**SMART REAL ESTATE INVESTMENT TRUST  
(“SmartREIT”)**

**BOARD DIVERSITY POLICY**

SmartREIT believes in diversity and values the benefits diversity can bring to its Board of Trustees (the “**Board**”). Diversity includes gender, sexual preference, disability, age, ethnicity, business experience, functional expertise, stakeholder expectations, culture and geography. SmartREIT seeks to maintain a Board comprised of talented and dedicated trustees whose skills and backgrounds reflect the diverse nature of the business environment in which SmartREIT operates. Accordingly, the composition of the Board is intended to reflect a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women trustees.

Board diversity promotes the inclusion of different perspectives and ideas, and ensures that SmartREIT has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense, helps maintain a competitive advantage and makes for better corporate governance.

SmartREIT will periodically assess the skills, experience, knowledge and backgrounds of its trustees in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women trustees.

SmartREIT is committed to a merit based system for Board composition, which requires a diverse and inclusive culture where trustees believe that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination and harassment on any matter are not tolerated. When identifying suitable candidates for appointment to the Board, SmartREIT will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board. Any search firm engaged to assist the Board or the Corporate Governance and Compensation Committee of SmartREIT in identifying candidates for appointment to the Board shall be directed to include women candidates and women candidates will be included in the Board’s evergreen list of potential Board nominees.

The Corporate Governance and Compensation Committee will consider whether to adopt targets for specific Board diversity characteristics in furtherance of the objectives of this policy.

Annually, the Corporate Governance and Compensation Committee will review this policy and assess its effectiveness in promoting a diverse Board which includes an appropriate number of women trustees.

Approved May 5, 2016