



CHARTER OF THE AUDIT COMMITTEE
OF RIOCAN REAL ESTATE INVESTMENT TRUST

PURPOSE:

To assist the Board of Trustees in fulfilling its oversight responsibilities by reviewing, advising and making recommendations to the Board of Trustees on:

1. The integrity of the financial information,
2. The financial reporting process,
3. The systems of internal controls and disclosure controls and procedures which Management and the Board of Trustees have established,
4. The performance of the Trust's external auditors,
5. The external auditors' qualifications, independence and performance,
6. The performance of the internal audit function including with respect to any changes to the Internal Audit Charter adopted by the Audit Committee,
7. The Trust's enterprise risk management ("ERM") policy, other than non-material administrative or typographical changes, and
8. The Trust's compliance with related legal and regulatory requirements and internal policies, including reports made pursuant to the Whistleblower Protection Policy.

ORGANIZATION:

1. The Audit Committee shall consist of three or more Trustees appointed by the Board of Trustees, none of whom shall be officers or employees of the RioCan Real Estate Investment Trust (the "**Trust**") or any of the Trust's affiliates.
2. Each of the members of the Audit Committee shall satisfy the applicable independence requirements of the laws governing the Trust, the applicable stock exchanges on which the Trust's securities are listed and applicable securities regulatory authorities.
3. No members of the Audit Committee shall have served as Chief Financial Officer of the Trust in the three years prior to their appointment to the Audit Committee or have ever served as Chief Executive Officer of the Trust.

4. The Board of Trustees shall designate one member of the Audit Committee as the Committee Chair. Members of the Audit Committee shall serve at the pleasure of the Board of Trustees for such term or terms as the Board of Trustees may determine or until he or she resigns.
5. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Trustees in its business judgment and in accordance with applicable regulatory requirements therefore requiring any trustee appointed to the Audit Committee to be financially literate.
6. Each member of the Audit Committee shall hold no more than three audit committee memberships at once for TSX-listed companies. A Trustee who has demonstrable financial expertise (e.g. experience as a former CFO) may hold no more than four audit committee memberships at once for TSX-listed companies.
7. A quorum of the Audit Committee for purposes of committee meetings shall be a majority of its members present in person. Any Trustee may participate in a meeting of the Audit Committee by means of teleconference and a Trustee so participating shall be considered present in person at that meeting.
8. The Chair shall designate from time to time a person who may, but need not be, a member of the Audit Committee, to be Secretary of the Audit Committee.
9. The time and place of the meetings of the Audit Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Audit Committee.
10. Each member of the Audit Committee shall have the right to vote on matters that come before the Audit Committee.
11. The Committee may invite Trustees, officers, employees, advisors or consultants of the Trust or any other person, to assist in the discussion and examination of the matters under consideration by the Audit Committee.

AUTHORITY:

1. The Audit Committee or any Trustee shall have unrestricted access to members of Management and relevant information.
2. The Audit Committee or any Trustee may retain independent counsel, accountants or others to assist it in the conduct of carrying out its duties.
3. The Audit Committee shall have the authority to set and pay the compensation for any independent counsel, accountants or others employed by the Audit Committee.
4. The Audit Committee shall have the authority to communicate directly with the internal and external auditors.

RESPONSIBILITIES:

1. General

- (a) Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
- (b) Report Committee activities and actions to the Board of Trustees with recommendations, as the Committee deems appropriate.
- (c) Review and update the Committee's charter annually.
- (d) Perform an evaluation of the Committee's performance at least annually.
- (e) Meet a minimum of four times per year or more frequently as circumstances require and at any time at the request of a member.
- (f) Meet at least annually with the external auditors and internal auditor and Management in separate sessions to discuss any matters that the Committee believes should be discussed privately and to provide a forum for any relevant issues to be raised.
- (g) Review with Management, and the external auditors and the internal auditor, the scope of review of internal control over financial reporting, disclosure controls, significant findings, recommendations and Management's responses for implementation of actions to correct weaknesses in internal and disclosure controls.
- (h) Review disclosure made by the CEO and CFO regarding changes in the Trust's internal control over financial reporting and disclosure controls and procedures that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting disclosure controls and procedures.
- (i) Review with the Trust's legal counsel any legal or regulatory matters that could have a significant impact on the Trust's financial statements or compliance with applicable laws and regulations, and inquiries received from regulators.
- (j) Review and assess the adequacy of the Trust's policies and procedures for the review of the Trust's public disclosure of financial information extracted or derived from the Trust's financial statements.
- (k) Ensure all complaints arising through the Trust's "whistleblower" policy related to accounting, internal controls, disclosure controls or auditing matters are disclosed to the Audit Committee.
- (l) Monitor the overall ERM program and policy and the recommendation to the Board for consideration of any changes to the ERM policy, other than non-material administrative or typographical changes.

- (m) Review disclosure of all audit and non-audit related fees and assess the extent to which such fees may be considered excessive.
- (n) Oversee the investment of funds pursuant to the Trust's defined benefit pension plan.

2. Internal Audit Function

- (a) Review the mandate, budget, planned activities, staffing and organizational structure of the internal audit function to confirm that it is independent of management and has sufficient resources to carry out its mandate. The Audit Committee will discuss this mandate with the auditor, review the appointment and replacement of the person in charge of the Trust's internal audit function and review the significant reports to management prepared by the internal auditor and management's responses.

3. External Auditors

- (a) Require the external auditor to report directly to the Audit Committee and be directly responsible for the oversight of the work of the external auditor.
- (b) Recommend to the Board of Trustees the external auditors to be appointed, approve compensation of the external auditors and review and approve any proposal to change the external auditors.
- (c) Review independence and qualifications of the external auditors. In assessing such independence the Audit Committee shall discuss with the external auditors, and may require a letter from the external auditors outlining, any relationships between the external auditors and the Trust or its affiliates.
- (d) Review the scope and approach of the annual audit plan with the external auditors.
- (e) Discuss with the external auditors the quality and acceptability of the Trust's accounting principles including all critical accounting policies and practices used, any alternative treatments that have been discussed with Management as well as any other material communications with Management.
- (f) Assess the external auditors' processes for identifying and responding to key audit and internal control risks.
- (g) Ensure the regular rotation of the lead audit partner and audit engagement members as required by law, and consider regular rotation of the audit firm.
- (h) Evaluate the performance of the external auditors and present it to the Board of Trustees.
- (i) Determine which non-audit services the external auditors are prohibited by law or regulation, or as determined by the Audit Committee, from providing and pre-approve all services provided by the external auditors. The Committee may delegate

such pre-approval authority to a member of the Committee. The decision of any Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its first scheduled meeting following such pre-approval.

- (j) Review and approve the Trust's hiring policies regarding employees, partners and former employees and partners of the present and former external auditors to be hired by the Trust.

4. Financial Reporting

- (a) Review and approve, with the delegated authority from the Trustees, the Trust's interim financial statements and interim financial information and disclosures under Management's Discussion and Analysis and earnings press release, prior to filing. If the members of the Audit Committee deem it to be necessary, they shall provide a report to the Board of Trustees based on this review.
- (b) Before the Board of Trustees approves the annual financial statements and related MD&A and earnings press release, the Audit Committee shall review with Management and the external auditors, at the completion of the annual audit:
 - (i) The Trust's annual financial statements, MD&A and related footnotes.
 - (ii) The external auditors' audit of the financial statements and their report.
 - (iii) Any significant changes required in the external auditors' audit plan.
 - (iv) Any difficulties or disputes with Management encountered during the audit.
 - (v) The Trust's accounting policies.
 - (vi) Other matters related to conduct, which should be communicated to the Committee under generally accepted auditing standards.

The Audit Committee shall then present a report to the Board for its review.

- (a) Review significant accounting and reporting issues and understand their impact on the financial statements. These include complex or unusual transactions and highly judgmental areas; major issues regarding accounting principles and financial presentations, including significant changes in the Trust's selection or application of accounting principles; the effect of regulatory and accounting initiatives, as well as off-balance sheet arrangements, on the financial statements of the Trust.
- (b) Review analysis prepared by Management and/or the external auditors detailing financial reporting issues and judgments made in connection with the preparation of financial information, including analysis of the effects of alternative GAAP methods.

- (c) Advise Management, based upon the Audit Committee's review and discussion, whether anything has come to the Audit Committee's attention that causes it to believe that the financial statements contain an untrue statement of material fact or omit to state a necessary material fact.
- (d) Review and monitor the administration of and compliance with the Trust's Declaration of Trust as it may affect the integrity of the Trust's financial statements and its systems of internal controls.

5. Treatment of Complaints

- (a) Establish procedures for the receipt, recording and treatment of complaints received by the Trust regarding accounting, internal controls, disclosure controls and procedures or auditing matters.
- (b) Establish procedures for the confidential and anonymous submission by employees of concerns regarding accounting or auditing matters of the Trust.

6. Limitation on the Oversight Role of the Audit Committee

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board of Trustees are subject.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Trust's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles in Canada and applicable rules and regulations. These are the responsibility of management and the external auditors.

March 29, 2018