



Altus Group

2020

| Annual Information Form

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ALTUS GROUP LIMITED

1. EXPLANATORY NOTES

The information disclosed in this Annual Information Form (the “AIF”), Form 51-102F2, is stated as at December 31, 2020 or for the year ended December 31, 2020, as applicable, unless otherwise indicated.

Unless the context indicates otherwise, all references to “Altus Group”, the “Company”, “we”, “us”, “our” or similar terms refer to Altus Group Limited, and as appropriate, its subsidiaries and consolidated operations. For an explanation of other capitalized terms and expressions used herein, please refer to the “Glossary of Terms”. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to “\$” are to the lawful currency of Canada.

The amounts in this Annual Information Form and the consolidated financial statements of Altus Group for the year ended December 31, 2020 have been prepared on the basis of International Financial Reporting Standards (“IFRS”) and reported in Canadian dollars. Unless otherwise indicated herein, references to “\$” are to Canadian dollars and percentages are in comparison to the same period in 2019. Consolidated results presented (including restated comparative figures) exclude our Geomatics business which was classified as discontinued operations and contributed into our investment in the GeoVerra Inc. joint venture in 2020.

Forward-Looking Information

Certain information in this AIF may constitute “forward-looking information” within the meaning of applicable securities legislation. All information contained in this AIF, other than statements of current and historical fact, is forward-looking information. Forward-looking information includes, but is not limited to, the discussion of our business and operating initiatives, focuses and strategies, our expectations of future performance for our various business units and our consolidated financial results, including the guidance on financial expectations, and our expectations with respect to cash flows and liquidity. Generally, forward-looking information can be identified by use of words such as “may”, “will”, “expect”, “believe”, “plan”, “would”, “could”, “remain” and other similar terminology. All of the forward-looking information in this AIF is qualified by this cautionary statement.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results, performance or achievements, industry results or events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to: engagement and product pipeline opportunities in Altus Analytics will result in associated definitive agreements; settlement volumes in the Property Tax business will occur on a timely basis and that assessment authorities will process appeals in a manner consistent with expectations; the successful execution of our business strategies; consistent and stable economic conditions or conditions in the financial markets; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; the opportunity to acquire accretive businesses; the successful integration of acquired businesses; satisfaction of all conditions associated with the proposed purchase of Finance Active SAS and completion of such purchase; and the continued availability of qualified professionals.

The COVID-19 pandemic has cast additional uncertainty on each of these factors and assumptions. There can be no assurance that they will continue to be valid. Given the rapid pace of change with respect to the COVID-19 pandemic, it is difficult to make further assumptions about these matters. The duration, extent and severity of the impact the COVID-19 pandemic, including measures to prevent its spread, will have on our business is uncertain and difficult to predict at this time. As of the date of this AIF, many of our offices and clients remain subject to limitations and restrictions set to reduce the spread of COVID-19, and a significant portion of our employees continue to work remotely.

Inherent in the forward-looking information are known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking information. Those risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information include, but are not limited to: the general state of the economy the COVID-19 pandemic; currency; our financial performance; our financial targets; the commercial real estate market; industry competition; our acquisitions; our cloud subscriptions transition; software renewals; professional talent; third party information; enterprise transactions; new product introductions; technological change; intellectual property; technology strategy; information technology governance and security; our product pipeline; property tax appeals; legislative and regulatory changes; fixed-price and contingency engagements; appraisal and appraisal management mandates; the Canadian multi-residential market; customer concentration and the loss of material clients; interest rates; credit; income tax matters; health and safety hazards; our contractual obligations; legal proceedings; our insurance limits; our ability to meet the solvency requirements necessary to make dividend payments; leverage and financial covenants; our share price; our capital investments; and the issuance of additional common shares, as described in this document under “Risk Factors”.

Given these risks, uncertainties and other factors, investors should not place undue reliance on forward-looking information as a prediction of actual results. The forward-looking information reflects management’s current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking information contained herein is current as of the date of this AIF and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or circumstances. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus Group, our financial or operating results, or our securities.

Certain information in this AIF may be considered as “financial outlook” within the meaning of applicable securities legislation. The purpose of this financial outlook is to provide readers with disclosure regarding Altus Group’s reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

2. CORPORATE STRUCTURE

Name, Address and Incorporation

Altus Group Limited is governed by the *Business Corporations Act* (Ontario) (the “OBCA”) pursuant to Articles of Arrangement dated January 1, 2011. The head and registered office of the Company is located at 33 Yonge Street, Suite 500, Toronto, Ontario, Canada M5E 1G4.

Intercorporate Relationships

The following is a list of the principal subsidiaries of Altus Group as at December 31, 2020 (including jurisdictions of establishment/incorporation).

The list shows the percentages of the votes attached to all voting securities of each of the subsidiaries owned by Altus Group or over which control or direction is exercised by Altus Group.

There are certain subsidiaries not shown that each represent less than 10% of the Company’s total consolidated revenues and total consolidated assets (although not each subsidiary shown necessarily represents more than 10% of total consolidated assets and total consolidated revenues) and, if considered in the aggregate as a single subsidiary, represent less than 20% of total consolidated revenues and total consolidated assets.

Subsidiary	Voting Securities	Jurisdiction of Incorporation
Altus Group Asia Pacific Limited	100%	Ontario
Altus Group Australia Pty Limited	100%	Australia
Altus Group Consulting Pty Limited	100%	Australia
Altus Group Cost Management Pty Limited	100%	Australia
Estate Master Group Holding Pty Limited	100%	Australia
Estate Master Pty Limited	100%	Australia
Altus Group (UK) Limited	100%	United Kingdom
Altus Group U.S. Inc.	100%	Delaware
ARGUS Software, Inc.	100%	Delaware
One 11 Advisors, LLC	100%	Illinois
Altus Group Data Solutions Inc./Groupe Altus Gestion de Données Inc.	100%	Canada
ARGUS Software (UK) Ltd.	100%	United Kingdom
Taliance Group SAS	100%	France
Altus Group Tax Consulting Paralegal Professional Corporation	Note 1	Ontario

Notes:

1. Altus Group Tax Consulting Paralegal Professional Corporation was formed in compliance with the regulations of the Law Society of Ontario (as defined in the *Law Society Act*). The Property Tax practice in Ontario is organized as a separate professional corporation to comply with the rules and regulations of the *Law Society Act*.

3. GENERAL DEVELOPMENT OF ALTUS GROUP

Strategy

Commercial real estate (“CRE”) continues to see a steady rise in investment allocation by global institutions, solidifying it as an important and well-defined asset class. Higher volumes of cross-border transactions and institutional capital flows are adding new complexity and pressure on top of increasing risk and regulatory demands. To better cope, the CRE industry is rapidly re-examining their digital strategies and demanding more sophisticated processes and data to drive returns. Customers are increasingly looking for interoperability across software applications, data and workflows in a manner that drives real-time business insights. In addition, investors, regulators and the broader CRE community are demanding greater transparency on worldwide asset and portfolio performance, valuations, risk and Environmental, Social, and Governance (“ESG”) compliance, and are increasingly relying on independent expert service providers in this pursuit.

With a global footprint, a prominent customer base, and through our Altus Analytics solutions, Property Tax and other CRE technology-enabled offerings, Altus Group is very uniquely positioned to capitalize on the opportunities presented by these trends and drive significant value for the industry. We are at the forefront of innovation in our industry and well equipped to help our clients navigate the complexities of the CRE market to make better informed decisions and maximize the value of their real estate assets and investments.

Our vision is to be the leader for the valuation and management of risk for real estate assets by enhancing the decision making across the value chain through the use of technology, data, analytics and services. Over the past several years, we have been positioning ourselves as a leading CRE technology and technology-enabled services provider through our investments in cloud technology, the integration of our software technology stack, the expansion of our products and services into Europe and Asia and the digitization of our Property Tax and other service lines. We have also initiated the transition of our Altus Analytics business to a predominately recurring revenue model by moving from on-premise software sales, sold on perpetual and subscription terms, to cloud SaaS products.

Our next phase of growth involves driving deeper penetration across the CRE value chain by accelerating cloud adoption, creating greater interoperability of customers’ embedded software and data applications, providing new and adjacent data and software solutions, and further integrating our existing product and service offerings to provide end-to-end data-driven insights.

Strategic Priorities

Our 2021 strategic priorities consist of:

- Accelerating the global adoption of ARGUS Cloud and increasing the proliferation of our applications across clients’ workflows and the CRE value chain;

- Expanding into the CRE debt markets through a combination of organic and acquisitive initiatives;
- Expanding our data capabilities and developing new areas of opportunities;
- Continuing to build market leadership in Property Tax; and
- Enhancing our go-to-market strategies across the Company.

Our top priority is the accelerated global adoption of ARGUS Cloud. We remain focused on establishing ARGUS Cloud as the foundational enterprise platform for global CRE asset and investment management, which in the long run we envision will leverage data and predictive data analytics to deliver real-time business insights. In support of this vision, we continue our transition from high-value point solutions to a more ubiquitous model that unifies our valuation and asset management capabilities on to a single, cloud-based platform that integrates numerous key workflows and enhances data-driven insights for the CRE industry. In order to drive faster adoption, we are focused on creating a much deeper differentiation in the value proposition between our cloud and on-premise products. Future version releases will see greater functionality developed exclusively on ARGUS Cloud, including additional API's and interoperability that facilitates enhanced workflows and collaboration.

Our early foray into the CRE debt markets validates that there is a significant opportunity for us in this market adjacency. Although we currently provide valuation and risk management solutions to some clients in the debt space, deeper capabilities are required to fully address this growing market segment. Our customers and the industry would derive significant value and be better equipped to manage risk performance from a fulsome 360-degree view of their assets that combines equity and debt considerations. The proposed acquisition of Finance Active SAS ("Finance Active"), a European provider of CRE debt management SaaS solutions, is an important step to accelerate our growth in the CRE debt market. It would provide us with an immediate benefit to approach a much larger client segment while expanding our reach across use cases and workflows. In addition, the proposed acquisition would provide us with greater cross-sell opportunities and a strong footprint in Europe that we would leverage to further our international expansion. As part of our product roadmap, we would integrate Finance Active's debt management SaaS solutions with our ARGUS Cloud platform.

A key company-wide initiative in 2021 is to expand our data capabilities and develop new opportunities. The market for real-time insights from data presents a substantial opportunity. Typical industry data is complex, voluminous, and unstructured. The data that is collected and generated by our various cloud solution products and by our Appraisal Management, Property Tax, and Valuations and Cost Advisory businesses is specific, timely and precise. Our opportunity lies in the ability to provide our clients with data architecture and data model solutions, enabled by ARGUS Cloud, allowing clients to aggregate data sourced from internal systems, Altus data and potentially other third-party data providers. Such a data platform with predictive analytics and alert capabilities would enable both equity and debt stakeholders to drive investment performance and manage risk. In support of this opportunity, we have formed a dedicated team and initiated internal workstreams to establish market use cases, feasibility studies and a technology roadmap.

With market leading practices in Canada, the U.K. and the U.S., our Property Tax practice is one of the largest and fastest growing property tax advisors globally. Our global Property Tax practice continues to represent an attractive growth opportunity in a consolidating industry, driven by solid market fundamentals and our strong competitive position. We will continue to invest organically and in tuck-in acquisitions of both core tax practices and adjacencies in order to grow our market share. As well, we will further digitize our data and workflows to drive efficiencies, gain incremental insights, and deliver greater client value. Lastly, we are re-organizing the tax business under a centralized leadership model with a

global president and chief operating officer in order to better align our regional tax practices under a common global model, drive best practices, and accelerate digital transformation. Our strategy is centered on strengthening this business with technology and data, and in doing so improving the repeatability and growth of our revenues and our operating leverage.

Finally, we will align and enhance our go-to-market strategies across our businesses. By leveraging investments we have made in core platforms such as Salesforce, we will re-tool and scale our sales organization to better address the market opportunities in North America and in Europe. We will evolve our customer success and drive deeper marketing programs to strengthen business development and sales initiatives. Our focus on account planning will better position us to identify our clients' enterprise needs, enabling us to provide them with an enterprise solution of our various offerings, rather than taking a single point selling approach. We believe this will drive higher client value and customer satisfaction which in turn will result in higher, recurring revenue streams.

Recent Developments in our Business

We have completed a number of acquisitions, financing transactions and other activities in the last three years, including those listed below.

Acquisitions

The key characteristics of our acquisitions over the past three years are summarized in the following table:

Entity	Key Characteristics
New Market Real Estate Group, LLC (2018)	Strengthened our Altus Analytics Appraisal Management practice in Northeastern U.S.
Aspect Property Consultants LLP (2018)	Strengthened our Property Tax services in the U.K. with added expertise in the industrial / warehouse markets
Taliance Group SAS (2018)	Strengthened our Altus Analytics offering with a new cloud software solution and expanded our position in Europe
One11 Advisors, LLC (2019)	Strengthened our Altus Analytics software services and managed services offerings
Caruthers & Associates, Inc. (2019)	Expanded our Property Tax services and geographic footprint in the U.S.
Property Tax Assistance Company Inc. (2020)	Expanded our Property Tax services and geographic footprint in the U.S.

2018

Restructuring Activities

In Q1 of 2018, we undertook and completed restructuring activities in Geomatics to reduce costs. In connection with these restructuring activities, a total of \$2.9 million in restructuring costs was recorded in 2018. These charges related primarily to employee severance costs and onerous leases.

In Q2 of 2018, we initiated restructuring activities in our Property Tax practice as a result of our integration efforts in the U.K. following the acquisition of Commercial Valuers & Surveyors Limited (“CVS”) in late 2017. This was completed in Q4 of 2018. In connection with these restructuring activities, a total of \$3.6 million in restructuring costs was recorded in 2018. These charges related primarily to employee severance costs and onerous leases.

Sale of Investment in Real Matters Inc.

In September 2018, we sold our shares related to our investment in Real Matters Inc. for net proceeds of \$54.2 million. The loss included in other comprehensive income (loss) up to the date of disposition of \$70.8 million was transferred to retained earnings. In October 2018, the proceeds were used to reduce the borrowings under the Credit Facilities.

2019

Altus Analytics Transition to Subscription Model

Starting in July 2019, we started to sell ARGUS Enterprise (“AE”) only on subscription terms to new customers (primarily on the cloud platform), while continuing to offer existing clients the option to license the software either on subscription terms (on the cloud or on-premise) or on on-premise perpetual terms until the end of the year. The introduction of the new revenue and pricing model supports our strategy to migrate our current on-premise customers who are currently on maintenance contracts to cloud subscription contracts. As of the start of 2020, all of our Altus Analytics software products are being sold only on a subscription-based model.

ARGUS Enterprise Made Available on the Cloud

In July 2019, we launched AE 12, a new version of AE powered by ARGUS Cloud. AE 12 builds on the strength of our industry leading CRE valuation capabilities and now includes cloud-only deployment and multi-instance support of AE, new benchmarking and dashboard functionality, enhanced workflows through integration with ARGUS Taliance and ARGUS Voyanta, and support for German and French market valuations.

2020

Altus Data Studio Launch

In February 2020, we launched Altus Data Studio, which combined our legacy RealNet and Altus InSite products into one core platform. Altus Data Studio provides significant enhancements to the user experience and robust data visualization capabilities for our comprehensive coverage on the Canadian residential, office, industrial and CRE investment markets.

Amendment to Credit Facilities

On March 24, 2020, we amended and expanded our Credit Facilities to further strengthen our financial and liquidity position. The amended Credit Facilities increase our borrowing capacity to \$275 million from \$200 million, with certain provisions that allow us to further increase the limit to \$350 million. The amended

agreement extends the term by three years expiring March 24, 2023, with an additional two-year extension available at our option. The other significant amendment is that the Credit Facilities are unsecured.

Long-Term Equity Incentive Plan Revision

On May 6, 2020, our shareholders approved a resolution to increase the number of authorized common shares to be reserved for issuance under our Long-Term Equity Incentive Plan and to ratify the grant of awards made under it to executives and key employees. The resolution increases the maximum number of common shares reserved for issuance by 1,850,000 to 4,075,000.

Restructuring Activities

Beginning in Q2 2020, we initiated a global restructuring program across all our business segments which resulted in one-time restructuring costs of \$12.0 million for the year ended December 31, 2020, of which \$4.7 million related to Altus Analytics, and the balance to CRE Consulting and Corporate segments. These costs relate primarily to employee severance costs. The restructuring was planned as part of our strategy to continue to focus and invest in technology and information services platforms.

Geomatics Spin-Off and Investment in the GeoVerra Joint Venture

On June 27, 2020, the previously announced transaction to divest of the Geomatics business by way of a joint venture structure with WSP Global Inc. (“WSP”) closed. The combined entity launched as GeoVerra Inc. (“GeoVerra”), forming a leading Canadian geomatics firm with offices and employees in Western Canada and Ontario. We contributed \$14.9 million in cash and certain net assets in exchange for a 49.5% equity interest in GeoVerra that provides joint control through an equal 50% of the voting rights, resulting in a gain of \$0.5 million. We account for our investment as a joint venture using the equity method.

CEO Transition

Effective September 30, 2020, Robert Courteau retired as Chief Executive Officer (“CEO”) of Altus Group and was succeeded by Michael Gordon.

ARGUS Enterprise 13 Release

In October 2020, we released AE 13, which included enhancements for multi-family and mixed-use assets, improved German valuation functionality, increased visibility and reporting, and enhanced user experience with federated single sign-on. For many of our large customers, the single sign-on is a key requirement for cloud adoption.

Reached 1,000 AE Cloud Customer Milestone

In mid-December 2020, we surpassed over 1,000 cloud-enabled AE customers, reaching an important milestone in our cloud transition journey. The cloud-version of AE leverages data to deliver robust analytics and benchmarking capabilities and integration flexibility through APIs, allowing our customers to do more with their data to deliver greater visibility, increase efficiency and drive performance.

Subsequent Events

Proposed Acquisition of Finance Active SAS

On March 9, 2021, we entered into an agreement pursuant to which Altus Group made a firm and binding offer to acquire 100% of Finance Active SAS (“Finance Active”) for a proposed purchase price of €100 million (on a debt free, cash free basis, and subject to adjustments), to be paid primarily in cash. The cash portion of the purchase price will be funded primarily by drawing down on our Credit Facilities. The ultimate shareholders of Finance Active may accept the offer and put their shares to Altus Group for purchase subject to completion of the Works Council Process (defined below). Pursuant to the

requirements of French Law, Finance Active must undertake an information and consultation process with its Works Council (“Works Council Process”) prior to the ultimate shareholders of Finance Active accepting the offer and signing the definitive share purchase agreement. Founded in 2000, Finance Active is a leading European provider of SaaS debt and financial risk management solutions for CRE treasury and investment management serving public sector entities, corporations and financial institutions. The company of approximately 160 employees is headquartered in Paris, France, with over 3,000 customers across Europe, and generated gross revenue of approximately €25 million in 2020. If completed, it is anticipated that the transaction will close in the second quarter and Finance Active would join the Altus Analytics business unit. There can be no assurance that the transaction will ultimately be completed.

4. BUSINESS OF ALTUS GROUP

Overview

Altus Group is a leading provider of software, data solutions and independent advisory services to the global CRE industry. Our businesses, Altus Analytics and CRE Consulting, reflect decades of experience, a range of expertise, and technology-enabled capabilities. Our solutions empower clients to analyze, gain insight and recognize value on their real estate investments. Headquartered in Canada, we have approximately 2,200 employees around the world, with operations in North America, Europe and Asia Pacific. Our clients include many of the world’s largest CRE industry participants. Altus Group pays a quarterly dividend of \$0.15 per share and our shares are traded on the Toronto Stock Exchange (“TSX”) under the symbol AIF.

We have two core reporting business segments - Altus Analytics and CRE Consulting.

Geographic Coverage

Revenue Contribution by Geography

Altus Group’s revenue is geographically disbursed as follows:

	Year Ended December 31, 2020 (\$,000)	Year Ended December 31, 2019 ⁽¹⁾ (\$,000)
Canada	183,042	181,513
U.S.	212,807	207,152
Europe	136,161	105,024
Asia Pacific	29,146	32,028
Total	561,156	525,717

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations. Refer to Notes 3, 7, 11 and 32 of the consolidated financial statements.

Altus Analytics

Our Altus Analytics segment consists of revenues from software sold under the ARGUS brand and from data solutions that are made available to clients through our Appraisal Management solutions, as well as through data subscription products. Altus Analytics clients predominately consist of CRE asset and investment management firms, including large owners, managers and investors of CRE assets and funds, as well as other industry participants including service providers, brokers, and developers.

Our globally sold ARGUS software solutions are among the most recognizable in the CRE industry. Our cloud-enabled product stack for global CRE asset and investment management comprises end-to-end integrated software solutions that provide visibility at the asset, portfolio and fund levels to help clients enhance performance of their CRE investments. Our flagship AE software is the leading global solution for CRE valuation and portfolio management and is widely recognized as the industry property valuation standard in key CRE markets. AE's suite of functionality enables organizations to manage and predict the performance of their CRE assets throughout the investment cycle supporting property valuations, investments, portfolios and budgeting.

Since the third quarter of 2019, we have been offering AE on a cloud platform while continuing to support the on-premise software. The cloud platform leverages the AE calculation engine and provides clients with: cloud-based infrastructure; new analytics capabilities (such as benchmarking functionality); integrations with other ARGUS products, storage, access and back-up of AE files; and access to new ARGUS applications (such as ARGUS Acquire, a deal management solution for CRE acquisitions, and ARGUS API, an application programming interface). Other ARGUS products include ARGUS Taliance (a cloud-based fund solution for alternative investment firms), ARGUS Voyanta (a cloud-based data management solution), and ARGUS Developer and ARGUS EstateMaster (software solutions for development feasibility analysis). In addition to standard technology services related to education, training and implementation, we also offer strategic advisory and managed services for real estate organizations' front-to-back-office strategies, processes and technology through One11 Advisors, LLC ("One11").

Fueled by our ARGUS software solutions, we provide information services on a global basis through our Appraisal Management solutions and data subscription products. Our global Appraisal Management solutions combine data and analytics functionality with a managed service delivery to enable institutional real estate investors to perform quarterly performance reviews, benchmarking and attribution analysis of their portfolios. Through these offerings we provide an end-to-end valuation management solution for our institutional clients, providing independent oversight and expertise while leveraging our data analytics platform. We primarily offer Appraisal Management solutions in the U.S., and we are expanding into Europe and Asia Pacific. Our Appraisal Management clients primarily consist of open and closed real estate funds, including large pension funds. Altus Analytics also includes a Canadian data subscription product, Altus Data Studio, which provides comprehensive real estate information on the Canadian residential, office, industrial and investment markets with unique data visualization capabilities. Our Canadian data covers new homes, investment transactions and commercial market inventory in key markets, and provides intelligence on the national housing market and consumer home buying and borrowing patterns.

Prior to 2020, the majority of our customers had licensed our AE software products on an on-premise basis, and had either paid on perpetual terms with ongoing maintenance, or on subscription terms. As of the start of 2020, our Altus Analytics software products have been sold only on a subscription-based model. Our software subscription agreements vary in length between one to five years, and the subscription fee primarily depends on the number of users and the applications deployed. We enjoy industry leading retention rates for our AE software. In addition to software subscriptions, our software services are charged

primarily on a time and materials basis, billed and recognized monthly as delivered. The contractual terms of our Appraisal Management agreements are generally for three years and pricing is primarily based on the number of real estate assets on our platform, adjusted for frequency of valuations and complexity of asset class. We enjoy very high contract renewal rates. Our Appraisal Management teams are also engaged from time to time to perform due diligence assignments in connection with CRE transactions. Our Canadian data products are sold on a subscription basis.

Altus Analytics operates in Canada, the U.S., Europe and Asia Pacific.

Commercial Real Estate Consulting

Our CRE Consulting segment consists of the Property Tax, and the Valuation and Cost Advisory business units. Through our various practice areas, we are well-equipped to serve clients with an end-to-end solution that spans the life cycle of CRE assets - from feasibility, development, acquisition, management and disposition. Our professionals possess extensive industry, market and asset-specific knowledge that contribute to our proprietary internal databases that contribute to successful client outcomes. We have long-standing relationships with leading CRE market participants - including owner operators, developers, financial institutions, and various CRE asset holders and investors.

Our largest revenue contributor to CRE Consulting is our Property Tax business which operates in Canada, the U.S. and the U.K. Our team of Property Tax professionals help clients minimize the tax burden and reduce the cost of compliance. Our core real estate property tax services include assessment reviews, management and appeals, as well as in the U.S., personal property and state and local tax advisory services. The majority of our Property Tax revenues are derived on a contingency basis, representing a percentage of the savings we achieve for our clients. As such, we recognize contingency revenues when settlements are made, which in some cases could span multiple years. A smaller portion of our fees are based on time and materials basis. Valuation services, which are predominantly provided in Canada, consist of appraisals of real estate portfolios, valuation of properties for transactional purposes, due diligence and litigation and economic consulting. Our Cost Advisory practice, offered in both the private and public sectors in Canada and Asia Pacific, provides expert services in the areas of construction feasibility studies, budgeting, cost and loan monitoring and project management. Pricing for our Valuation and Cost Advisory services is primarily based on a fixed fee or time and materials basis. Given the strength of our brand, our independence and quality of our work, we enjoy a high rate of client renewals across all of our CRE Consulting businesses.

CRE Consulting operates in Canada, the U.S., the U.K. and Asia Pacific.

Revenue Contribution by Segment

Set out below is a comparison of Altus Group's revenue, as reported by operational segment:

	Year Ended December 31, 2020 (\$,000)	Year Ended December 31, 2019 ⁽¹⁾ (\$,000)
Altus Analytics	203,707	201,951
Commercial Real Estate Consulting:		
Property Tax	245,162	213,483
Valuation and Cost Advisory	112,592	110,649
Eliminations	(305)	(366)
Total	561,156	525,717

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations. Refer to Notes 3, 7, 11 and 32 of the consolidated financial statements.

Competitive Conditions

Competitive Strengths

Altus Group is one of the world's leading providers of software, data solutions and independent advisory services to the global CRE industry. Our key competitive strengths in the marketplace are comprised of our differentiated data and software solutions, our independence, our industry expertise and extensive proprietary databases, the breadth and diversity of our offerings, and our growing global scale. Together they provide us with a competitive advantage that allows us to meet a diverse range of our clients' needs and outperform many of our competitors. They have also allowed us to gain significant market share in our core markets, and have contributed to strong and long-standing client relationships across all of our business units. The strategic combination of our CRE practice areas also allows us to service clients through the entire life cycle of their real estate holdings, from feasibility, to acquisition or the development of a project, to construction, to operations and portfolio management, and eventually, asset disposition.

Combining our data and technology offerings under one organization has positioned us to serve global enterprise clients who require multiple solutions and professional services to address the complex needs of their CRE portfolios. We believe that the ability to provide common reporting and consistency on a global portfolio basis will continue to attract new clients. Additionally, the diversity of our offerings allows us to mitigate market volatility downturns with better resilience.

Industry, Market and Asset-Specific Knowledge

We possess extensive industry, market and asset-specific knowledge and information databases in the markets in which we operate. With approximately 2,200 employees worldwide, we have a critical mass of professionals that allows for increased specialization within our practice areas. The knowledge we have amassed has positioned us to provide expert advice, and provide software and data solutions tailored to our clients' needs. In addition, having advised and compiled information on many of the most significant properties in various urban centres, we have an extensive database of these properties and are often retained to provide a variety of services over their life-cycle.

Competition

Altus Group faces competition from five main sources:

- *Software providers* - although our software offerings are industry-standards in North America, we still face competition from other software providers of CRE asset and investment management capabilities.

- *Local or regional firms offering professional real estate services* - these firms tend to be smaller in size than our Company and compete on projects where the real property is geographically proximate.
- *Real Property Brokerages* - although many leading brokerages are clients of our Altus Analytics offerings, these firms have a national and international base and also compete with us for larger clients with multi-jurisdictional and multi-service professional real estate service needs, primarily in the areas of valuations, due diligence, and some property tax assessments.
- *Accounting, law, specialty and engineering firms* - these firms have national and international bases and compete with us for larger clients with multi-jurisdictional and multi-service professional real estate service requirements.
- *Data providers* - although our data solutions and subscription products are unique in the industry, other data providers target similar customers.

Employees

One of our key competitive advantages is our industry expertise. As such, our employees are our most valuable asset. In order to deliver on our clients' needs and provide the level of service our clients expect, we are dependent on being able to attract, retain, develop and motivate our people. We have been successful in attracting and retaining talented professional staff due to, among other things, our global scale and position as an industry leader. This gives us the ability to offer our employees the opportunity to develop a broad and unique skill set through participation in a variety of projects, practice areas and high-profile assignments.

Our ability to draw on employees with a wide range of academic and professional backgrounds is critical to our success. Our employees have professional backgrounds in business, CRE and technology, with specific skillsets ranging from appraisal and valuations, cost consulting, business administration, software sales, marketing and development, engineering, legal, accounting, economics, software development, cybersecurity, privacy and data protection.

Our dependence on being able to attract and retain employees is also one of our material risks. We strive to mitigate this risk by providing competitive benefits and compensation packages. We regularly benchmark our practices to those of our peers to ensure our benefits remain competitive and continue to meet our employees' needs. At our most senior levels, not only do we offer participation in our Long-Term Incentive Plan, but we also award a portion of our annual bonus in the form of equity. We offer flexible working arrangements that help improve our employees' work-life balance and overall wellness, and we provide a wide array of training, including technical, leadership and personal development aimed at empowering our employees to advance their careers within Altus Group.

We regularly review our talent and succession pipeline, giving visibility of our top talent to our executive team across the business. We inform our Board regularly with regards to our key talent and ensure the Board has direct exposure to these individuals.

Regulations

The professional associations to which our employees belong regulate membership, set professional standards and provide oversight. They have the authority to censure or expel members who do not abide by their codes of conduct.

Altus Group is also globally regulated by the Royal Institution of Chartered Surveyors ("RICS"), the world's leading qualification for professional standards in land, property and construction. RICS is the

global professional body that promotes and enforces the highest international standards in the valuation, management and development of land, real estate, construction and infrastructure.

To our best knowledge, we remain the only Canadian publicly-traded company regulated by RICS. Among other things, RICS requires us to adhere to certain valuation standards that take into account sustainability factors, such as environment and climate change, health and well-being and corporate responsibility. With our commitment to regulation by RICS, we align our self with RICS' recognition of the growing relevance of sustainability factors as a market influence.

Intangible Property

Trademarks

We believe that the trademarks Altus®, Altus Group® and Altus Analytics® enjoy significant brand recognition within the CRE industry.

We also believe that the trademark ARGUS® and its family of software product names and/or related trademarks also enjoy significant brand recognition within the CRE industry. ARGUS is recognized as an industry standard for CRE valuations.

Proprietary Software and Data Analytics Solutions

Altus Group's proprietary software and data analytics solutions, including our ARGUS branded products, Appraisal Management platform and data subscription products, are critical components of our success and a key differentiator in the marketplace. We have developed and acquired software solutions customized to our practice areas. We have taken a proactive approach to identify areas where we can improve our technology in order to better serve our clients. Clients increasingly rely on information technology to manage complex real property portfolios and property development and that responds more quickly to informational needs. We protect our technology and data offerings through a combination of copyright, trade secrets, confidentiality procedures and contractual arrangements.

Technology, Data, and Channel Partnerships

From time to time, we enter into technology, data, and channel partnerships with other companies to drive the sales and adoption of our technologies and solutions worldwide. Our technology and data partnerships are often intended to enable interoperability between other systems and data sources commonly used by our customers.

In addition to our established software and data analytics offerings, our Property Tax practice relies on its information systems in Canada, the U.S. and the U.K. to manage property tax appeal processes. Our Property Tax practice uses these systems to make an assessment of the property tax applicable to a particular property or portfolio of properties.

Environmental, Social and Governance

We recognize that stakeholders have rising expectations of environmental, social and governance ("ESG") performance and disclosure.

We are a leading global provider of software, data analytics solutions, and professional services to the CRE industry. Our clients are located globally and include many of the world's largest commercial real estate participants that span every stage of the CRE lifecycle. Our clients predominately consist of CRE asset and

investment management firms, owner operators, service providers, brokerages, developers, financial institutions, REITS and other asset holders, investors and CRE tenants. Altus Group does not own real estate assets and we are not real estate developers or managers.

We published our third Sustainability Report in March 2021. This reflects our commitment to transparency on issues that are important to our stakeholders, and our goal of improving our ESG performance. The Sustainability Report may be found here: <https://www.altusgroup.com/wp-content/uploads/2021/03/2020-Sustainability-Report.pdf>.

Our Commitment to the Environment

Stewardship

We recently implemented an Environmental Policy to formalize our commitment to incorporate environmental practices in our business strategy and operations, minimize our environmental impact, and foster environmental awareness and responsibility among our employees, clients, suppliers and other stakeholders. Our Environmental Policy may be found here: <https://www.altusgroup.com/wp-content/uploads/2021/03/Altus-Group-Environmental.pdf>.

Our Environmental Policy is supported by an Environmental Sustainability Council, a cross-functional, Company-wide team of employees formed to champion environmental initiatives and bring focus to environmental issues and opportunities at the Company. The Council will meet quarterly and provide regular updates to the CEO on its progress.

The Board recently amended the CGNC Charter to confirm that the CGNC has oversight over sustainability and added sustainability to the Board competencies and skills matrix. At least annually, the CGNC will assess the effectiveness of the Company's governance over sustainability and makes recommendations to the Board as appropriate.

Environmental Footprint

Our primary environmental impacts arise due to the environmental consequences of our leased office space, the energy we consume and greenhouse gas emissions that result from business travel and the cloud-based data centers that service our business.

We have approximately 2,200 employees who work across 50 offices located in North America, Europe and Asia Pacific. Our headquarters in Toronto is certified as LEED-CI® Gold. Approximately 60% of our major offices that represent approximately 90% of the square footage of our total office footprint have some form of green certifications under local standards. Throughout our offices, we choose energy efficient alternatives, make green purchasing decisions and reduce waste. We are using the current pause in air travel to develop workplace policies and other initiatives to minimize ground transportation travel and reduce the requirement for inter-company travel, including enhanced investing in technology to connect our employees and clients virtually.

With our shift to technology and technology-enabled services, we are increasingly migrating our computing capabilities and data to cloud-based data centers. This boosts our technical abilities and helps us achieve innovative outcomes in our CRE offering, while at the same time reduces our material waste, energy usage and carbon impact. We also help our clients migrate their software platforms and data onto cloud-based data centers which helps reduce the energy and carbon impact of their IT operations.

However, we are mindful that cloud-based data centers have expansive infrastructures and that providers have different commitments concerning sustainability. In selecting our cloud-based data centers, we consider qualifications relating to their technical capabilities, the stability and security of their infrastructure, and their commitment to sustainability.

Helping our Clients Make Smart and Sustainable Choices

Many of our clients are also actively trying to minimize their environmental footprint, prompting us to proactively evaluate opportunities to assist our clients in meeting their sustainability goals.

Altus Group is a member of the Canada Green Building Council and the U.S. Green Building Council. We actively assist clients in the sustainable design process and cost analysis as they relate to 'green' building specifications, including specifically how the decisions needed to achieve a LEED® certification impact life cycle and facility operational costs. We are also globally regulated by the Royal Institution of Chartered Surveyors (RICS), which requires us to adhere to certain valuation standards that take into account sustainability factors, such as environment and climate change, health and well-being and corporate responsibility.

Through our various advisory offerings, we support numerous sustainable and LEED® projects, including advising on development projects with environmentally sustainable practices and periodically providing third party opinions for the issuance of green bonds.

ARGUS Voyanta

Recognizing the importance of sustainability to our clients and in response to increasing regulatory requests to disclose and report on the sustainability of buildings, we introduced sustainability tools in our ARGUS Voyanta data management platform to help our clients track, report and analyze their sustainability data of their assets in 2019.

ARGUS Voyanta is compatible with all major certification systems, offers customized reports, and collects sustainability data from external property managers so that the asset manager always has up-to-date information about the sustainability ratings of the fund's assets.

Climate Related Risks

The climate-related risks we identified fall into two main areas: 1) business interruption due to climate-related events, and 2) loss of income due to climate-related impacts on our employees and clients. Our assessment is that because of the nature of our business, the location of our global offices, and the success of our business continuity plans in the COVID-19 pandemic, we have a very low exposure to natural perils in general including climate-related perils.

Looking Forward

In our Environmental Policy we commit to examine ways to systematically track greenhouse gas emissions resulting from the Company's energy usage and business travel activities and implement continuous improvement in reducing these emissions where possible.

Workplace, Culture and Community

Stewardship

The HRCC has oversight over human resources, workplace culture and health and safety. The Board recently amended the HRCC Charter to confirm the HRCC is responsible for oversight over diversity, equity, inclusion and wellness, both at the executive level and within our workforce, and added diversity, equity and inclusion, public policy and external relations skills to our Board competencies and skills matrix.

The HRCC serves as the avenue for communication between the Chief People Officer (and other senior officers) and the Board.

The Audit Committee has oversight over financial and legal compliance risk management including compliance with our Code of Business Conduct and Ethics.

Diversity, Equity and Inclusion

As a global organization, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to the Company's success. The Company also needs to appeal to a large pool of talent to remain competitive. Diversity, equity and inclusion is key to building an effective team of employees.

We have regional Diversity, Equity and Inclusion committees sponsored by the CEO and Chief People Officer. Committee members, who are representatives from across our business, meet regularly to help increase awareness and promote a wide variety of activities to further our efforts. In 2020 we also launched three employee affinity groups focused on women at Altus Group, people of colour, and our LGBTQ+ community.

Michael Gordon, our new CEO, is a member of CEO Action for Diversity and Inclusion, which is the largest CEO-driven organization committed to advancing diversity, equity and inclusion within the workplace.

Executive Level

The level of representation of diverse groups is considered when filling senior leadership positions. The Company has not set diversity targets at the executive officer level due to the small size of this group and the need to consider a wide range of criteria.

We track the number and percentage of women in senior leadership roles and focus on developing this talent pipeline.

Of our executive leadership for 2020, 20% are women compared to 19% in 2019.

Enterprise Level

We promote a diverse, equitable and inclusive culture to enrich our workplace and to grow the pipeline of high potential individuals for senior leadership positions.

We do not tolerate physical, sexual, racial, psychological, verbal or any other form of harassment, bullying or abuse of our employees. We have policies, training, and disciplinary procedures and policies in place to enforce this. These include: our Code of Business Conduct and Ethics, a Diversity, Equity and Inclusion

Charter, and workplace policies such as Employee Handbooks, a Workplace Anti-Violence Unlawful Discrimination and Harassment and Bullying Policy and a Program and Holiday of Specific Religions Creed Policy. It is further supported by our Whistleblower Policy and confidential, externally administered Global Corporate Compliance Reporting Hotline. Notably, diversity, equity and inclusion are core priorities of our Sustainability Report.

The Company promotes a diverse, equitable and inclusive environment within the organization on many fronts:

- We require our global workforce to complete mandatory unconscious bias, diversity, and harassment prevention training.
- We provide employees with opportunities for continuous learning, training and resources, including courses on leading diversity, leading across cultures, and leadership insights on leading diversity through our e-learning platform.
- We have three affinity/employee resource groups: Women at Altus, People of Colour and LGBTQ+ Peoples. Employees from all levels have a platform to connect with colleagues, support each other and help drive corporate initiatives that support each groups' missions.
- We have a DEI (Diversity, Equity and Inclusion) Speaker Series that includes panel discussions with external and internal presenters.
- We are actively involved with the CRE Women's (CREW) Network, an organization dedicated to transforming the commercial real estate industry by advancing women globally.
- We have diversity, equity and inclusion-related employee events and employee communications campaigns, including annual observance and celebration of Black History Month in February, International Women's Day in March, and Pride in June.
- We continue to review and update our recruiting practices to attract professionals with diverse backgrounds and underrepresented groups.

In 2020, we offered virtual live training sessions to support our managers and employees in transitioning to remote working during the pandemic. Over 600 managers and employees participated in 27 sessions which discussed topics such as setting expectations, communicating effectively and managing stress. We also promoted our extensive on-demand e-learning courses on virtual work, and other business and leadership skills such as communication, collaboration, teamwork, and managing change.

In 2020, we took the first steps to collect and report on self-identified employee diversity data, something that we intend to build upon going forward to better understand current make up and monitor future trends.

Based on our tracking system, approximately 38% of our global workforce are women, compared to 40% in 2019.

Recruiting and Managing a Global, Diverse & Skilled Workforce

As our business depends on a global, skilled workforce, the ability to attract and retain employees with expertise in the CRE software, data analytics and professional services industry is one of our material risks. The initiatives outlined below set out some of our programs and tools to progress our strategic goal of being a top employer relative to our peers.

- Employee Satisfaction & Engagement: global employee engagement survey (82% participation rate, 75% responded favourably when asked about their engagement, 85% "proud to work for Altus Group"); townhalls, employee affinity groups, focus groups on special projects, social events etc.; annual performance assessment meetings
- Talent Attraction, Retention & Development: Management Development Program; Employee Onboarding Policy; technical, leadership & personal training; formal university recruitment program in Canada, the U.S. and the U.K. being expanded; talent development and skills training covering topics such as diversity and inclusion, working remotely, and business ethics and anti-corruption; competitive compensation, total rewards & benefits
- Health, Wellness & Safety: Health and Safety Policy; Joint Health & Safety committees or representatives in major offices; Appointment of Health & Safety Specialists in process; focus on mental health; Employee Assistance and LifeWorks programs; flexible hours programs
- Human Rights and Fair Business Practices: reasonable accommodation and accessibility procedures; Workplace Anti-Violence, Unlawful Discrimination Harassment and Bullying Policy; Accessibility Standards Policy; Code of Business Conduct and Ethics prohibits unethical or illegal business practices; taking unfair advantage through illegal conduct, manipulation, concealment, abuse of proprietary information, misrepresentation of material facts, or any other intentional unfair-dealing practice is prohibited; anti-competitive behavior under anti-trust laws is prohibited

Our COVID-19 Pandemic Response

When the COVID-19 pandemic struck, we promptly assembled a global cross-functional COVID-19 response taskforce to guide our global organization and activated our Business Continuity Plan. The Company also implemented a COVID-19 Pandemic Safety Plan that established both new and temporary protocols to ensure the continued health and safety of our employees. We also rolled out a Remote Work Policy enabling employees to work remotely wherever possible and clarified expectations from work from home arrangements. Our actions implemented recommendations and followed health and safety orders and guidelines from the international health organizations and national and local government and public health institutions.

Our transition to remote work arrangements was successful and allowed us to maintain excellent productivity in serving our clients. This was underpinned by our highly committed workforce and our past investments in modern, cloud-based technology to support our operations.

Stakeholder Relations

In 2020, the Company took positive steps to formalize many of our engagement processes with our employees, our clients and with our shareholders. We held our first Net Promoter Score (NPS) survey for the Altus Analytics business, with a commitment to semi-annual formal NPS surveys across Altus Group from 2021 onwards.

In 2020, we conducted our first global employee engagement survey to help us better understand employee sentiment and the evolving needs of our team members. For this purpose we retained an industry-leading external consultant with an employee feedback tool. We had very positive results and are committed to addressing areas for improvement in 2021 in order to ensure Altus Group continues to be an employer of choice.

We have ongoing engagement with shareholders and the broader investment community through our dedicated and accessible Investor Relations department, which has been recognized by the prestigious IR Magazine awards for excellence in investor relations.

Corporate Philanthropy

In 2020, a year which saw unprecedented need across many communities and organizations, we stepped up our efforts in increasing our charitable donations and community outreach, contributing to approximately 50 organizations globally that captured causes most important to our employees and customers. As we look ahead, we will continue to define what giving looks like at Altus Group by building upon our philanthropic goals and further expanding our donation and volunteering efforts.

Looking Forward

COVID-19 challenged accepted norms about the workplace and provided the opportunity to test the pros and cons of working remotely and our technological capabilities. We are monitoring trends in hybrid models of remote work post-pandemic. The pros include reduced stress on the environment and lowered overhead costs. We must also consider the impact on our corporate culture, our competitiveness in the job market, and how remote work for some would affect those members of our workforce who cannot work remotely because of the nature of their jobs.

Governance over Intellectual Property and Information Security, including CyberSecurity

The CGNC is responsible for oversight of those governance issues relating to intellectual property and information security, including cybersecurity.

Cybersecurity

A key priority is the protection of sensitive company and clients' data against cybersecurity risks when stored, transmitted, and processed by Altus Group software solutions, systems, and advisory and expert services.

We have implemented an information security management system ("ISMS") based on the ISO/IEC 27001:2013 international standard as an industry best-practice for policies, processes, and technical controls. Major components of our cyber and information security program include:

- management approved policies and standards
- management oversight of key risk indicators ("KRIs") and metrics
- independent external security assurance of strategy and key platforms
- operational controls and processes aligned with best practices
- company-wide Cybersecurity and Privacy awareness training
- third-party and supply chain security due diligence
- Cybersecurity strategy and leadership

We continuously work to reduce the risk of cyber breach by applying the principles of defense in depth and least privilege, and by adjusting and extending our cyber and information security program to address the evolving threat landscape, technology advancements and regulatory changes.

Privacy

We are committed to preserving and safeguarding our employees' and clients' right to privacy. Our Privacy Policy explains how we collect, use, disclose and otherwise manage personal information in the course of our commercial activities and may be found at: www.altusgroup.com.

We do not sell or otherwise disclose the personal information we hold to third parties, except for the limited, legitimate circumstances described in the Privacy Policy, and then subject to a non-disclosure agreement with that third party. Personal information is maintained in secure data storage to safeguard it from unauthorized access, use or disclosure.

We comply with all applicable data privacy laws, including the European Union's *General Data Protection Regulation* ("GDPR"), the *Personal Information Protection and Electronic Documents Act* (Canada), the *California Consumer Protection Act*, and similar laws in the jurisdictions where we operate.

Intellectual Property

Protecting our intellectual property and defending against claims of intellectual property rights by third parties is also a key priority in risk governance.

The Company has dedicated IP in-house lawyers who work closely with external counsel when required to manage the protection of our trade names and trademarks and other intellectual property, and to litigate disputes with third parties when necessary.

5. RISK FACTORS

The risks and uncertainties that could significantly affect our business, financial condition and future results of operations are summarized below.

General State of the Economy

The businesses we operate are affected by general economic conditions, including international, national, regional and local economic conditions, all of which are outside of our control. Economic slowdowns or downturns, adverse economic conditions, cyclical trends, increases in interest rates, variations in currency exchange rates, reduced client spending and other factors could have a material adverse effect on our business, financial condition and results of operations. Although our operations are functionally and geographically diversified with a high degree of revenue stability protected from CRE market cyclicality, significant erosion in levels of activity in any segment in which we operate could have a negative impact on our business, financial condition and results of operations.

COVID-19 Pandemic

In March 2020, the World Health Organization declared COVID-19 a global pandemic. The continued spread of this contagious disease outbreak and related public health developments including government recommendations and measures to limit the spread have adversely affected workforces, economies, and financial markets globally, leading to an economic downturn and to legislative and regulatory changes that have impacted our business and operations. To date, the COVID-19 pandemic has mostly only impacted the Company's Altus Analytics software consulting and training services and to a lesser extent has impacted software sales to the small-to-medium business segment and prolonged sales cycles. It has also introduced additional credit risk in our Property Tax business. While these measures and effects are expected to be temporary, the duration, extent and severity of the impact of the COVID-19 pandemic and its potential adverse effects on our business or results of operations continue to be uncertain and will depend on future developments. Judgments made in our financial statements and in this AIF reflect our best estimates at this time, taking into consideration the most significant judgments that may be directly impacted by COVID-19. There can be no assurance that they will continue to be valid. As of the date of this AIF, many of our offices and clients remain subject to limitations and restrictions set to reduce the spread of COVID-19, and a significant portion of our employees continue to work remotely.

Currency

Our reporting currency is the Canadian dollar.

We have operations primarily in Canada, the U.S., the U.K., Australia, and in various countries throughout Europe and Asia. Our exposure to foreign currency risk is primarily in the following areas:

- Profit (loss) generated by operations in foreign countries, which are translated into Canadian dollars using the average exchange rate;
- Net assets of foreign subsidiaries, which are translated into Canadian dollars using the period end exchange rate with any gains or losses recorded under accumulated other comprehensive income (loss) within shareholders' equity; and
- Non-Canadian dollar denominated monetary assets and liabilities, which are translated into Canadian dollars using the period end exchange rate with any gains or losses recorded through profit (loss).

The exchange rate between the Canadian dollar and the U.S. dollar ranged from \$1.3016 at December 31, 2019 to \$1.2741 at December 31, 2020. The exchange rate between the Canadian dollar and the British pound ranged from \$1.7161 at December 31, 2019 to \$1.7390 at December 31, 2020. The exchange rate between the Canadian dollar and the Australian dollar ranged from \$0.9128 at December 31, 2019 to \$0.9820 at December 31, 2020.

Financial Performance

Our ability to achieve revenue growth and sustain profitability in future periods depends on our ability to execute our strategic plan and effectively manage our growth. A failure to do so could have a material adverse effect on our business, financial condition and results of operations. Also, our revenue, cash flow, operating results and profitability may experience fluctuations from quarter to quarter, based on project and contractual terms and conditions for the billing and rendering of services.

Financial Targets

Our long range financial targets are predicated on certain assumptions, including revenue growth and operating margin improvement expectations, that we may fail to achieve, which could reduce our expected

earnings and cause us to fail to meet the expectations of analysts and investors and cause the price of our securities to decline.

CRE Market

Although we are broadly diversified, geographically and by business offering with a high degree of revenue stability protected from CRE market cyclicality, the businesses we operate are affected by the state of CRE as an investment asset class. Prolonged economic slowdowns triggered by credit liquidity, interest rates, regulatory policy, tax policy, etc., could negatively impact the market and result in fewer CRE consulting service engagements and software sales. This could have a material adverse effect on our business, financial condition, liquidity and results of operations.

Industry Competition

We face competition from other service, software and data analytics providers. Competition for our professional services includes a broad mix of competitors, ranging from smaller, locally-based professional service firms to national, multi-regional professional service providers and to large engineering, accounting and law firms. Software providers also compete with us in real estate asset management, valuation, budgeting, forecasting, reporting and lease management solutions. There are also new companies entering the market with competitive data analytics solutions. These competitive forces could result in a material adverse effect on our business, financial condition and results of operations by reducing our relative share in the markets we serve.

Acquisitions

We intend to make acquisitions as part of our strategy to grow our business. Acquisitions may increase the size of our operations, as well as increase the amount of indebtedness that we may have to service. The successful integration and management of acquired businesses involve numerous risks and there is no assurance that we will be able to successfully integrate our acquisitions. Such failure could adversely affect our business, financial condition and results of operations.

Cloud Subscriptions Transition

We are transitioning our Altus Analytics business to a higher mix of Over Time revenues (as defined in the most recent Management's Discussion & Analysis) by moving our on-premise customers to the cloud and offering all of our software solutions on over time subscription contracts, compared to our historic reliance on perpetual term contracts for on-premise software. The majority of our subscription contracts to new customers will be recognized ratably over the term of the subscription, while revenue under an on-premise perpetual license contract is generally recognized upon purchase. For customers who still deploy the software on-premise but on a subscription contract, we continue to recognize a high portion of the transaction upfront. This has adversely affected, and may continue to adversely affect, our revenue and earnings in the transition period and contribute to quarterly variability, while making predicting our revenue and earnings more difficult during the transition. Additionally, our ability to move our customers to a cloud environment may take longer than we anticipate, or if customers do not adopt cloud licenses in the timeframe that we expect, our revenues and earnings may not achieve expected levels.

Software Renewals

Although our software solutions are designed to increase the number of customers that purchase our solutions as subscriptions and create a recurring revenue stream that increases and is more predictable over time, our customers are not required to renew their subscriptions for our solutions and they may elect not to renew when or as we expect. Customer renewal rates may decline or fluctuate due to a number of factors, including offering pricing, competitive offerings, customer satisfaction, and reductions in customer

spending levels or customer activity due to economic downturns, the adverse impact of import tariffs, or other market uncertainty. If our customers do not renew their subscriptions when or as we expect, or if they renew on less favorable terms than expected, our revenues and earnings may be adversely impacted.

Professional Talent

Our success and ability to grow are dependent on the expertise, experience and efforts of our professionals, and our ability to attract and retain qualified professionals. Competition for employees with the qualifications we desire, particularly with CRE and CRE technology and information solutions experience, is intense and puts upward pressure on compensation costs. We expect that competition for qualified professionals will continue to increase, thereby causing compensation costs to escalate. Should we be unable to attract and retain professionals that meet the desired level of skills and ability, our business may be jeopardized.

Third Party Information

The quality of our databases supporting certain of our products and service engagements depends substantially on information provided by a number of sources, including CRE brokers, agents and property owners, trade associations, tax assessors, deed recorders, municipal planners, corporate web sites, the business and trade press, and selected third party vendors of business information. If we are unable to collect information from a significant number of these sources this could negatively affect certain of our products and may potentially result in subscriber cancellations and/or failure to acquire new subscribers.

Enterprise Transactions

The ability to meet revenue targets for our Altus Analytics business is becoming more dependent on large enterprise transactions which have longer and less predictable sales cycles. The presence or absence of one or more of these transactions may have a material positive or negative effect on anticipated revenue in any given period.

New Product Introductions

As new products are developed and introduced to the marketplace, client adoption may not achieve anticipated levels. As a result, revenue expectations may not be achieved. If cash flows from new products do not reach sufficient levels, asset impairments may need to be taken on any capitalized costs related to the development of the products.

Technological Change

Our ability to generate future revenues from software is dependent upon meeting the changing needs of the CRE market and evolving industry standards through new product introductions and product enhancements that respond to the technological change of our clients and the CRE industry. In order to maintain or enhance product market share over the long-term, it is imperative to anticipate and develop products that meet client and industry needs. In the short to medium term, the ability to complete product developments on a timely basis is important to achieving our revenue and cost targets.

Intellectual Property

We rely on protecting our intellectual property rights including copyrights, trademarks, trade secrets, databases and methodologies, which have been important factors in maintaining our competitive position. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to obtain and use information that we regard as proprietary. There can be no assurance that we will be successful in protecting our proprietary rights and, if we are not, our business, financial condition, liquidity and results of operations could be materially adversely affected. Additionally, we may be subject to claims by third

parties regarding technology infringement. Responding to such claims could result in substantial expense and may result in damages or injunctive relief. We may also be required to indemnify customers pursuant to our indemnification obligations, enter into licensing agreements on unfavourable terms or redesign or stop selling affected products, which could materially disrupt the conduct of our business.

Technology Strategy

Our business relies on the use of information technology systems to deliver expert services, data and software solutions to our clients. If we are unable to effectively implement our information technology strategies or adopt new technologies and technology-enabled processes relevant to our offerings in a timely or cost-effective manner, or if our employees fail to adopt in an effective and timely manner new technologies or technology-enabled processes, then our ability to deliver services and solutions that meet client needs or our ability to remain competitive in the market may be materially impaired.

Information Technology Governance and Security

In the ordinary course of our business, we collect, store, process and/or transmit sensitive data belonging to clients, partners, vendors, employees and contractors as well as our own proprietary business information and intellectual property. The secure processing, maintenance and transmission of this information is critical to our workflow operations and the delivery of products and services to our clients. Despite the robust security measures we've implemented, our data, systems and infrastructure may be vulnerable to cyber-attacks or breached due to employee error, malfeasance or other disruptions. These security breaches could materially compromise our information, disrupt our business operations or cause us to breach our client obligations thereby exposing us to liability, reputational harm and/or significant remediation costs. The theft, loss, corruption, exposure, fraudulent use or misuse of client information, whether by third parties or as a result of employee malfeasance, could result in significant remediation and other costs, fines, litigation or regulatory actions against us, as well as cause reputational harm, negatively impact our competitive position and affect our financial results. We are increasingly relying on third-party data storage providers, including cloud storage solution providers, resulting in less direct control over our data and system processing. Such third parties may also be vulnerable to security breaches for which we may not be indemnified and which could cause materially adverse harm to our reputation and competitive position and affect our financial results.

Product Pipeline

Our forecast is built on a pipeline of client opportunities at varying stages within the sales process. Our ability to achieve the forecast is dependent on completion of the sales cycle and client acceptance of mutually agreeable terms. Certain factors are beyond our control, including our clients' evaluation of our offerings, budgetary constraints, timing of their approval processes, etc. Our pipeline of opportunities may not close on terms and/or timing in line with our forecast. This may have a material positive or negative effect on our anticipated revenues in any given period.

Property Tax Appeals

Our Property Tax practice is significantly influenced by property tax assessment regulators and their appeal settlement processes. The timing and volume of appeals processed and whether the outcomes are favourable may cause fluctuations on a quarterly and annual basis, in addition to spillover effects outside any particular valuation cycle. This may have a material positive or negative effect on our anticipated revenues in any given period.

Legislative and Regulatory Changes

Changes to any of the laws, rules, regulations or policies affecting our business would have an impact on our business. Certain elements of our business are influenced by the regulatory environment of our clients, such as the requirement for pension fund managers to obtain property valuations on an annual basis. In addition, elements of our business, such as our Property Tax practice area, are significantly influenced by the regulatory regime and any changes thereto. Any change to laws, rules, regulations or policies may significantly and adversely affect our operations and financial performance.

Fixed-Price and Contingency Engagements

A portion of our revenues comes from fixed-price engagements. A fixed-price engagement requires us to either perform all or a specified part of work under the engagement for a specified lump sum payment. Fixed-price engagements expose us to a number of risks not inherent in cost-plus engagements, including underestimation of costs, ambiguities in specifications, unforeseen or changed costs or difficulties, problems with new technologies, delays beyond our control, failures of subcontractors to perform and economic or other changes that may occur during the term of engagement. Increasing reliance on fixed-price engagements and/or increases in the size of such engagements would increase the exposure to this risk. Economic loss under fixed-price engagements could have a material adverse effect on our business.

We are also engaged to provide services on a contingency basis at our Property Tax business, meaning that we receive our fees only if certain results are achieved. We may experience adverse financial effects from having devoted professional and other resources to a project, which, due to a failure to meet the contingency goals, are not recouped through fees.

Appraisal and Appraisal Management Mandates

Some clients rotate their appraisal mandates to different service providers. As a result, we may be rotated out of an appraisal engagement.

Canadian Multi-Unit Residential Market

A significant part of our Canadian Cost practice's annual revenues are derived from the rental apartment and condominium sectors of the multi-unit residential development market. Any significant decline in the multi-unit residential development market could have a material adverse effect on our Cost practice's operating results.

Customer Concentration and Loss of Material Clients

Although we are not dependent on one or a small number of clients, certain of our business segments have significant clients. The loss of any significant client that contributes a substantial portion to that business segments' revenues could have a negative impact on our revenues and could impact our ability to attract and retain other clients.

Interest Rates

We are exposed to fluctuations in interest rates under our borrowings. Increases in interest rates may have an adverse effect on our earnings.

Credit

We may be materially and adversely affected if the collectability of our trade receivables is impaired for any reason. In certain parts of our business, it is often common business practice to pay invoices over an extended period of time and/or at the completion of the project or upon receipt of funds. In addition, the

COVID-19 pandemic has introduced additional credit risk. This practice increases the risk and likelihood of future bad debts.

Income Tax Matters

In the ordinary course of business, we may be subject to audits by tax authorities. While management anticipates that our tax filing positions will be appropriate and supportable, it is possible that tax matters, including the calculation and determination of revenue, expenditures, deductions, credits and other tax attributes, taxable income and taxes payable, may be reviewed and challenged by the authorities. If such challenge were to succeed, it could have a material adverse effect on our tax position. Further, the interpretation of and changes in tax laws, whether by legislative or judicial action or decision, and the administrative policies and assessing practices of tax authorities, could materially adversely affect our tax position.

Health and Safety Hazards

Our employees are sometimes required to attend client worksites, including construction worksites in the case of our Cost practice. The activities at these worksites may involve certain operating hazards that can result in personal injury and loss of life. We have implemented health and safety policies and procedures as well as provide the required employee health and safety training programs. Despite these programs, there can be no assurance that our insurance will be sufficient or effective under all circumstances or against all claims or hazards to which we may be subject or that we will be able to continue to obtain adequate insurance protection. A successful claim for damage resulting from a hazard for which it is not fully insured could adversely affect our results of operations.

Contractual Obligations

Our success depends largely on our ability to fulfill our contractual obligations and ensure client satisfaction. If we fail to properly define the scope of our work, communicate the boundaries or use of the advice and reports we provide, define the limits of our liability, satisfactorily perform our obligations, or make professional errors in the advice or services that we provide, clients could terminate projects, refuse payment for our services or take legal action for the loss or harm they suffer, thereby exposing us to legal liability, loss of professional reputation, enhanced risk of loss and/or reduced profits.

Legal Proceedings

We are threatened from time to time with, or are named as a defendant in, or may become subject to various legal proceedings in the ordinary course of conducting our business, including lawsuits based upon professional errors and omissions. A significant judgment against us, or the imposition of a significant fine or penalty as a result of a finding that we have failed to comply with laws, regulations, contractual obligations or other arrangements or professional standards, could have a significant adverse impact on our financial performance. Should any indemnities made in our favor in respect of certain assignments fail to be respected or enforced, we may suffer material adverse financial consequences.

Insurance Limits

Management believes that our professional errors and omissions insurance coverage and directors' and officers' liability insurance coverage address all material insurable risks, provide coverage that is similar to that which would be maintained by a prudent operator of a similar business and are subject to deductibles, limits and exclusions, which are customary or reasonable given the cost of procuring insurance and current operating conditions. However, there can be no assurance that such insurance will continue to be offered on an economically affordable basis, that all events that could give rise to a loss or liability are insurable or

that the amounts of insurance will at all times be sufficient to cover each and every loss or claim that may occur involving our assets or operations.

Dividend Payments

Our ability to pay dividends is dependent on our operations and assets, and is subject to various factors including our financial performance, our obligations under applicable Credit Facilities, fluctuations in our working capital, the sustainability of our margins and our capital expenditure requirements.

Leverage and Financial Covenants

Our ability to pay dividends or make other payments or advances is subject to applicable laws and contractual restrictions contained in the instruments governing any indebtedness owed by us or our subsidiaries (including our Credit Facilities). The degree to which we are leveraged could have important consequences to our shareholders. For example, our ability to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; a significant portion of our cash flow from operations may be dedicated to the payment of principal and interest on our indebtedness, thereby reducing funds available for future operations; certain of our borrowings will be subject to variable rates of interests, which exposes us to the risk of increased interest rates; and we may be more vulnerable to economic downturns and be limited in our ability to withstand competitive pressures.

The Credit Facilities contain numerous financial covenants that limit the discretion of our management with respect to certain business matters. These covenants place significant restrictions on, among other things, our ability to create liens or other encumbrances, to pay dividends or make certain other payments, investments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the Credit Facilities contain a number of financial covenants that require us to meet certain financial ratios and financial condition tests. Failure to comply with the obligations provided in the Credit Facilities could result in a default which, if not cured or waived, could result in the termination of dividends paid by us and accelerate the repayment of the relevant indebtedness. If repayments of indebtedness under the Credit Facilities were to be accelerated, there can be no assurance that our assets would be sufficient to repay the relevant indebtedness in full. There can be no assurance that future borrowings or equity financing will be available to us or available on acceptable terms, in an amount sufficient to fund our needs. If we are unable to obtain financing on the expiration of the Credit Facilities or are unable to obtain financing on favourable terms, our ability to pay dividends may be adversely affected.

Share Price

Our common shares do not necessarily trade at prices determined by reference to the underlying value of our business and cannot be predicted. The market price of the common shares may be subject to significant fluctuations in response to variations in quarterly operating results and other factors. In addition, securities markets have experienced significant price and volume fluctuations from time to time in recent years that are often unrelated or disproportionately related to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of our common shares.

Capital Investment

The timing and amount of capital expenditures made by us or any of our subsidiaries indirectly affects the amount of cash available for investments, debt payments or dividend payments. Dividends may be reduced, or even eliminated, at times when we deem it necessary to make significant capital or other expenditures.

Issuance of Additional Common Shares

We are authorized to issue an unlimited number of common shares for such consideration and on such terms and conditions as may be determined by the Board of Directors without shareholder approval, except as required by the TSX. An issuance such as this may dilute the interests of current shareholders.

6. DIVIDENDS

The following table sets out the dividends on the Common Shares declared by the Company during 2018, 2019 and 2020.

Record Date	Total Dividends per Common Share		
	2020	2019	2018
March 31	\$0.15	\$0.15	\$0.15
June 30	\$0.15	\$0.15	\$0.15
September 30	\$0.15	\$0.15	\$0.15
December 31	\$0.15	\$0.15	\$0.15
Total	\$0.60	\$0.60	\$0.60

Altus Group pays a quarterly dividend to Shareholders as determined by the Board from time to time. Altus Group's dividend is subject to the discretion of the Board and may vary depending on, among other things, Altus Group's earnings, financial requirements, the satisfaction of certain customary covenants contained in the Credit Facilities documents, and/or the satisfaction of solvency tests imposed by the OBCA for the declaration of dividends.

Shareholders who are non-residents of Canada will be paid their dividends net of withholding taxes. Non-residents should consult their own tax advisors regarding the tax consequences of investing in Altus Group's Common Shares.

7. CAPITAL STRUCTURE OF ALTUS GROUP

The authorized capital of Altus Group consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares issuable in series. As at December 31, 2020, Altus Group had 40,824,701 Common Shares and no Preferred Shares issued and outstanding. The following is a summary of the rights, privileges, restrictions and conditions attaching to the Common Shares and Preferred Shares.

Common Shares

Holders of Common Shares are entitled to one vote per share at meetings of Shareholders of Altus Group, to receive dividends if as and when declared by the Board and to receive a pro-rata share of the remaining property and assets of Altus Group upon its dissolution or wind-up, subject to the rights of shares having priority over the Common Shares.

Preferred Shares

Our Preferred Shares may be issued in one or more series with each series to consist of such number of shares and to have such rights, privileges, restrictions and conditions as determined by the Board before the issuance thereof. Holders of Preferred Shares, except as required by law, are not entitled to vote at

meetings of Shareholders of Altus Group. The Preferred Shares rank ahead of the Common Shares and any other shares ranking junior to the Preferred Shares with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or wind-up of Altus Group, whether voluntary or involuntary, and may also be given such other preferences over the Common Shares and any other shares ranking junior to the Preferred Shares as may be determined at the time of creation of any series of Preferred Shares.

Information and Reports

We will furnish to Shareholders, in accordance with applicable securities laws, all our consolidated financial statements (including quarterly and annual financial statements) and other reports as required by applicable law, including prescribed forms needed for the completion of tax returns under the Tax Act and equivalent provincial legislation.

The directors and senior officers of the Company and of our subsidiaries are required to file insider reports and comply with insider trading provisions under applicable Canadian securities legislation in respect of trades made by such persons in the Company's securities.

8. MARKET FOR SECURITIES

The Common Shares of Altus Group are listed for trading on the TSX under the symbol AIF. The following table sets out the price range and volume traded of the Common Shares on the TSX for each month during 2020.

Month End	High (\$)	Low (\$)	Volume Traded
January 2020	44.32	37.95	2,220,900
February 2020	48.77	43.35	2,509,500
March 2020	46.70	33.41	3,766,900
April 2020	44.97	34.05	2,793,700
May 2020	43.32	38.07	2,569,600
June 2020	44.15	40.44	1,608,800
July 2020	42.86	40.07	1,488,300
August 2020	53.92	41.50	3,202,800
September 2020	56.80	49.00	4,691,500
October 2020	57.04	53.86	2,055,900
November 2020	61.11	47.10	2,994,200
December 2020	51.38	47.97	2,427,800

9. ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	532,026	1.3%

Common Shares are held in escrow as a result of the following:

1. Typically, as a condition of the acquisition agreements we enter into, a portion of the equity consideration (Common Shares) paid to vendors is subject to certain escrow conditions for a specified period of time following closing of each acquisition transaction. These tend to be periods of three to five years, following which, assuming all conditions have been met or satisfied, the Common Shares are released to the vendor(s).
2. In 2013, Altus Group established a Restricted Share Plan in Canada as part of our annual short-term incentive award program for senior management. Under this Plan, a portion of an employee's annual incentive award is deferred in the form of restricted shares which vest in the year of the award but are held in escrow and released to the employee on the third anniversary of the award grant date.
3. In March 2017, prior to the approval of the Long-Term Incentive Plan and as part of the Equity Compensation Plan, Common Shares were issued to certain senior employees in escrow and will not be available until four years following the date of grant. At that time, these Common Shares will be released, provided, subject to certain exceptions such as retirement, disability or death, the individual is employed with the Company at the time of release. If the employee resigns from the Company or is terminated for cause, the Common Shares will be forfeited.
4. In 2019, as part of both the Equity Compensation Plan and the Long-Term Incentive Plan, and in 2020 as part of the Long-Term Incentive Plan, Common Shares were issued to certain senior employees in escrow and will not be available until three years following the date of grant. At that time, these Common Shares will be released, provided, subject to certain exceptions such as retirement, disability or death, the individual is employed with the Company at the time of release. If the employee resigns from the Company or is terminated for cause, the Common Shares will be forfeited.
5. From time to time, we offer employees a signing bonus in the form of restricted Common Shares that are held in escrow and typically released to the employee in three years.

10. DIRECTORS AND OFFICERS

The following table sets out the directors and officers of Altus Group during 2020, their province and country of residence, the positions held by such directors and officers within Altus Group and the period during which they have exercised such mandate, and each of their principal and past occupations or employment during the past five years. The term of office for each of the directors of Altus Group expires at the time of the next annual meeting of Shareholders. Additional information regarding the directors of Altus Group can be found in the Company's most recent Management Information Circular, which is available on SEDAR at www.sedar.com.

Directors

Name, Province and Country of Residence	Director Since	Principal and Previous Occupations
Angela L. Brown ⁽¹⁾⁽²⁾ Florida, United States	June 2016	President and Chief Executive Officer of Moneris Solutions Corporation (a provider of payment processing solutions).
Robert G. Courteau ⁽⁴⁾ Ontario, Canada	September 2012	Chief Executive Officer of Altus Group.
Colin Dyer ⁽¹⁾⁽²⁾ Washington DC, United States	May 2019	Member of the Supervisory Board of Unibail-Rodamco-Westfield (a commercial real estate company). Global Chief Executive Officer of Jones Lang LaSalle Incorporated.
Anthony Gaffney ⁽¹⁾⁽³⁾ Ontario, Canada	June 2012	Corporate Director. Managing Partner, Board and CEO Services at Odgers Berndtson. Chief Executive Officer of Aon Hewitt Canada.
Michael Gordon ⁽⁵⁾ Massachusetts, United States	September 2020	Chief Executive Officer of Altus Group. Chief Executive Officer of Callcredit Information Group.
Anthony Long ⁽¹⁾⁽³⁾ Texas, United States	May 2019	Co-Founder and Co-Managing Partner of CLX Ventures, LLC (a real estate and private equity investment firm). Global President of Client Care and Global President of Asset Services, CBRE Group, Inc.
Diane MacDiarmid ⁽²⁾⁽³⁾ Ontario, Canada	June 2012	Chief Talent Officer of QuadReal Property Group (a global real estate company). Senior Client Partner of Korn/Ferry International.
Raymond C. Mikulich ⁽²⁾⁽³⁾ New York, United States	December 2013	Corporate Director. Managing Partner of Ridgeline Capital Group, LLC (a real estate investment and consulting company).
Janet P. Woodruff ⁽¹⁾⁽³⁾ British Columbia, Canada	May 2015	Corporate Director.

Officers (who are not directors of Altus Group)

Angelo Bartolini**Chief Financial Officer.**

Ontario, Canada

Liana L. Turrin**General Counsel & Corporate Secretary.**Ontario, Canada

⁽¹⁾ Member of the Audit Committee.

⁽²⁾ Member of the Corporate Governance and Nominating Committee.

⁽³⁾ Member of the Human Resources and Compensation Committee.

⁽⁴⁾ Mr. Courteau retired as Chief Executive Officer of Altus Group and from the Board as of September 30, 2020.

⁽⁵⁾ Mr. Gordon was appointed to the Board on September 30, 2020.

Shareholdings of Directors and Officers

As of December 31, 2020, our directors and officers listed above, as a group, beneficially owned or controlled or directed, directly or indirectly 50,303 Common Shares, representing approximately 0.12% of the aggregate number of voting securities of the Company issued and outstanding. The foregoing information as to the shares beneficially owned, controlled or directed, directly or indirectly by the directors and officers of Altus Group which has been provided by each of the directors and officers is not within the direct knowledge of the Company.

11. AUDIT COMMITTEE**Audit Committee Charter**

Our Board has approved a written charter for the Audit Committee which sets out its purpose, authority, function, membership, qualifications and responsibilities, the text of which is set out in Schedule "A" to this AIF. Our Company's Audit Committee Charter may also be viewed on Altus Group's website at <https://www.altusgroup.com/wp-content/uploads/2020/03/Audit-Committee-Charter-2019-August-8-2019.pdf>.

Composition of the Audit Committee

The Audit Committee was composed of the following independent directors from January 1, 2020 to May 6, 2020: Janet P. Woodruff (Chair), Angela L. Brown and Colin Dyer. Following May 6, 2020, the Audit Committee was composed of the following independent directors: Janet P. Woodruff (Chair), Angela L. Brown, Colin Dyer, Anthony Gaffney and Anthony Long. Audit Committee members are appointed by the Board on an annual basis with a view to ensuring that the committee maintains an appropriate level of experience and financial literacy.

Our Board, upon the recommendation of the Corporate Governance and Nominating Committee, has determined that all members of the Company's Audit Committee are independent and financially literate

within the meaning of applicable securities laws and have the following general business experience and education that is relevant to the performance of their responsibilities as Audit Committee members.

Name	Education and Experience
Janet P. Woodruff (Chair)	<p>Ms. Woodruff is a corporate director who serves on the boards of Ballard Power Systems Inc., Capstone Infrastructure, FortisBC, and Keyera Corporation. Ms. Woodruff has over 30 years of experience in the energy, transportation and health sectors. As a consultant, she was acting Chief Executive Officer and interim Chief Financial Officer of Transportation Investment Corporation. Previously, she was Vice President and Special Advisor at B.C. Hydro and held senior executive roles at B.C. Transmission Corporation, Vancouver Coastal Health and Westcoast Energy. Ms. Woodruff is a graduate of the Institute of Corporate Directors, Directors' Education Program and is a Fellow Chartered Professional Accountant of British Columbia. She holds a Bachelor of Science from the University of Western Ontario in London, Ontario and a Master in Business Administration from York University in Toronto.</p>
Angela L. Brown	<p>Ms. Brown is the President and Chief Executive Officer of Moneris Solutions Corporation. Ms. Brown served as Group Executive, Enterprise Development, Merchants & Acceptance, for MasterCard Worldwide. Previously, Ms. Brown spent 13 years at the Canadian Imperial Bank of Commerce within the payments business. Ms. Brown holds a Bachelor of Arts from the University of Toronto and a Master of Business Administration from the Schulich School of Business. She is also a graduate of the Institute of Corporate Directors, Directors' Education Program, the NACD Director Professionalism Course, the Rotman School of Management's Financial Literacy Program and holds a CERT Certificate in Cybersecurity Oversight from the Software Engineering Institute/Carnegie Mellon University.</p>
Colin Dyer	<p>Mr. Dyer is a member of the Supervisory Board of Unibail-Rodamco-Westfield, a role he has held since 2017. He was previously global Chief Executive Officer of Jones Lang LaSalle Incorporated from 2004 to 2016, when he retired. From 2000 to 2004, Mr. Dyer served as Chief Executive Officer of WorldWide Retail Exchange in the USA and from 1996 to 2000, he served as Chief Executive Officer of Courtaulds Textiles Limited (UK). He has also been a member of the board of directors of Jones Lang LaSalle from 2004 to 2017 and of Northern Foods Limited (UK) from 1997 to 2005. Mr. Dyer holds a Bachelor of Science (Mechanical Engineering) from Imperial College in London, England and a Master of Business Administration from INSEAD in Fontainebleau, France.</p>

Name	Education and Experience
Anthony Gaffney ⁽¹⁾	<p>Mr. Gaffney is a corporate director with extensive chief executive officer experience. Most recently he was Managing Partner, Board and CEO Services at Odgers Berndtson, a global executive search firm. Prior to this he was Chief Executive Officer of Aon Hewitt Canada, a human capital and management consulting company. Previously, Mr. Gaffney was Managing Partner, Toronto, of Accenture Inc. He has served as President and Chief Executive Officer of BCE Emergis, a publicly-traded company, and Bell Nexxia. Mr. Gaffney has also held international leadership positions with MCI Telecommunications, SHL Systemhouse Inc. and Andersen Consulting. Mr. Gaffney served on the board of directors of Loblaw's President's Choice Bank from 2013 to 2018. He holds a Bachelor of Engineering (B.A.I) degree and M.A. from Trinity College Dublin, Ireland. Mr. Gaffney is a graduate of the Rotman Corporate Directors program (ICD.D).</p>
Anthony Long ⁽²⁾	<p>Mr. Long is a Co-Founder and Co-Managing Partner of CLX Ventures, LLC, a real estate and private equity investment firm. CLX Ventures has completed in excess of \$250 million in development and investment transactions in its first 2 years. Prior to founding CLX Ventures, he had a combined 31 plus years of commercial real estate experience with CBRE Group, Inc., a Fortune 500 Company, and with Trammell Crow Company, a leading US real estate development company and subsidiary of CBRE. At CBRE, he served as Global President of Client Care overseeing the company's top 500 Enterprise clients. Immediately prior to that role, he served as the Global President of Asset Services. At Trammell Crow, Mr. Long served in many leadership roles including leading the Dallas Office and the President of the Central US Region of the company. Mr. Long is a member of the board of directors of GigaMonster, a U.S. based internet services provider. He has served on the boards of several not-for-profit companies and continues to do so. Mr. Long holds a Bachelor of Business Administration (Data Processing and Analysis) from the University of Texas at Austin and a Master of Business Administration from Harvard University.</p>

⁽¹⁾ Mr. Gaffney was appointed to the Audit Committee on May 6, 2020.

⁽²⁾ Mr. Long was appointed to the Audit Committee on May 6, 2020.

External Auditor's Services

The aggregate amounts paid or accrued by Altus Group with respect to fees payable to the auditor, Ernst & Young LLP, of Altus Group for professional services for the years ended December 31, 2020 and 2019 were as follows:

Type of Service	Year Ended December 31, 2020	Year Ended December 31, 2019
Audit ⁽¹⁾	\$ 1,258,047	\$ 1,263,343
Audit-related ⁽²⁾	99,500	80,000
Tax ⁽³⁾	166,124	155,498
Total	\$ 1,523,671	\$ 1,498,841

⁽¹⁾ For professional services rendered by Ernst & Young LLP for the audit and quarterly reviews of the Company's consolidated financial statements and fees associated with statutory audits of certain of our subsidiaries in foreign jurisdictions.

⁽²⁾ For professional services rendered by Ernst & Young LLP for the review of financial accounting and reporting matters and review of purchase price allocations.

⁽³⁾ For professional services rendered by Ernst & Young LLP for tax compliance, tax advice and tax planning with respect to Canadian, U.S. and certain international jurisdictions; review of tax filings; assistance with the preparation of tax filings; tax advice relating to potential asset and business acquisitions/combinations; and other tax-related transaction services.

Our Audit Committee reviewed and approved the auditor's scope of work and budget for the year. All engagements of the auditor for non-audit and non-compliance tax services must be pre-approved by the Audit Committee. For 2020, there were total fees of \$166,124 with respect to approved non-audit services. These fees were incurred for various tax related services and were included in the tax category in the summary of professional fees payable to our auditor.

12. LEGAL PROCEEDINGS

In the ordinary course of business, we are involved in legal claims and suits made both by and against us. In our opinion, none of the claims or suits currently pending against us is expected to have a material adverse effect on our financial position.

13. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or officer or principal Shareholder of Altus Group, or any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since January 1, 2018 that has materially affected or is reasonably expected to materially affect Altus Group.

14. TRANSFER AGENT AND REGISTRAR

AST Trust Company (Canada) acts as transfer agent and registrar of Altus Group. The register of transfers of each class of securities of Altus Group is located at AST Trust Company (Canada)'s principal transfer office in Toronto.

15. MATERIAL CONTRACTS

Except for those contracts entered into in the ordinary course of business, we have entered into the following material contracts which have been filed by Altus Group with Canadian securities regulators pursuant to Section 12.2 of National Instrument 51-102 - *Continuous Disclosure Obligations* and remain in effect:

- i. the amended and restated credit agreement dated March 24, 2020 among Altus Group Limited, Altus Group U.S. Inc., and Altus Group (UK) Limited, as borrowers, and Bank of Montreal, Toronto-Dominion Bank, National Bank of Canada and HSBC Bank Canada, pursuant to which Altus Group established the Credit Facilities, as further described under “General Development of Altus Group”.

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

16. INTERESTS OF EXPERTS

Ernst & Young LLP, our auditor, has been named as having provided an opinion on the consolidated financial statements for the year ended December 31, 2020 contained in filings pursuant to National Instrument 51-102 - *Continuous Disclosure Obligations*. Ernst & Young LLP has advised that it is independent with respect to the Company in accordance with the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

17. ADDITIONAL INFORMATION

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities and securities authorized for issuance under equity compensation plans, is contained in our Management Information Circular for our most recent annual meeting of Shareholders at which directors were elected. Additional financial information is provided in our consolidated financial statements and management’s discussion and analysis for the year ended December 31, 2020.

Such documentation and additional information relating to Altus Group is available on SEDAR at www.sedar.com, the internet site maintained by the Canadian Securities Administration, and on Altus Group’s corporate website at www.altusgroup.com.

18. GLOSSARY OF TERMS

“**Altus Analytics**” means a core service line of Altus Group that provides data, analytics software and technology-related services.

“**Asia Pacific**” means the Asia Pacific regions that Altus Group operates in, including Australia, China, Hong Kong, Thailand and Vietnam.

“**Board**” means the Board of Directors of Altus Group.

“**CGNC**” means the Corporate Governance and Nominating Committee.

“**Common Shares**” means the common shares in the capital of Altus Group.

“**CRE Consulting**” means Commercial Real Estate Consulting, a core service line of Altus Group, combining Property Tax and Valuation and Cost Advisory services.

“**Credit Facilities**” means the credit facilities with our banking syndicate, as amended from time to time.

“**Geomatics**” means the land survey and land use core service line of Altus Group, which was classified as discontinued operations and contributed into our investment in the GeoVerra Inc. joint venture in 2020.

“**HRCC**” means the Human Resources and Compensation Committee.

“**Preferred Shares**” means the preferred shares in the capital of Altus Group.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval maintained by the Canadian Securities Administrators.

“**Shareholders**” means the holders of Common Shares of Altus Group.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder.

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

“**U.K.**” means the United Kingdom.

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

19. SCHEDULE "A"

ALTUS GROUP LIMITED
(the "Corporation")

AUDIT COMMITTEE CHARTER

PURPOSE

The Audit Committee (the "**Committee**") of the Corporation is appointed by the Board of Directors of the Corporation (the "**Board**") to assist the Board in fulfilling its responsibilities of oversight and supervision of:

- the quality and integrity of the accounting and financial reporting practices and procedures of the Corporation;
- the adequacy of the internal accounting and financial reporting controls and procedures of the Corporation;
- the compliance by the Corporation with legal and regulatory requirements in respect of financial disclosure;
- the quality and integrity of the consolidated financial statements of the Corporation;
- the qualification, independence and performance of the Independent Auditor of the Corporation;
- the assessment, monitoring and management of the financial risks of the Corporation's business ("Risks"); and
- any additional matters delegated to the Audit Committee by the Board.

In addition, the Committee provides an avenue for communication between the Independent Auditor, the Corporation's Chief Financial Officer ("CFO") and other Senior Management, other employees and the Board concerning matters relating to accounting, financial reporting, auditing and Risk management.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities.

Authority

In discharging its obligations, the Committee shall act in accordance with its fiduciary duties. In this regard, nothing in this Charter is intended to, or shall have the effect of, limiting or impairing the independent decision-making authority or responsibility of the Board as mandated by applicable law.

Delegation

The Committee's responsibilities are the sole responsibility of the Committee and may not be delegated by the Board to a different committee without revisions to this Charter. The Committee may delegate work

to one or more of its members, and such members must report to the Committee at its next scheduled meeting or as otherwise mandated.

ROLES & RESPONSIBILITIES

The Committee shall:

1. Independent Auditor

(a) Selection and Compensation of Independent Auditor

Recommend to the Board:

- the Independent Auditor to be nominated for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Corporation (“Independent Auditor”); and
- the termination of the Independent Auditor; and
- the compensation of the Independent Auditor.

(b) Audit Scope

Annually review and approve the objectives and general scope of the external audit (including the overall audit plan, the proposed timing and completion dates) and discuss the external audit with the Independent Auditor.

(c) Oversight of Independent Auditor

Oversee and monitor the work of the Independent Auditor, the results of the external audit, and matters encountered in performing the audit, including with respect to the resolution of disagreements between Senior Management and the Independent Auditor regarding accounting and financial reporting.

(d) Audit Deliverables

Review with the Independent Auditor the contents of its results package and the contents of its audit and review reports.

(e) Pre-Approval of Audit Fees

Pre-approve, or establish procedures and policies for the pre-approval of, the engagement and compensation of the Independent Auditor in respect of the provision of all audit, audit-related, review or attest engagements required by applicable law.

(f) **Pre-Approval of Non-Audit Services**

Pre-approve all non-audit services permitted to be provided by the Independent Auditor in accordance with applicable law and rules governing the Independent Auditor, provided that the Committee may pre-approve certain services within designated thresholds on an annual basis and further provided that the Committee may delegate to the Chair of the Committee, or such other member or members of the Committee that it deems appropriate, certain pre-approval authority provided that any such approval granted by such persons shall be reported at the next regularly scheduled meeting of the Committee.

(g) **Independent Auditor's Quality Control Procedures, Performance and Independence**

Evaluate the quality control procedures, performance and independence of the Independent Auditor in carrying out its responsibilities, including obtaining and reviewing, at least annually, a report by the Independent Auditor describing:

- the firm's internal quality-control procedures;
- any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
- all relationships between the Independent Auditor and the Corporation confirming the Independent Auditor's of its independence from the Corporation, including a description of all matters that could have a bearing on its independence.

(h) **Staffing of Audit Team**

Review the experience and qualifications of the Independent Auditor's audit team assigned to the audit of the Corporation and make annual recommendations to the Board as to the need (if any) for rotation of the Independent Auditor or the members of the Independent Auditor's audit team assigned to the audit of the Corporation.

(i) **Relationship between Independent Auditor and Management**

Satisfy itself generally that there is a good working relationship between Senior Management and the Independent Auditor, and review:

- any management representations letters;
- the Independent Auditor's management letters and management's responses thereto;
- the Independent Auditor's schedule of unadjusted differences; and
- any other reports of the Independent Auditor.

(j) **Hiring from Independent Auditor**

Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and any former Independent Auditor.

(k) **Evaluation of Independent Auditor**

Conduct a periodic evaluation (taking into account Senior Management's opinion) of the Independent Auditor's qualifications, performance and independence, and present to the Board the Committee's conclusions. The evaluation must consider and assess independence, objectivity and professional skepticism, quality of the engagement team, and quality of communications and interactions with the Independent Auditor. While assessments should be completed annually, a comprehensive review should take place at least every five years.

2. Internal Controls

(a) **System of Internal Controls**

Satisfy itself through review and discussion that Senior Management has established and is maintaining an adequate and effective system of internal control over financial reporting and is responding on a timely basis to any material weaknesses or significant deficiencies which have been identified, including by meeting with and reviewing reports of the Independent Auditor relating to the Corporation's internal controls.

(b) **Reports on Internal Controls**

Review and assess:

1. any concerns, weaknesses or deficiencies disclosed in connection with the interim and annual CEO and CFO certifications relating to the effectiveness of the Corporation's disclosure controls and procedures, internal control over financial reporting and significant changes in internal controls over financial reporting; and
2. the Independent Auditor's management letter and whether recommendations have been acted on and, if not, the appropriateness of the reasons why they have not been acted on.

3. Accounting Matters

(a) **Significant Accounting Policies and Critical Estimates**

Review and discuss with Senior Management and the Independent Auditor:

1. the selection, use and application of, as well as proposed material changes to, significant accounting policies, principles, practices and related critical estimates and judgments in accordance with International Financial Reporting Standards ("IFRS"); and

2. alternative IFRS treatments for policies and practices relating to material items, including the ramifications of such alternative disclosures or treatments and any recommended treatment,

to ensure that the significant accounting policies and practices adopted are appropriate and consistent with the Corporation's needs and applicable requirements.

(b) **Disagreements**

Satisfy itself that there is an agreed course of action leading to the resolution of significant unsettled issues between Senior Management and the Independent Auditor that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses or the application of accounting principles to proposed transactions), if any.

(c) **Contingent Liabilities**

Review all material contingent liabilities and the related accounting treatment, presentation and disclosure.

(d) **Related Party Transactions**

Review all material related party transactions and the related accounting treatment, presentation and disclosure.

(e) **Off-Balance Sheet Transactions**

Review all material off-balance sheet transactions and the related accounting treatment, presentation and disclosure.

(f) **Other Board Committee Reports**

Receive and review reports from other board committees with regard to matters that could affect financial reporting.

(g) **Expense Reports**

Review expense reports of the Chairman and Chief Executive Officer ("CEO"). Such authority may be delegated to the Chair of the Committee.

4. Financial Disclosures

(a) **Disclosure Controls**

Satisfy itself that procedures are in place for the review of the Corporation's public disclosure to ensure consistent presentation of financial information extracted or derived from the Corporation's financial statements and assessing the adequacy of those procedures annually.

(b) **Approval of Disclosures**

Meet to review and discuss the Corporation's financial statements with Senior Management and the Independent Auditor and recommend, where appropriate to do so, to the Board, prior to release, the adoption and dissemination of all financial statements of the Corporation, together with related Management's Discussion & Analysis ("MD&A") of Results of Operations and Financial Position, earnings press releases, Annual Information Form ("AIF") and all other public disclosure documents of the Corporation containing financial information of the Corporation.

(c) **Audit Committee Report**

Prepare the Audit Committee report for inclusion in the Corporation's public disclosure documents in the form and at the time required by the laws, rules and regulations of applicable regulatory authorities.

(d) **Other Financial Information**

Review and discuss financial information and earnings guidance provided to analysts and rating agencies. This review need not be done on a case-by-case basis but may be done generally (consisting of a discussion of the types of information disclosed and the types of presentations made) and need not take place in advance of the disclosure.

5. Risk Management

(a) **Financial Risk Management**

Assess with Senior Management the Corporation's material exposure to Risks and the Corporation's actions to identify, monitor and mitigate such exposure.

(b) **Insurance Coverage**

Periodically review the adequacy of insurance coverages maintained by the Corporation.

(c) **Taxation**

Periodically review the status of taxation matters of the Corporation.

(d) **Legal Matters**

Review and assess the Corporation's General Counsel's summary of legal matters that may have a material impact on the financial statements, the Corporation's compliance with applicable laws and regulations and any material reports or inquiries received from regulators or governmental agencies.

6. Ethical Business Conduct

(a) Code of Conduct

Monitor compliance with the Corporation's Code of Business Conduct and Ethics and the Corporation's policies and procedures regarding compliance with applicable laws and regulations; make recommendations to the Board, where appropriate, as to any waivers of compliance of such Code.

(b) Whistleblower Procedures

Provide recommendations to the Corporate Governance and Nominating Committee and, as appropriate, the Board with respect to the implementation, operation and effectiveness of the Corporation's Whistleblower Policy as it relates to:

1. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls, and auditing matters; and
2. the confidential, anonymous submission of complaints by employees of the Corporation regarding questionable accounting or auditing matters.

7. Reports to the Board

The Committee shall report to the Board on a regular basis and, in any event, before the public disclosure by the Corporation of its quarterly and annual financial results. The reports of the Committee shall include any issues of which the Committee is aware with respect to the quality or integrity of the consolidated financial statements of the Corporation, its compliance with legal or regulatory requirements, and the performance and independence of the Independent Auditor and changes in Risks.

LIMITATION OF AUDIT COMMITTEE ROLE

The Committee is not responsible for:

- planning or conducting audits; or
- certifying or determining the completeness or accuracy of the Corporation's financial statements or that those financial statements are in accordance with IFRS.

Each member of the Committee shall be entitled to rely in good faith upon:

- financial statements of the Corporation presented to him or her by Senior Management or in a written report of the Independent Auditor to present fairly the financial position of the Corporation in accordance with IFRS; and
- any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

“Good faith reliance” means that the Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by Senior Management or the expert is reasonable. Generally, good faith reliance does not require that the member question the honesty, competence and integrity of Senior Management or the expert unless there is a reason to doubt their honesty, competency and integrity.

SIZE, COMPOSITION AND INDEPENDENCE

(a) **Size**

The members of the Committee shall be three or more individuals who are appointed (and may be replaced) by the Board on the recommendation of the Corporate Governance and Nominating Committee. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual election of directors. Any member of the Committee may be removed from the Committee by a resolution of the Board. Unless the Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the members of the Committee.

(b) **Independence**

Each of the members of the Committee shall meet the Corporation’s Categorical Standard for Determining Independence of Directors.

(c) **Financial Literacy and Expertise**

Each of the members of the Committee shall be “financially literate” (or acquire that literacy within a reasonable period after appointment) in accordance with applicable legislation and stock exchange requirements.

(d) **Limit on Outside Audit Committees**

No member shall concurrently serve on the audit committee of more than three other public companies without the prior approval of the Committee, the Corporate Governance and Nominating Committee and the Board and their determination that such simultaneous service would not impair the ability of the member to effectively serve on the Committee (which determination shall be disclosed in the Corporation’s annual management information circular).

(e) **Independent Advisors**

The Committee may retain and compensate such outside financial, legal and other advisors at the expense of the Corporation as it deems reasonably necessary to assist and advise the Committee in carrying out the Committee’s duties and responsibilities.

(f) **Role of Chair**

The Chair of the Committee shall generally provide leadership to enhance the effectiveness of the Committee and act as the liaison between the Committee and the Board as well as between the Committee and Senior Management. The Chair shall also manage the Committee's activities and meetings, manage any outside legal or other advisors retained by the Committee and manage the process of reporting to the Board on the Committee's activities and related recommendations.

COMMITTEE MEETING ADMINISTRATION

(a) **Meetings**

The Committee will meet as many times as is necessary to carry out its responsibilities but in no event will the Committee meet less than four times a year. Meetings will be at the call of the Chair. Notwithstanding the foregoing, the Independent Auditor or any member of the Committee may call a meeting of the Committee on not less than 48 hours' notice. The notice period may be waived by a quorum of the Committee.

(b) **Committee Access to Employees and Others**

The Committee shall periodically meet separately with Senior Management and the Independent Auditor and may request any member of the Corporation's Senior Management or the Corporation's outside counsel or Independent Auditor to attend meetings of the Committee or with any members of, or advisors to, the Committee. The Committee may also meet with the investment bankers, financial analysts and rating agencies that provide services to, or follow, the Corporation.

(c) **Meeting Agendas**

The Committee Chair shall establish a preliminary agenda for each Committee meeting. Any director or other person entitled to call a meeting may request items to be included on the agenda for any meeting.

(d) **Quorum**

A quorum for meetings shall be a majority of the members of the Committee or such greater number as the Committee shall by resolution determine. The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means or by a resolution in writing signed by all the members of the Committee entitled to vote on that resolution at a meeting of the Committee. Each member (including the Chair) is entitled to one (but only one) vote in Committee proceedings.

ANNUAL EVALUATION

At least annually and more frequently at the request of the General Counsel, the Committee shall, in a manner it determines to be appropriate:

- perform a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this Charter, to be reviewed with the Board; and
- review and assess the adequacy of this Charter and the position description for its Chair and recommend to the Board any changes to this Charter or the position description of the Chair that the Committee determines to be appropriate, except for minor technical amendments to this Charter authority for which is delegated to General Counsel, who will report any such amendments to the Board at its next regular meeting.

Board Approved: August 12, 2020

LISTINGS

Toronto Stock Exchange
Stock trading symbol: AIF

AUDITORS

ERNST & YOUNG LLP

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