

Investa Office Management Pty Limited

ACN 161 354 016

Charter of Audit & Operational Risk Committee

Approved by the IOM Board on 28 November 2017

Investa Office Management Pty Limited (**IOM**) is the head company of the Investa Office management platform.

IOM is a wholly-owned subsidiary of ICPF Holdings Limited (**ICPFHL**) which, together with the Investa Commercial Property Fund (**ICPF**), comprises the stapled entity known as Investa Property Group (**IPG**).

The responsible entities of ICPF and the Investa Office Fund (**IOF**) are subsidiaries of IOM. It is noted that the responsible entities, although wholly-owned subsidiaries of IOM, have their own distinct obligations in relation to the risks associated with ICPF and IOF.

IOM and its subsidiaries (together, **Investa**) operate a management platform that provides funds, property and asset management services to the investment portfolios of managed investment schemes and private mandates. Part of the services provided by the platform includes managing the operational risks and safety, health, sustainability and environmental matters pertinent to the investment portfolios of the various owners and also the risks applicable to the responsible entities of the managed investment schemes.

The IOM Audit & Operational Risk Committee (the **Committee**) is a committee of the Board of IOM (**IOM Board**). This Charter is overseen by the Committee and extends to all activities of ICPFHL and its subsidiaries.

1. Overall Purpose/Objectives

The Committee reports to the IOM Board and will assist the boards (**Boards**) of:

- ICPF Holdings Limited (the IOM's ultimate holding company) (**ICPFHL**);
- Investa Wholesale Funds Management Limited (**IWFML**); and
- Investa Listed Funds Management Limited (**ILFML**),

together with the IPG Group Audit Risk & Compliance Committee and the Audit & Compliance Committee of ILFML (each, an **Audit Committee**), in fulfilling their oversight responsibilities.

The Committee will review:

- and guide the implementation, operation and effectiveness of Investa's Safety & Health Policies and performance;
- and guide the implementation, operation and effectiveness of Investa's Sustainability & Environment Policies and performance;
- and guide the implementation, operation and effectiveness of Investa's general policies;
- the adequacy and effectiveness of the Investa risk management system and assist the IOM Board and the Boards in discharging their risk management oversight responsibilities, which includes reviewing the adequacy of Investa's insurance program;
- together with the IPG Group Audit Risk & Compliance Committee, Investa's process for monitoring compliance with laws and regulations relating to IOM's business and Investa's code of conduct; and
- and oversee Investa's internal audit function.

The Committee will report to the IOM Board advising and making recommendations on issues relating to all matters set out above as they apply to Investa.

The Committee will assist the Boards and their committees 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 effective working relationships with the Boards and their committees, as well as those of other Investa entities, management, external consultants, the external auditors and the internal auditor.

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

Each member shall be entitled to training on issues pertinent to Investa's business, including risk management and Work Health and Safety and Environmental issues.

2. Authority

The IOM Board and the Boards have authorised the Committee, within the scope of its responsibilities, to:

- 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 outside legal or other professional advice; and
- ensure the attendance of company officers at meetings as appropriate.

The Committee may perform oversight responsibilities as requested by the IOM Board and the Boards from time to time, and if necessary, institute special investigations and hire special counsel or experts to assist.

3. Organisation and Reporting

3.1 Membership

- The Committee will comprise at least three members of whom the majority will be non-executives.
- The Chairman and members of the Committee will be appointed by the IOM Board, subject to consultation with the ICPFHL Board. A quorum for any meeting will be two (2) members.
- The Chairman of the Committee need not be an employee or a Director of an Investa entity.
- The Committee will comprise at least one non-executive representative from each of the Audit Committees.

3.2 Attendance at Meetings

- The Committee may invite such other persons to its meetings, as it deems necessary.
- The External Auditor and the Internal Auditor should be invited to make presentations to the Committee as appropriate.
- Meetings shall be held not less than four (4) times a year. Special meetings may be convened as required. The External Auditor or the Internal Auditor may request a meeting if they consider that it is necessary.
- The proceedings of all meetings will be minuted.

3.3 Reporting Responsibilities

- The Committee will regularly report to the IOM Board, the Boards and the Audit Committees, about its activities, and give advice and make recommendations where appropriate.
- Report about Committee activities at meetings of the Boards, as and when requested by the Boards.
- The Committee will ensure the IOM Board and the Boards are aware of matters which may:
 - significantly impact the financial condition or affairs of the business;
 - give rise to a significant environmental or safety concern under the relevant applicable legislation; or
 - require reporting to an external party and regulatory body with regard to an incident or breach of legislation.

4. Roles and Responsibilities

The Committee will:

- oversee the application of policies within its oversight to the operations of Investa, recognising that good business practice is enhanced by appropriate policies;
- encourage the integration of relevant principles across the operating platform of Investa;
- review and update the Charter at least annually subject to approval of changes from the IOM Board; and
- evaluate the Committee's own performance on a regular basis.

4.1 Sustainability, Safety, Health & Environment

The Committee will:

- review the Safety, Health and Environmental Management Systems at least annually and make recommendations to the IOM Board and the Boards on actions and activities to be applied to Investa operations;
- review the targets, objectives and indicators for Investa under its Safety, Health and Environmental Management Systems at least annually and make recommendations to the IOM Board and the Boards on actions and activities to be applied to Investa operations;
- review the Safety, Health and Environmental Management System's reports and report to the IOM Board and the Boards no less than once every six months;
- review the results of Safety, Health and Environmental Management Systems external audits and reviews and ensure recommendations are implemented on a timely basis; and
- review significant safety, environmental and community issues and understand their impact on the sustainability of Investa's operations;
- review the Sustainability Report together with the IOM Board.

4.2 Risk Management

The IOM Board and the Boards are responsible for reviewing and approving Investa's risk management policy and framework and ensuring the policy and framework are appropriate for their respective business. The Boards are assisted in their risk oversight function by the Committee and the relevant Audit Committee. The active identification of risks and the design and implementation of the risk management policy and framework are the responsibilities of management.

The Committee has overall responsibility for:

- recommending to the IOM Board and Boards a risk management policy and framework that is appropriate for Investa and the schemes it operates.
- ensuring that management has effectively implemented the risk management policy and framework approved by the IOM Board and the Boards.

The Committee will:

- review Investa's operational risk management policy annually or more frequently if required and make recommendations to the IOM Board and to the Boards;
- review management reports, internal audit reports and action plans that are periodically presented to the Committee by management;
- consider any extreme and high risks brought to the Committee's attention and the adequacy of management's proposed action plans;
- review annually the adequacy and effectiveness of Investa's operational risk management system and formally report its findings to the IOM Board and the Boards; and
- review the adequacy of Investa's insurance program having regard to Investa's business and the insurable risks associated with its business and make recommendations to the IOM Board and the Boards in relation to the renewal of Investa's insurance program.

4.3 Internal Audit

The internal audit function will be fulfilled by an employee of IOM (the Internal Auditor) with the assistance as and when required by internal secondments and external service providers.

The Committee will:

- review and approve the annual internal audit plan, ensuring consistency with the financial and operating risks facing Investa;
- ensure the Internal Auditor consults the independent directors of the responsible entities and sufficient regard is given to the risks facing the responsible entities and the externally managed investment schemes and mandates managed by Investa;
- review the co-ordination of audit activity between the Internal Auditor and other assurance providers (e.g. the External Auditor) to ensure efficient and effective use of audit resources;
- review the reports of the Internal Auditor and consider management's responses to such reports;
- ensure timely implementation of recommendations arising from the Internal Audit reports;
- meet separately with the Internal Auditor to discuss any matter/s that the Committee or the Internal Auditor consider should be discussed privately;
- review at least annually the effectiveness of the internal audit function and ensure there are no unjustified restrictions or limitations placed on the internal audit activity;
- review at least annually, with the Internal Auditor, the Internal Audit Charter;
- review at least annually, the adequacy of the internal audit resources (quantity, qualifications, structure, etc.), to ensure that the internal audit activity is of a high quality and report thereon to the Boards;
- review at least annually the performance of the Internal Auditor; and
- review and agree the appointment, replacement or dismissal of the Internal Auditor.