

## Investa Property Group

Investa Wholesale Funds Management Limited ACN 149 681 390 AFSL 401 858  
ICPF Holdings Limited ACN 610 989 805

## Charter of Group Audit Risk & Compliance Committee

Approved by the IWFML Board and ICPFHL Board on 31 August 2023.

The Group Audit Risk and Compliance Committee (**Committee**) reports to, and is a committee of, the Boards (**Boards**) of Investa Wholesale Funds Management Limited (**IWFML**) as responsible entity of Investa Commercial Property Fund (**ICPF**) and ICPF Holdings Limited (**ICPFHL**). ICPF together with all subsidiaries of ICPFHL and ICPF are referred to as Investa Property Group (**IPG or the Group**). The Committee's Charter extends to activities of IPG.

ICPFHL holds (via interposed subsidiary entities) an interest in Investa Management Holdings Pty Limited ACN 126 219 903 (**IMH**) and its subsidiaries (**Investa**). Investa operates a management platform that provides investment, property, development and asset management services to the investment portfolios of managed investment schemes and private mandates. The services provided by the management platform include the commercial property and residential build-to-rent sectors. The Board of IMH is assisted in the discharge of various of its responsibilities by the IMH Audit and Risk Committee (**IMH ARC**).

### 1. Overall Purpose/Objectives

The Committee reports to the will assist the Boards in discharging their responsibilities in relation to risk management, compliance, financial reporting and the external auditor. The Committee will report to and assist the Boards in advising on issues relating to the matters set out above so they can fulfil their oversight responsibilities and take such action as they consider appropriate.

In performing its duties, the Committee will maintain efficient and effective working relationships with the Boards and Committees of Investa entities, including the Audit and Risk Committee of IMH, management and the external auditors.

To perform his or her role effectively, each Committee member will maintain an understanding of the detailed responsibilities of Committee membership as well as IPG's business, operations, and risks.

### 2. Authority, access to resources and independent advice

The Boards authorise the Committee, within the scope of its responsibilities, to:

- Make recommendations to the Boards;
- Seek any information it requires from:
  - any employee of Investa (and all employees are directed to cooperate with any request made by the Committee); and
  - external parties;
- Obtain external legal or other professional advice;
- Ensure the attendance of company officers at meetings as appropriate;
- Investigate other matters as requested by the Boards from time to time, and if necessary, institute special investigations and hire special counsel or experts to assist; and
- Approve policies as determined by the Boards.

In the first instance the Chair (or committee members) will contact the Company Secretary of IWFML or ICPFHL or the Chief Legal and Risk Officer to assist coordination of the above.

Investa is responsible for providing new members with an appropriate induction program, updates, reports and training related to the scope of the GARCC.

### **3. Organisation and Reporting**

#### **3.1 Membership**

- The Committee will comprise at least three financially literate members, at least one of whom has accounting or related financial expertise. Each member will have an understanding of the industry in which IPG conducts business. Members of the Committee may be Independent Directors of one of the Boards or a non-employee of Investa. A majority of the members will be Independent Directors of either Board. The term of each member will be determined by the Boards.
- The Chairman of the Committee will be appointed by the Boards from time to time and will be an Independent Director, who is not Chairman of either of the Boards but will be a director of the Boards.
- A quorum for any meeting will be a minimum of two (2) members with a majority of two (2) Independent Directors.

#### **3.2 Attendance**

- Directors of the Boards who are not members of the Committee have a standing invitation to attend meetings but will have no voting rights unless they are a Committee member.
- The Committee may invite such other persons to its meetings, as it deems necessary, including:
  - The Chief Executive Officer, Chief Investment Officer, Head of Investment Management and CFO of Investa, Fund Manager of ICPF may be invited to attend meetings of the Committee (though not necessarily for all meetings or agenda items).
  - The External Auditor may be invited to make presentations to the Committee or to attend meetings as appropriate (though not necessarily for all meetings or agenda items).

#### **3.3 Meetings**

- Meetings will be held not less than four times a year. Special meetings may be convened as required. The External Auditor may request a meeting if they consider that it is necessary.
- A quorum for any meeting will be two (2) members.
- Resolutions will be adopted by simple majority, or, where there are only two members, unanimous.
- The Company Secretary for the Boards or their nominee, will act as the secretary to the meetings and will prepare minutes and resolutions which will be circulated as soon as practicable after the meeting.
- The GARCC will establish an annual work plan which will inform each meeting agenda. The annual plan will cover matters aligning to the Roles and Responsibilities under the GARCC Charter.

#### **3.4 Reporting Responsibilities**

The Committee will:

- Regularly report to and update the Boards about its activities and make recommendations where appropriate or otherwise when requested by the Boards. In addition, the Boards will have access to minutes of Committee meetings;
- Ensure the Boards are aware of matters, within its oversight, which may:
  - significantly impact the financial condition or affairs of the IPG business; or
  - require reporting to an external party and/or regulatory body with regard to an incident or breach of legislation.

#### **3.5 Review**

The Committee will:

- review and update the Charter at least annually subject to approval of changes from the Boards; and
- evaluate the Committee's own performance on a regular basis.

### **4. Roles and Responsibilities**

#### **4.1 Risk Management and Compliance Monitoring**

The active identification of risks and the design and implementation of the risk management policy and framework are responsibilities of management. The Boards are responsible for reviewing and approving Investa's risk management policy and framework as it applies to IPG.

The Boards are assisted in their risk oversight function by the Committee. The Committee will critically evaluate the effectiveness of the risk management system and controls, including by:

- reviewing the implementation of the risk management policy and framework approved by the Boards;
- consider policies which address risks;
- consider whether management has effectively implemented, and maintained an adequate compliance management framework, including internal controls, issues management and reporting frameworks for compliance with regulatory requirements and adopted industry standards; and
- consider appropriateness of insurance coverage for residual risks.

The Committee will:

### ***Risk management framework***

- Review at least annually and as it applies to IPG, Investa's risk management policy and framework and make recommendations to the Boards for any changes and/or approval;
- Review at least annually and as it applies to IPG, the adequacy and effectiveness of Investa's risk management system and internal control system to manage material business risks; that all significant risks are identified, evaluated, managed, monitored and communicated and that Investa is operating with due regard to the risk appetite set by the Boards;
- Monitor reporting to the Board:
  - at least quarterly - the risk profile including strategic, reputational, operational, health and safety, environment, and compliance or governance risks and any material exposures to those risks;
  - at least quarterly, risk management reports of compliance with risk appetite, including mitigation measures;
  - at least quarterly, any extreme and high risks along with management's proposed action plans;
  - at least annually, reports from Management in relation to top or emerging risks; and
  - at least annually, reports from Management in relation to setting risk tolerance and appetite.

### ***Policies***

- At least annually, review key policies applying to IPG relating to risk, compliance, finance, operations and controls including preventing and detecting fraud. Make recommendations to the Boards for approval of any new policies or substantial changes recommended to existing policies.

### ***Compliance***

- Have oversight of and review the adequacy of internal controls through, at least quarterly, review of risk incidents and internal audit report findings, monitoring timely implementation of agreed action plans;
- Have oversight of and monitor compliance with regulatory obligations through, at least quarterly, the review of reports and receipt of assurances to confirm appropriate controls are in place to monitor and confirm compliance with regulatory obligations and updates regarding regulatory changes and management plans to accommodate these.
- Receive regular updates regarding taxation matters affecting IPG including in relation to compliance with taxation obligations, dealings with the ATO and other matters as requested by the Committee or considered appropriate by Management.
- Review and monitor compliance with the ICPF Compliance Plan and consider necessary amendments to it.
- Meet with the Compliance Plan Auditor to discuss the findings from the Compliance Plan audit.

- Have oversight of work health and safety (WHS) matters and obligations as they apply to IPG, including considering reports from management or the IMH ARC.

### ***Insurance***

- Review the adequacy of Investa's insurance program having regard to the operations of IPG business and the insurable risks associated within its operations (including adequacy of Directors and Officers insurance) and make recommendations to the Boards in relation to the renewal of Investa's insurance program as it applies to IPG.

## **4.2 Financial Reporting**

In relation to the financial reports of the IPG group, the Committee will:

- Review recommendations from the Chief Financial Officer and external auditors on significant accounting and reporting issues, including relevant reports from external consultants. In doing so consider matters including:
  - the appropriateness of accounting policies applied in the financial statements for IPG;
  - recent professional and regulatory guidance, related party transactions, legal matters (including relevant external legal advice obtained by management);
  - any fraud, illegal acts, deficiencies in internal controls or other similar issues;
  - complex and/or unusual transactions such as restructuring charges and derivative disclosures (if applicable);
  - judgmental areas such as those involving valuation of assets and liabilities, recoverability of debtors, valuation of management rights and CGU, product or environmental liability, litigation costs and other commitments and contingencies.
- Receive, on request, a presentation from a qualified valuer on valuation issues relevant to IMH or the role of the Committee, such as valuation of management rights;
- Review the Half Year (if relevant) and Annual Financial Reports and determine whether they are complete and consistent with the information known to Committee members;
- Meet with management and the External Auditors to review the financial statements and the results of the audit; and
- Recommend to the relevant Board the adoption of the financial reports.
- Review IWFML's reports in relation to Net Tangible Assets for Australian Financial Services License (**AFSL**) purposes as the Committee considers appropriate.
- Review on a quarterly basis IWFML's AFSL capital liquidity requirements and recommend to the IWFML Board a 15 month cashflow projection.

## **4.3 External Audit**

The Committee will:

- Review the External Auditor's proposed audit scope and approach, ensuring no unjustified restrictions or limitations have been placed on the scope, and review the proposed remuneration, and make recommendations to the Boards.
- Review the performance and effectiveness of the External Auditors.
- Review at least annually, the independence of the External Auditor, having regard to Investa's policies and procedures in respect of independence and receive their independence declaration at each half year (as appropriate); the range of services provided by the External Auditor and the quantum of fees involved, including the nature, scope and approach to individual assignments and the total external audit fees.
- Make recommendations to the Boards regarding the appointment, rotation and termination of the external financial audit partner, review partner and the compliance plan audit partner following consideration of rotation policies (preference for five years, but allowance to a maximum of seven years), staggering of rotation, experience, qualifications and result of interviews and references.
- Meet separately with the External Auditors discussion of any matters that the Committee or External Auditors believe should be discussed privately.

- Consider the significant findings and recommendations made by the External Auditors, management responses and actions taken on a timely basis.