- (b) immediately commence an investigation into the Complaint, if applicable;
- (c) involve and inquire of others in the course of the investigation but only to the extent necessary so as to preserve confidentiality;
- (d) involve law enforcement officials to the extent required or deemed appropriate;
- (e) within thirty (30) days of the receipt of the Complaint, use best efforts to reach a conclusion as to whether the Complaint was unfounded or substantiated;
- (f) within sixty (60) days of the receipt of the Complaint, prepare a report which outlines:
  - whether or not the claim was substantiated;
  - a summary of major findings of the investigation; and, if the Complaint was substantiated;
  - recommendations for appropriate disciplinary action, if any; and
  - recommendations for actions which may be taken to prevent future similar incidents.
- (g) immediately upon completion of the report referred to in (e), submit the report to the Chair of the Audit Committee

## **7 RETENTION OF COMPLAINTS**

All Complaints shall be fully documented by the individuals who receive them. Information collected in the course of an investigation into a Complaint and the report on such investigation required by these procedures shall be retained by Choice for seven (7) years and shall be marked "Privileged and Confidential". All documents and files in connection with a Complaint shall be consolidated and kept in one secure location.

## **8 INTERPRETATION**

Any questions concerning this Policy should be directed to the Senior Vice President, General Counsel & Secretary. Responsibility for the interpretation of this Policy rests jointly with the Senior Vice President, General Counsel & Secretary and the Chief Financial Officer.

## **9 REVIEW**

This Policy shall be reviewed annually by the Audit Committee.