

Investa Listed Funds Management Limited

ACN 149 175 655
AFSL 401 414

Charter of Board of Directors

Approved by the ILFML Board on 8 December 2016

Purpose & Objectives

1. Investa Listed Funds Management Limited (**ILFML**) is the holder of an Australian Financial Services Licence (**AFSL**) issued by the Australian Securities and Investments Commission. It is a wholly owned subsidiary of Investa Office Management Pty Limited (**IOM**) and hence part of the Investa Property Group (**Group**). It is the responsible entity for the Investa Office Fund (**IOF**).
2. This Charter describes the responsibilities of the Board of Directors of ILFML (**Board**), the role of the ILFML Board in determining the strategic direction of IOF, the process by which performance against business objectives of IOF are monitored and responsibilities for maintaining appropriate standards of risk management, compliance and internal control. This Charter also recognises that integrity is an essential element of good governance.

Board of Directors – Responsibility and Roles

3. The primary responsibility of the Board and the individual Directors is to:
 - cause ILFML to comply with its obligations as responsible entity of IOF; and
 - comply with their obligations as Officers of a responsible entity.
4. These obligations importantly include that the Board must act in the best interests of unitholders of IOF (**Unitholders**) and if there is a conflict between the Unitholders' interests and the interests of the responsible entity to give priority to the interests of the Unitholders.
5. These obligations override any conflicting obligation that Directors may have to the shareholders of ILFML that are imposed under the Corporations Act 2001.
6. The sole shareholder of ILFML, IOM, manages the day to day operations of IOF.
7. The profitability of the business conducted by ILFML and IOM by means of the management of IOF is the responsibility of IOM.
8. The Board is responsible for the performance and operation of ILFML. These responsibilities include:
 - to set the strategic objectives for IOF;
 - to monitor the financial and business operations of IOF against targets and strategic objectives approved by the Board;
 - to approve budgets and business plans for IOF;
 - to establish such committees and to delegate the Board's powers to those committees as it sees fit;
 - to delegate to appropriate officers, such powers and authorities as the Board considers necessary or desirable;
 - to approve the financial statements of ILFML;
 - to approve the financial statements of IOF;
 - to consider and approve payment of dividends for ILFML;
 - to consider and approve payment of distributions for IOF;
 - to approve or ratify documents required to be executed by ILFML in its capacity as responsible entity of IOF;
 - to maintain corporate governance standards in relation to ILFML as the Board specifies;
 - to monitor the performance of IOM in providing management support to ILFML to ensure that ILFML satisfies its legal obligations as responsible entity of IOF;
 - to undertake such actions as necessary to meet the requirements of all applicable legislation and regulations applicable to ILFML, including the terms of the Australian Financial Services Licence of ILFML.
9. This requires the Board to work as a team and meet on a regular basis.
10. The Board meets regularly in scheduled Board meetings. In addition to scheduled Board meetings, any Director may convene a Board meeting where the Director considers a meeting is necessary or convenient to the proper discharge of the functions of the Board or in the interests of IOF or ILFML.

Directors

11. The appointment and removal of Directors is governed by the ILFML Constitution and the Corporations Act 2001.
12. Investa Office Management Pty Limited (**IOM**) signed a deed poll dated 10 June 2015 (**Deed Poll**) under which it has committed to:
 - maintain a majority of Independent Directors including an Independent Chairman on the Board;
 - to provide Unitholders with the opportunity to ratify the appointment of Independent Directors at the annual meeting of Unitholders which must not be more than 12 months after the appointment; and
 - ensure that each Independent Director has a term which will not extend beyond the conclusion of the general meeting held in the third year following the year of appointment unless further 3 year terms are approved by an ordinary resolution of Unitholders.
13. The ILFML Constitution allows up to ten Directors. Subject to that limit and the terms of the Deed Poll, the number of Directors may vary from time to time, but the Board will seek to ensure that the number of Directors is sufficient to enable the Board to properly discharge its functions and provide an appropriate blend of expertise and experience.
14. The ILFML Constitution provides that the Directors may appoint any natural person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, subject to the maximum noted above.
15. Directors are selected recognising that a blend of skills, market experience, broader commercial experience and other expertise is required to provide responses and reactions to the day-to-day operation of IOF.
16. The Directors are responsible for ensuring that the Board functions effectively and that they take steps to be appropriately informed about issues concerning IOF.
17. The Board and each Director has, in appropriate circumstances, and subject to prior discussion with ILFML's Chairman, the right to seek independent professional advice.
18. The Directors will have access to all information concerning ILFML and IOF that they require and the company secretary will be responsible for ensuring that such access is provided.
19. The Board will at least once a year assess its performance over the course of that year. The Board may, if it elects, appoint an independent consultant to conduct such a review.

Chairman

20. The Chairman is a non-executive Director, who is elected by the Board from time to time
21. The Chairman is responsible for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction approved by the Board.

Committees of the Board

22. The Board may appoint special purpose Committees from time to time where it considers issues warrant specialist or particular attention or where it otherwise considers the appointment of a Committee to be appropriate. In relation to any Committees appointed by the Board as provided for in this paragraph:
 - papers relating to these Committees of the Board are made available to all Directors;
 - the Board will determine the charter for any such Committees;
 - A Committee must comprise at least one Independent Director;
 - The Chairman, and any other Director, may attend any meeting of any Committee and may raise any issue with the Chairman of the relevant Committee or with the Company Secretary; and
 - All Committees provide the Board with a report of their proceedings at the next Board meeting.
23. The Audit and Compliance Committee will operate as a committee of the Board in accordance with its charter.

Australian Financial Services Licence

24. The Board will review ILFML's compliance with the financial requirements under its Australian Financial Services License (**AFSL**) including:
 - a net tangible assets (**NTA**) requirement; and
 - a tailored cash needs requirement, including 12 month cash flow projections to be approved by the Board at least quarterly.

Conflict Resolution

25. IOM supervises the application of the Group's 'Resolution of Conflict Policy' in addressing conflicts or perceived conflicts of interest involving the interests of IOF, ILFML and other Group entities and reviews the appropriateness of that Policy in relation to IOF. Changes to the Group's 'Resolution of Conflicts Policy' will not be implemented without the Board's approval. A record of all related party transactions will be maintained by management.
26. Related party dealings and transactions between IOF and Group entities proposed by management require the approval of the Board, regardless of the value of the transaction being proposed. It is noted that the Group has committed that all material investment property transactions between IOF and Group entities will be subject to unitholder requirements regardless of the requirements of the ASX listing rules.

Secretary

27. The Company Secretary has functional responsibility for the co-ordination of all Board business including agendas, board papers, minutes, communication with regulatory bodies, and all statutory and other filing.
28. All Directors have unfettered access to the Company Secretary.

Delegation of Authority

29. The Board has established corporate delegations to management (**Delegated Authorities**) under which they may proceed to conduct business operations. Those authorities are reviewed periodically to ensure that they may reasonably undertake operations and having regard to the skill and experience of the relevant people involved and to the scale of the business.
30. The Board has also delegated to members of the Group the functional operation of the business including property and asset management. These will be reviewed regularly to ensure the effective management of the businesses and assets of IOF.

Monitoring Material Outsourced Services

31. The Board has appointed a subsidiary of IOM, Investa Asset Management Pty Ltd (**IAMPL**) as the Asset and/or Property Manager of the assets owned by IOF. IAMPL is also responsible for managing and monitoring the compliance by IOF with their domestic WH&S obligations. IAMPL also provides asset and property management services to the investment portfolio of IPGH and Investa Commercial Property Fund.
32. IOM has established the Audit & Operational Risk Committee (**AORC**). The AORC was established to have primary oversight of compliance by the funds within the Group of their statutory obligations in relation to their investment assets. This is achieved by monitoring the performance of and receiving regular reports from the AORC in relation to these issues.
33. One member of the Board will be appointed to the AORC to provide the Board with oversight of the management by the Group of safety, health, sustainability and environmental matters pertinent to the IOF's ownership of its investment properties.
34. It is intended that this Charter be reviewed as necessary and in any event every two years.