

IRONGATE

Board Charter

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Irongate Group

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**Melbourne
Brisbane**

1. ABOUT THIS CHARTER

1.1 Policy statement

This Charter sets out a framework for the role, composition and meeting procedures of the Board. The Fund is a registered managed investment scheme under the Act and is operated by the RE. Under Australian law the RE has primary responsibility for the governance and operation of the Fund and is statutorily obliged to act in the best interest of investors.

The Board is fully committed to and acknowledges the requirements relevant to it under:

- the Constitution and other constituent documents of the Fund;
- the Act, in relation to the RE and the Fund;
- JSE LR, while the Fund is listed on the JSE;
- King IV Code, while the Fund is listed on the JSE;
- ASX LR, while the Fund is listed on ASX; and
- ASX Corporate Governance Principles and Recommendations, while the Fund is listed on ASX.

The Board acknowledges that there may be certain recommended or prescribed corporate governance principles that are not practically capable of implementation. In relation to the Fund, the Board will ensure that the necessary disclosure and explanation will be provided annually in the Fund's annual report. At all times, the Board will endeavour to adopt a best practice approach to culture and values as they relate to both the RE and the Fund.

The Fund is listed on JSE and ASX. As such, this Charter must comply with the requirements of both the JSE and ASX. Where the requirement of one exchange is more stringent than the requirement of another exchange, compliance with the more stringent requirement is required.

If it is not possible to comply with both the JSE LR and the ASX LR, the RE must comply with the rule or requirement of the Main Trading Exchange at the relevant time.

1.2 Defined terms

Act	Corporations Act 2001 (Cth)
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited or Australian Securities Exchange, as the context requires
ASX Corporate Governance Principles and Recommendations	The Corporate Governance Principles and Recommendations (4th edition) published in February 2019 by the ASX Corporate Governance Council.
ASX LR	ASX Listing Rules
Board	Board of directors of the RE
CEO	Chief Executive Officer of the Fund
Chairperson	Chairperson of the Committee
Charter	This charter as amended from time to time

Company Secretary	Company secretary of the RE
Constitution	The constitution of each of Irongate Property Fund I and Irongate Property Fund II (as amended from time to time)
Deed Poll	The deed poll to be executed by the RE which affords investors certain rights in relation to appointing people as Directors.
Director	The deed poll to be executed by the RE which affords investors certain rights in relation to appointing people as Directors.
Fund	Irongate Property Fund I and Irongate Property Fund II
JSE	JSE Limited or Johannesburg Stock Exchange, as the context requires
JSE LR	Listings Requirements of the JSE
King IV Code	The principles of corporate governance for South Africa which outline the corporate governance guidelines that apply to all JSE listed entities
Main Trading Exchange	Has the meaning given to it in the Constitution
Manager	Irongate Property Management Pty Limited
RE	Irongate Funds Management Limited or any other entity acting as responsible entity of the trusts that comprise the Fund from time to time
RE Group	Any company or other entity that is controlled (directly or indirectly) by the RE as trustee of the trusts that comprise the Fund

1.3 Review

This Charter will be reviewed annually to check that it is operating effectively and whether any changes are required to the Policy.

2. ROLE

The primary role of the Board including in its capacity as RE, is to use its expertise to develop, review and implement the strategic direction of the RE and the Fund while at all times representing the investors in the Fund, protecting the interests of the RE and the Fund and fulfilling the Board's duties and obligations under the Constitution, the Act, the JSE LR, the ASX LR, the ASX Corporate Governance Principles and Recommendations and the King IV Code. In doing this, the Board should:

- act with due care, skill and diligence;
- act in good faith and in the best interests of the investors in the Fund (as applicable);
- avoid conflicts of interest;
- act ethically beyond mere legal compliance and set the tone for an ethical organisational structure;
- ensure they have sufficient working knowledge of the RE and the Fund;
- continuously develop their competencies;

- attend meetings and prepare for those meetings;
- adopt a stakeholder inclusive approach; and
- be transparent in the manner in which they exercise their responsibilities.

The Board is responsible for:

- demonstrating leadership, defining the purpose and setting the strategic objectives of the RE and the Fund;
- approving the RE's and the Fund's code of conduct and any statement of values to underpin the desired culture within each entity;
- appointing the Chairperson and any deputy Chairperson and any lead independent Director;
- appointing and replacing the CEO;
- approving the appointment and if necessary the replacement of the Company Secretary and other senior executives;
- overseeing management's implementation of the RE's and the Fund's business model, achievement of strategic objectives and instilling the RE's and the Fund's values and performance generally;
- through the Chairperson, overseeing the role of the Company Secretary;
- approving operating budgets and major capital expenditure;
- monitoring the integrity of the RE's and the Fund's accounting and corporate reporting systems, including the external audit;
- monitoring the RE's and the Fund's process for making timely and balanced disclosure of all material information concerning the RE and/or the Fund that a reasonable person would expect to have a material effect on the price or value of the Fund's securities;
- monitoring the RE's and the Fund's risk management framework and setting the risk appetite within which the Board expects management to operate;
- overseeing arrangements in relation to the operation of the Fund;
- satisfying itself that an appropriate framework exists for relevant information to be reported by management to the Board;
- whenever required, challenging management and holding it to account;
- satisfying itself that the Fund's remuneration policies are aligned with the Fund's purpose; and
- monitoring the effectiveness of the RE's and the Fund's governance practices.

3. COMPOSITION, QUORUM AND VOTING

The Board will at all times apply the prescribed terms of the Constitution and consider the recommended corporate governance principles, particularly where these adopt a more stringent standard than the Constitution.

The Board will consist of a majority of independent non-executive Directors. The RE will disclose the names of the Directors considered by the Board to be independent Directors.

The Directors will determine the size of the Board, subject to the Constitution and applicable law, including the rules concerning

board limits under the Act. The number of Directors and the composition of the Board must at all times be appropriate to the RE to achieve efficient decision making and adequately discharge its responsibilities and duties.

The RE seeks to have Directors with an appropriate range of skills, knowledge, experience, independence and diversity, and an understanding of and competence to deal with current and emerging issues of the business. It will have a Board skills matrix setting out the skills and diversity that the Board has or is looking for in order to identify any gaps in skills that the Board seeks.

The Board will comply with the terms of the Deed Poll which requires that:

- Directors retire in accordance with ASX LR 14.4;
- at least 40 business days before the annual general meeting of the RE, investors are notified by an announcement to ASX that they may nominate a person to fill a vacancy on the Board that arises on retirement of either a Director under the rotation process or a Director appointed by the Board since the last annual general meeting;
- if investors wish to exercise that right, at least 35 business days before the annual general meeting they must send the RE a signed nomination form and the nominee's signed consent to act as a Director; and
- any person nominated as Director by the RE stand for election at the next annual general meeting.

If the RE wishes to nominate a person as a Director, it will nominate a candidate with appropriate skills, knowledge, experience, independence and expertise will be identified. Candidates with the skills, knowledge, experience, independence and expertise that best complement the Board's effectiveness will be recommended to the Board. When the Board considers that a suitable candidate has been found, that person may be appointed by the Board to fill a casual vacancy in accordance with the Constitution and must stand for election at the next annual general meeting.

Independent non-executive Directors will be engaged by a letter of appointment setting out the terms and conditions of their appointment. Executive Directors and other senior management will have their roles and responsibilities set out in a contract. Directors will be expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them.

Directors must retire from office in accordance with the Constitution and the ASX LR. Retiring Directors may be eligible for re-election. Before any re-election, the Board (excluding the relevant Director) will assess the performance of any Director standing for re-election and the Board will determine their recommendation on the re-election of the Director (in the absence of the Director involved). The lead independent Director will conduct the review of the Chairperson.

The RE must disclose the length of service of each Director.

All Directors, whether independent or not, should bring an independent judgement to bear on all Board decisions.

A Director is considered an independent Director if he or she is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the RE, the Fund and its investors.

A Director who:

- is, or has been, employed in an executive capacity by the RE, the Fund or any group member and there has not been a period of at least 3 years between ceasing that employment and serving on the Board;
- receives performance based remuneration or participates in employee incentive schemes;
- is, or has within the last 3 years been, a partner, director or senior employee of a provider of material professional services to the RE, the Fund or any RE group member;
- is, or has been within the last 3 years, in a material business relationship (eg as a supplier or customer) with the RE, the Fund or any RE group member, or an officer of, or otherwise associated with, someone with such a relationship;
- is or represents a substantial security holder of the RE, the Fund or an officer of, or otherwise associated with, a

substantial security holder of the RE or the Fund;

- has a material contractual relationship with the RE or the Fund or another RE group member other than as a Director;
- has close personal ties with any person who falls within any of the categories described above; or
- has been a Director for such a period that his or her independence from management and substantial holders may have been compromised,

will not be independent, unless the Board is satisfied on reasonable grounds that the Director is independent despite the existence of one or more of these circumstances. In each case, the materiality of the interest, position, association or relationship as a whole needs to be assessed to determine whether it might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the RE, the Fund and its investors generally.

The Board will assess the independence of each non-executive Director in light of interests disclosed by them at least annually prior to publication of the annual report of the Fund. Each non-executive Director must provide the Board with all relevant information for this. If a non-executive Director's interests, positions, associations or relationships change, the assessment should be made as soon as practicable after the Board becomes aware of the change.

If the Board determines that a Director's independent Director status has changed, that determination will be disclosed to the market in a timely manner.

4. MEETINGS

- There will be a minimum of four meetings per year, but the Board may meet whenever required on an ad hoc basis.
- The Chairperson may call a meeting and must call a meeting if requested to do so by any other Director.
- The Company Secretary shall prepare the agenda in conjunction with the Chairperson. This should reflect the matters for discussion at each meeting and the agenda and accompanying documentation shall be circulated to Directors and any other persons required to attend the particular meeting, at least three days prior to the meeting.
- Where deemed appropriate by the Chairperson, meetings may occur via conference call or other electronic means and approvals and recommendations may occur via written resolution.
- The Chairperson may, at his or her discretion, invite other persons to meetings of the Board as deemed necessary.
- Directors are expected to prepare adequately for, attend and participate in Board meetings. Directors should consider the sufficiency of the contents of the board papers that they have been provided for consideration. The Board should assess the information that it receives and the timing of its distribution to ensure the Board has sufficient time to examine the material provided to it for approval.
- Directors are committed to collective decision making, but have a duty to question and raise any issues of concern to them. Matters are to be debated openly and constructively amongst the Directors. Individual Directors must utilise their particular skills, experience and knowledge when discussing matters at Board meetings.
- Directors must keep Board discussions and resolutions confidential, except where they are required to be disclosed.
- The Company Secretary or nominee shall make a record of the proceedings of each meeting. The draft minutes of each Board meeting of the RE shall be reviewed by the Chairperson and, upon finalisation, shall be circulated to each Director and will be confirmed at the following Board meeting.
- Following consultation with the Chairperson, Directors may seek independent professional advice at the RE's or the Fund's expense. Generally this advice will be available to all Directors if the Chairperson considers the advice relevant for them to discharge their responsibilities as Directors.

5. OBJECTIVES

The objectives of the Board relate to RE and the Fund in their entirety. The Board will:

- approve the strategy of the RE and the Fund;
- act as a focal point for, and custodian of, corporate governance;
- provide effective and ethical leadership;
- ensure the RE and the Fund are responsible corporate citizens;
- be responsible for the high-level review of risk, including information and technology risk; and
- ensure that the RE and the Fund comply with all the applicable laws and adhere to non-binding rules and standards.

6. DELEGATION

- To achieve the objectives of the Board, the Board may delegate certain of the duties and functions listed above, as well as others not specifically listed in this Charter, to various Board committees, forums or the CEO of the Fund, without abdicating its own responsibilities.
- Directors are entitled to attend committee meetings and receive committee papers. Committees will maintain minutes of their meetings and are entitled to obtain professional or other advice in order to effectively carry out their proper functions. The chairperson of each committee will report on committee meetings to the Board at the next full Board meeting.
- The Board delegates to the CEO of the Fund the authority to manage the day to day affairs of the RE and the Fund and the authority to control the affairs of the RE and the Fund in relation to all matters other than those reserved to the Board and its committees under their charters or under specific limitation or guidance from the Board.
- The CEO of the Fund has authority to delegate to the senior management team who are responsible for:
 - implementing the strategic objectives of, and operating within the risk appetite set by, the Board and for all other aspects of the day-to-day running of the RE and the Fund;
 - instilling and reinforcing the RE's values; and
 - providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.
- From time to time the Board may review the division of functions between the Board and management so that it continues to be appropriate to the needs of the RE and the Fund.
- The Board has formally defined and documented by way of terms of reference the authority it has delegated to the various Board committees.
- In fulfilling its responsibilities, the Board is supported by management in implementing the plans and strategies approved by the Board. In this regard a management agreement has been entered into by the RE of the Fund with the Manager, under which the Manager performs asset management and property management services for the Fund.

7. SCOPE OF RESPONSIBILITIES

The above list of objectives and delegations is not intended to be either complete or exclusive, and the Board will, in addition, have such powers as may be necessary or appropriate for the performance of its duties as required by the Constitution, the law (including the Act), regulations (including the JSE LR and the ASX LR) and principles of good governance (including the King Code IV and the ASX Corporate Governance Principles and Recommendations). All interpretations and determinations of the Board will be binding on all affected parties.

8. ROLE AND RESPONSIBILITIES OF CHAIRPERSON

The Chairperson is an independent and non-executive Director appointed by the Board. The Chairperson should not be the same person as the CEO. The Chairperson is responsible for:

- chairing Board and unitholder meetings, setting the Board's agenda and seeking to ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- seeking to ensure that Directors are briefed on Board matters and leading the Board in reviewing and discussing Board matters;
- seeking to facilitate effective contribution by all Directors and monitoring Board performance;
- seeking to promote constructive and respectful relations between Board members and between the Board and management;
- seeking to achieve the objective that membership of the Board is skilled and appropriate for the RE's and the Fund's needs;
- monitoring the role of the Company Secretary; and
- monitoring the implementation of policies and systems for Board performance review and renewal.

9. ROLE AND RESPONSIBILITIES OF LEAD INDEPENDENT DIRECTOR

The lead independent Director is an independent non-executive Director appointed by the Board who is responsible for:

- leading in the absence of the Chairperson;
- serving as a sounding board for the Chairperson;
- acting as an intermediary between the Chairperson and other members of the governing body, if necessary;
- dealing with investors' concerns where contact through the normal channels has failed to resolve concerns, or where such contact is inappropriate;
- strengthening independence of the governing body if the Chairperson is not an independent non-executive member of the governing body;
- chairing discussions and decision-making by the governing body on matters where the Chairperson has a conflict of interest; and
- leading the performance appraisal of the Chairperson.

10. ROLE AND RESPONSIBILITIES OF COMPANY SECRETARY

The Company Secretary acts as secretary of the Board, attending meetings of the Board and its committees. The Company Secretary is accountable directly to the Board, through the Chairperson, on matters to do with the proper functioning of the Board. In addition to responsibilities under the RE's constitution and the Fund's Constitution, and matters specifically delegated to them, the Company Secretary acts as chief administrative officer and as a point of contact between the Board and the Manager. The Company Secretary's responsibilities include:

- monitoring that policies and procedures of the Board are followed;
- organising Board and committee meetings, Director attendance, draft notices of meetings and resolutions for approval, and coordinating the despatch of Board and committee meeting papers;
- capturing the business of Board and committee meetings in the minutes, and circulating minutes from committee meetings to the Board;
- helping to organise and facilitate the induction and professional development of Directors so that they can develop and maintain the skills and knowledge needed to perform their role as Directors effectively; and
- seeking to ensure that the RE and the Fund comply with relevant requirements under the Act regarding registered office, annual returns and notices to be lodged with ASIC.

11. EVALUATION

The evaluation of the Board, its committees and individual Directors will be performed every year.

Periodically the Board will review and evaluate:

- its own performance, including against the requirements of this Charter;
- the performance of its committees; and
- the performance of individual Directors,

against both measurable and qualitative indicators. The RE will disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with this process.