

ALLIED

Insider Trading Policy

December 2018

Insider Trading Policy

Introduction

Allied Properties Real Estate Investment Trust (“Allied”) as a public company has internal guidelines to control transactions involving its securities by all Allied team members to ensure Allied team members are aware of and comply with their legal obligations and Allied’s policy with respect to “insider trading” and “tipping”. “Allied” as used in this Policy, means Allied Properties Real Estate Investment Trust and its subsidiaries from time to time.

We expect every Allied team member to fully comply with all applicable legal requirements and this Policy. The objectives of this Policy are to:

- educate Allied team members about their legal obligations with respect to insider trading and tipping; and
- foster and facilitate compliance with applicable laws to prevent transactions by Allied team members that would not be in full compliance with the legal requirements.

This Policy should be viewed as the minimum criteria for compliance with insider trading and tipping laws. Additional guidance should be sought from the President and Chief Executive Officer where any uncertainty exists regarding your legal obligations or any contemplated transaction.

Scope of this Policy

This Policy applies to all Allied team members.

Legal Background

1. Insider Trading and Tipping

As an Allied team member, you are considered to be in a “special relationship” with Allied (see Section 2(g)) under securities laws. Because of that,

- a. Securities laws prohibit you from trading in Allied securities with knowledge of a material fact or material change (see Sections 2(c) and 2(d)) related to Allied that has not been generally disclosed. You are also prohibited from recommending or encouraging another person (such as a relative or friend) to trade in Allied securities when you have knowledge of an undisclosed material fact or material change. These prohibited activities are commonly known as “insider trading”.
- b. Securities laws also prohibit you from trading in (or recommending or encouraging another person to trade in) the securities of any public company other than Allied when you have knowledge of a material fact or material change regarding that other public company that has not been generally disclosed, and that knowledge was gained:
 - i. during the course of your work at Allied;
 - ii. because you are in a “special relationship” with that other public company; or
 - iii. because you were “tipped” by another person who was in a “special relationship” with that other public company.
- c. Except in very limited circumstances, securities laws prohibit you from informing any other person of a material fact or material change about Allied or about any public company referred to in Section 1(b) above (for example, spouses and close friends), before the material fact or material change has been generally disclosed. This prohibited activity is commonly known as “tipping.”

Both you and the person who receives the information from you (and any person in a chain of tippees who receives the information from them) could be liable under securities laws if the person who receives the information trades in securities. See Allied's Disclosure Policy Guidelines and Procedures for further information.

2. Definitions

"Blacked-out Employee" means an Allied team member who is described in Section 4(a)(i) or (ii) of this Policy.

"discretionary blackout periods" are imposed from time to time on Allied team members, in addition to the regularly scheduled blackout periods, following consultation with the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer.

"material change" in relation to the affairs of any Reporting Issuer, means a change in the business, operations or capital of that Reporting Issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of that Reporting Issuer, or a decision to implement such a change made by: (i) senior management of that Reporting Issuer who believe that confirmation of the decision by the board of directors or persons acting in a similar capacity of that Reporting Issuer is probable; or (ii) the board of directors or such persons acting in a similar capacity of that Reporting Issuer.

"material fact" in relation to securities issued or proposed to be issued by any Reporting Issuer, means a fact that would reasonably be expected to have a significant effect on the market price or value of such securities.

"Material Information" means any information relating to the business and affairs of any Reporting Issuer that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of that Reporting Issuer. Material Information includes both material changes and material facts. (See attached Schedule A for examples of potential Material Information.)

"regularly scheduled blackout periods" begin the first day of the month following each quarter or year-end and end at the close of business on the second trading day following the time at which Allied discloses its annual or quarterly financial results.

"special relationship" – For the purpose of this Policy, a person is in a special relationship with Allied if the person:

- i. is an Allied team member;
- ii. is engaging in or is proposing to engage in any business or professional activity with or on behalf of Allied or any of its subsidiaries and includes, without limitation, a consultant; or
- iii. is a person who has learned of Material Information with respect to Allied from any other person in a special relationship with Allied, and who knows or ought reasonably to have known that the other person is in such a relationship.

"Allied team member" refers to each trustee, director, officer, or employee of Allied or any of its subsidiaries.

Obligations

3. Obligations on all Allied team members

As an Allied team member:

- a. You cannot trade in securities of Allied while in possession of Material Information with respect to Allied that has not yet been generally disclosed.
- b. You cannot trade in the securities of another public company while in possession of Material Information regarding that public company which knowledge was gained during the course of your work at Allied, if the Material Information has not been generally disclosed to the public.
- c. You cannot recommend or encourage another person to trade in securities of Allied while in possession of Material Information regarding Allied that has not yet been generally disclosed.
- d. You cannot recommend or encourage another person to trade in securities of another public company while in possession of Material Information regarding that public company which knowledge was gained during the course of your work at Allied, if the Material Information has not yet been generally disclosed.
- e. You cannot inform other people of Material Information regarding Allied before that Material Information has been generally disclosed, except under very limited circumstances as permitted under securities laws.
- f. You cannot inform other people of Material Information regarding a public company where you have gained that information in the course of your work at Allied before that Material Information has been generally disclosed, except under very limited circumstances as permitted under securities laws.

As a general rule, Allied team members should not consider Material Information to be generally disclosed until the close of business on the second trading day after the Material Information has been released to the public.

The restrictions on trading above do not apply to purchases under the Allied Group RRSP Employee Stock Purchase Plan or exercises of unit options granted under Allied's unit option plan, however, the sale of the underlying units (including any sale of units through a "same day cashless exercise" of unit options funded by a broker) is subject to these restrictions.

These restrictions apply to Allied team members with Material Information and all members of that person's household. Allied team members are responsible for compliance with the restrictions above by members of their household and should, if necessary, review this Policy and the general prohibitions on insider trading with them. These restrictions also apply to Allied team members who cease to be Allied team members until the Material Information has been generally disclosed.

Please contact the President and Chief Executive Officer if you are unsure if information is Material Information or you have any questions about your obligations above. See also Allied's Disclosure Policy Guidelines and Procedures for more information.

4. Additional Obligations on Blacked-out Employees

Additional obligations are imposed on Allied team members who are Blacked-out Employees, as described in this Section 4.

- a. Blacked-Out Employees

i. Who is a Blacked-out Employee for the purposes of regularly scheduled blackout periods?

The following Allied team members are Blacked-out Employees of Allied during regularly scheduled blackout periods:

1. All trustees of Allied;
2. All Allied team members who are at or above the vice-president level (e.g., Presidents, Executive Vice Presidents, Senior Vice Presidents, Regional Vice Presidents and Vice Presidents), including team members in acting positions;
3. All Allied corporate accounting team members involved in the preparation of Allied's financial statements and management's discussion and analysis; and
4. All other Allied team members who receive notice from the President and Chief Executive Officer or his/her designee that they are designated Blacked-out Employees during such periods.

ii. Who is a Blacked-out Employee for the purposes of discretionary blackout periods?

All Allied team members who receive notice from the President and Chief Executive Officer or his/her designee that they are designated Blacked-out Employees during such periods.

b. Obligations on Blacked-out Employees

i. During regularly scheduled blackout periods, the affected Blacked-out Employees cannot:

1. trade in units of Allied;
2. change the payroll deduction instructions for their Allied Group RRSP Employee Stock Purchase Plan; or
3. join, withdraw from or vary instructions in respect of the Allied Group RRSP Employee Stock Purchase Plan.

Blacked-out Employees may, however, continue to make purchases under the Allied Group RRSP Employee Stock Purchase Plan.

Blacked-out Employees subject to a regular blackout period may exercise unit options granted under Allied's unit option plan, however, the sale of the underlying units (including any sale of units through a "same day cashless exercise" of unit options funded by a broker) is not permitted during the blackout period.

ii. During a discretionary blackout period, the affected Blacked-out Employees cannot:

1. trade in the securities specified in the blackout notice;
2. change the payroll deduction instructions for their Allied Group RRSP Employee Stock Purchase Plan; or
3. join, withdraw from or vary instructions in respect of the Allied Group RRSP Employee Stock Purchase Plan.

Blacked-out Employees subject to a discretionary blackout period may, however, continue to make purchases under the Allied Group RRSP Employee Stock Purchase Plan.

Blacked-out Employees subject to a discretionary blackout period may exercise unit options granted under Allied's unit option plan, however, the sale of the underlying units (including

any sale of units through a “same day cashless exercise” of unit options funded by a broker) is not permitted during the discretionary blackout period.

Each Allied team member with Material Information is responsible to comply with the restrictions in securities laws on insider trading and tipping (summarized in Section 3 of this Policy), regardless of whether Allied has informed you that you are a Blacked-out Employee. Additional guidance should be sought from the President and Chief Executive Officer where any uncertainty exists regarding your legal obligations or whether you have Material Information.

5. Additional Obligations on Reporting Insiders

Additional obligations are imposed on Allied team members who are Reporting Insiders, as described in this Section 5.

a. Reporting Insiders

As at August 1, 2018, the following Allied team members are “Reporting Insiders” of Allied: (i) the President and Chief Executive Officer; (ii) the Executive Vice President and Chief Operating Officer; (iii) the Executive Vice President and Chief Financial Officer; (iv) Executive Vice President, Development; (v) the Senior Vice President, Urban Data Centres; (vi) the Senior Vice President, Leasing; and (vii) each trustee of Allied.

These persons, together with any other Allied team member who is informed by the President and Chief Executive Officer or his/her designee from time to time that he or she has become a Reporting Insider of Allied, shall remain a Reporting Insider of Allied until the earlier of the date that he/she has been informed by the President and Chief Executive Officer or his/her designee that he/she is no longer a Reporting Insider of Allied or until he/she ceases to be a trustee or employee of Allied, as the case may be.

b. Obligation to File Insider Reports

Under securities laws and this Policy, Reporting Insiders are required to file a report (the “Insider Report”) with the securities regulatory authorities any time they trade in, or there is any change in their beneficial ownership of, or control or direction over, any securities of Allied (including the grant, exercise or expiry of unit options), including certain derivative based transactions and equity monetization transactions related thereto. Insiders must file an Insider Report electronically through the “System for Electronic Disclosure by Insiders” (“SEDI”) if they have beneficial ownership of, or control or direction over, any securities or related financial instruments of Allied within 10 calendar days of becoming a Reporting Insider and, thereafter, within 5 calendar days after each trade or any other change in Allied securities or related financial instruments.

Securities laws provide some exemptions from insider reporting requirements. Please contact the President and Chief Executive Officer for further information on insider reporting and exemptions

c. Enrolment or Withdrawal from Allied Group RRSP Employee Stock Purchase Plan

Reporting Insiders who enrol in or withdraw from the Allied Group RRSP Employee Stock Purchase Plan must, within five days of such enrolment or withdrawal, update their SEDI Insider Profile to indicate that such an action has been taken.

6. Prohibitions against short selling, hedging and certain trading

Allied team members are prohibited from engaging in the following transactions with respect to Allied

securities:

- a. short sales,
- b. monetization of equity awards (e.g., unit options, restricted units) before vesting,
- c. transactions in derivatives on Allied securities such as put and call options, or
- d. any other hedging or equity monetization transactions where the team member's economic interest and risk exposure in the Allied securities are changed, such as collars or forward sale contracts.

The prohibitions in this section do not apply to trades associated with the exercise of Allied unit options in accordance with Allied approved procedures.

7. Waiver

Notwithstanding any of the prohibitions contained in Section 4, the President and Chief Executive Officer may, at his or her discretion, waive the prohibitions contained in Section 4 in exceptional circumstances, provided that the Allied team member seeking the waiver does not have any undisclosed Material Information and that making such an exception would not violate any applicable securities laws. The President and Chief Executive Officer will report any such waivers to the Governance, Compensation and Nomination Committee at the next regularly scheduled meeting of the Governance, Compensation and Nomination Committee.

8. Potential Civil and Criminal Penalties

The consequences of carrying on any prohibited insider trading activity, tipping or failing to file an insider report where required on a timely basis can be severe and may give rise to Allied taking disciplinary measures up to and including dismissal, as well as legal sanctions such as civil liability for damages, fines and criminal sanctions.

DO NOT TRADE OR RECOMMEND/ENCOURAGE OTHERS TO TRADE IN SECURITIES OF ALLIED OR OF ANOTHER PUBLIC COMPANY WHEN YOU:

- know Material Information about Allied which has not been generally disclosed and disseminated to the public;
- know Material Information about another public company which has not been generally disclosed and disseminated to the public and you learned of such Material Information because of your business or dealings with Allied;
- have received notice from the President and Chief Executive Officer or his/her designee that you are subject to a blackout period; or
- have received any other notice from the President and Chief Executive Officer that you cannot trade in securities.

Excerpt from s. 4.3 of National Policy 51-201: Examples of Potentially Material Information

The following are examples of information that would be Material Information if they result in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of Allied:

- Changes in ownership of securities that may affect control of Allied
- Changes in the structure of Allied, such as major reorganizations, amalgamations or mergers
- Takeover bids, issuer bids or insider bids
- Public or private sales of additional securities
- Planned repurchases or redemptions of securities
- Planned offerings of securities convertible into units or rights to buy units
- Any unit consolidation or unit exchange
- Changes in a company's distribution payments or policies
- The possible initiation of a proxy fight
- Material modification to rights of security holders
- A significant increase or decrease in near-term earnings prospects
- Unexpected changes in financial results for any periods
- Shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- Changes in the value or composition of a company's assets
- Any material change in the company's accounting policy
- Any development that affects the company's technology, products or markets
- A significant change in capital investment plans or corporate objectives
- Major labour disputes or disputes with major contractors or suppliers
- Significant new contracts or products or significant losses of contracts or business
- Change to the board of trustees or executive management, including the departure of the company's CEO, CFO or COO (or persons in equivalent positions)
- The commencement of, or developments in, material legal proceedings or regulatory matters
- Waivers of corporate ethics and conduct rules for officers, trustees and other key employees
- Any notice that reliance on a prior audit is no longer permissible
- De-listing of the company's securities or their movement from one quotation system or exchange to another
- Significant acquisitions or dispositions of assets, property or joint venture interests
- Acquisitions of other companies, including a take-over bid for, or merger with, another company
- The borrowing or lending of a significant amount of money
- Defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors

- Changes in rating agency decisions
- Significant new credit arrangements.