

IRONGATE

Sustainability Report 2021

For the year ended 31 March 2021

Irongate Group

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About this report

This is IAP's first sustainability report. It provides information on IAP's approach to sustainability and a summary of IAP's sustainability goals and progress to date towards these goals. The report forms part of IAP's FY21 reporting suite.

Message from our CEO



In today's property world,
to be successful means we
must become experts in
sustainability

In late 2020, IAP completed the acquisition of management rights from Investec Group, and evolved to become an internally managed REIT listed on the ASX and the JSE rebranded as Irongate Group.

Today, the business is run by a dedicated team of professionals, with the aim of growing our direct property investments and expanding our funds management platform.

Globally, the built environment is responsible for about 40% of GHG emissions. We all understand that the property industry must strive to become a net zero carbon emitter in order to maintain long term environmental and economic sustainability.

In addition, to be truly sustainable, any business must ensure the long term wellbeing and satisfaction of its investors, employees, tenants, suppliers and the communities within which they operate. This is the social side of sustainability.

All sustainability starts with good governance. Our values, policies and stakeholder relationships need to reflect the environmental and social challenges we face. We must lead on sustainability issues, set sustainability targets, implement sustainability programs, monitor performance and maintain a continuous cycle of improvement.

At IAP, we take these responsibilities very seriously. This is our first sustainability report and it defines the parameters for our sustainability approach into the future. As we look to the year ahead, we are very conscious of the social and economic impacts that the COVID-19 pandemic has had and the uncertainty it has created.

I would like to express my sincere thanks to our employees, tenants, investors and other stakeholders for their continued strong support in these extraordinary times.

A handwritten signature in black ink, appearing to be 'G. Katz'.

Graeme Katz
Executive director and CEO

Overview

IAP's portfolio has grown 9.5 times since listing on the JSE in October 2013 and now comprises 32 properties with an area of 345,787m² valued at A\$1.237 billion¹

As part of the recent internalisation transaction, IAP has also established a third party funds management platform with more than A\$1.750 billion of AUM

Our vision

Our vision is to be a meaningful player in multi-sector property investment and asset management in Australia and New Zealand.

Our competitive edge

What differentiates us from others is our people. At IAP, our management team has worked together for over a decade. The team is well connected with extensive industry experience. We continue to attract and retain a diverse team of property specialists who are driven and passionate about delivering results for our various stakeholders.

Our approach

IAP has focused on constructing a portfolio with the following characteristics:

- strategically located industrial properties that typically provide longer term sustainable income
- suburban office properties located in close proximity to key infrastructure such as main arterial roads and railway stations with affordable occupancy costs for tenants
- CBD office properties in select markets with the opportunity to enhance income and/or capital value through active asset management
- retail properties with the opportunity to unlock value located in growth corridors

Our business

32

properties

A\$1.237b

portfolio value

345,787m²

area

4.7 years

WALE

4.3

average NABERS energy rating

4.0

average NABERS water rating

130

number of tenants

15

number of employees

1. Excludes the acquisition of 57–83 Mudgee Street and Lot 24 Dunhill Crescent which were announced post 31 March 2021.

ESG framework

Sustainability objectives

IAP is committed to investing in sustainability initiatives to deliver better outcomes for our properties, the people that occupy them and the broader community.

Our key objectives are to:

- create and maintain efficient buildings that reduce operating costs
- measure against recognised sustainability standards
- undertake projects to contribute to more efficient operations
- engage tenants to reduce energy, water and waste in ways that enhance profitability and reduce our environmental footprint
- achieve net zero emissions by 2030

A senior manager has been appointed to continue to develop and steer the ESG program.

GRESB

GRESB assesses and benchmarks the environmental, social and governance performance of real assets and provides standardised and validated data. This year the Fund will undertake a GRESB gap analysis this will provide us with a basis upon which we will then obtain a scorecard for FY22 which will be reported in our FY23 sustainability report.

CDP

We will also be participating in the CDP environmental disclosure questionnaire with a view to obtaining a CDP score.

Efficient buildings

IAP measures energy and water efficiencies by reference to NABERS. In addition, the Fund will be implementing a program to measure its waste efficiency and the indoor environment quality of its buildings or tenants and their impact on the environment.

Eight of the 12 office buildings in IAP's portfolio have been assessed for a NABERS energy and water rating. The average NABERS energy rating across the portfolio is 4.3 stars and the average NABERS water rating is 4.0 stars. IAP's challenge is to identify energy and water saving opportunities that will ultimately benefit tenants by lowering their operating costs and which will improve the overall sustainability of the portfolio.

Environmental sustainability platform

This year IAP implemented the Envizi environmental sustainability platform to record, manage and report on our performance across key metrics including energy, water and GHG. Envizi will provide the insights we need to identify performance improvement opportunities with a view to long term optimisation of the portfolio's sustainability performance.

Sustainability program

IAP has partnered with Knight Frank's sustainability team to develop a robust environmental sustainability program for the coming year. As part of this approach IAP is progressing the following initiatives:

- continue to undertake building audits to identify additional environmental improvement opportunities
- implement a NABERS optimisation program to ensure the water and energy ratings for each building is optimised
- capture data that will provide building analytics to allow for continuous sustainability improvement programs
- implement a building analytics and fault detection system to identify critical building operations issues as and when they occur
- implement a consistent waste measurement and management program to reduce landfill waste and increase waste recycling

At IAP, we apply a continuous improvement approach to sustainability. We measure sustainability issues and performance, implement improvement programs and repeat this process in a continuous cycle.

We do this in each of the three recognised areas of sustainability:

- **Environmental:** covering the impact of our property assets on the physical environment and also the impact the physical environment has on our assets
- **Social:** covering the physical, social and financial wellbeing of all our stakeholders including investors, employees, suppliers, contractors and our community
- **Governance:** creating and continuously improving the framework of values, policies, management processes and controls which we use to run our business sustainably



Environmental

What we focus on

- Climate change and risks arising
- Responsible use of resources
- Creating and maintaining efficient buildings

How we measure it

- GRESB
- CDP
- Environmental opportunity and environmental risk audits
- NABERS ratings
- Year-on-year electricity, water, waste and GHG intensity data



Social

What we focus on

- Employee diversity and wellbeing
- Tenant satisfaction
- Workplace safety
- Community engagement

How we measure it

- GRESB
- CDP
- Employee and tenant satisfaction surveys



Governance

What we focus on

- Board diversity
- Values and policies
- Stakeholder engagement
- Supply chain sustainability

How we measure it

- GRESB
- CDP

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01 —

Environmental

Environmental

FY21 highlights

- Implemented an environmental data management system across the whole portfolio
- Completed NABERS energy and water ratings across the office portfolio
- Participated in Earth Hour, a WWF global initiative raising awareness about climate change and reducing energy use. Earth Hour took place on Saturday, 28 March 2020 and is now the world's largest community-driven campaign for the planet. Working with tenants, IAP switched off all non-essential lighting in its buildings during Earth Hour and encouraged those tenants working from home during the COVID-19 pandemic to also observe Earth Hour in any way they could

During the period the Fund undertook a number of projects designed to meet its key environmental objectives.

At **2 Richardson Place** in Sydney:

- energy audits were conducted during the period and key areas were identified where energy savings could be targeted
- improved facility management practices were implemented resulting in a 5% saving in energy consumption
- passive cooling paint was applied to the roof of the building reducing the absorption of heat into the building and increasing the overall interior comfort for occupants
- a 2×99kW rooftop solar photovoltaic system was installed

At **20 Rodborough Road** in Sydney:

- energy audits were conducted during the period and key areas were identified where energy savings could be targeted
- improved facility management practices were implemented resulting in a 12% saving in energy consumption

At **66 Glendenning Road** in Sydney:

- lighting in the office and warehouse was changed to energy efficient LEDs resulting in an overall lighting energy reduction of 80%

At **35–49 Elizabeth Street** in Melbourne:

- an additional 593m² of NLA has been built to cater for the increased space requirement of an existing tenant with sustainable modelling undertaken to ensure the carbon footprint of the building is reduced based on a per square metre ratio
- the building management system was upgraded which produced key data and fault detection to assist in identifying excess mechanical usage
- additional metering technology was introduced to record usage and isolate areas not zoned for NABERS calculations

At **100 Willis Street** in Wellington:

- a colour coded recycling system was implemented which raised awareness as to the amount of waste generated by tenants and improved the level of recycling

At **67 Calarco Drive** in Melbourne:

- a 99kW rooftop solar photovoltaic system was installed

Environmental data summary for properties under IAP operational control

| | UNIT OF MEASURE | FY20 | FY21 | CHANGE (%) |
|---|---------------------------------|----------------------------|--------|------------|
| NABERS rated area | m ² | 90,152 | 91,011 | 0.95 |
| Average NABERS energy rating ¹ | stars | 4.2 | 4.3 | 2.38 |
| Average NABERS water rating ³ | stars | 3.8 | 4.0 | 5.00 |
| NABERS energy intensity | MJ/m ² | 385.4 | 371.1 | (3.71) |
| Average NABERS water intensity | kL/m ² | 0.69 | 0.64 | (9.25) |
| Average base building GHG intensity (scope 1 and 2) | CO ₂ /m ² | 87.9 | 82.1 | (6.60) |
| Waste intensity | tonnes/m ² | To be measured during FY22 | | |
| Base building waste—proportion diverted from landfill | % | To be measured during FY22 | | |

1. Average NABERS rating has been calculated using the NABERS method for calculating average NABERS rating for publication.

Environmental

Continued

Building performance

The IAP property portfolio can be classified into:

- properties where IAP has operational control (office properties)
- properties where operational control sits with tenants (industrial properties).

This report presents building performance information for the properties under IAP operational control only. Data for properties controlled by IAP will be included in future reports.

Information for properties under IAP operational control (all office properties)

| PROPERTY | NLA (M²) | FY20 | | FY21 | |
|--|----------|------------------------------------|----------------------|------------------------------------|----------------------|
| | | NABERS ENERGY (STARS) ¹ | NABERS WATER (STARS) | NABERS ENERGY (STARS) ¹ | NABERS WATER (STARS) |
| 449 Punt Road, Cremorne VIC | 6,384 | 4.0 | 4.5 | 4.5 | 4.5 |
| 35–49 Elizabeth Street, Richmond VIC | 11,917 | 4.0 | 4.5 | 4.0 | 5.0 |
| 2404 Logan Road, Eight Mile Plains QLD | 3,637 | Not rated | Not rated | Not rated | Not rated |
| 186 Reed Street, Greenway ACT ² | 5,407 | 5.5 | 4.5 | 5.5 | 5.0 |
| 21–23 Solent Circuit, Baulkham Hills NSW | 10,816 | 4.5 | 2.0 | 4.5 | 3.0 |
| 266 King Street, Newcastle NSW | 13,868 | 4.5 | 4.5 | 4.5 | 4.0 |
| 113 Wicks Road, Macquarie Park NSW | 6,253 | Not rated | Not rated | Not rated | Not rated |
| 324 Queen Street, Brisbane QLD | 19,864 | 3.5 | 3.5 | 3.5 | 3.5 |
| 20 Rodborough Road, Frenchs Forest NSW | 12,677 | 3.5 | 3.5 | 3.5 | 4.0 |
| 2 Richardson Place, North Ryde NSW | 15,205 | 5.0 | 4.0 | 5.0 | 4.0 |
| 24 Wormald Street, Symonston ACT | 4,720 | Not rated | Not rated | Not rated | Not rated |
| 100 Willis Street, Wellington NZ | 23,175 | Not rated | Not rated | Not rated | Not rated |
| Averages | | 4.2 | 3.8 | 4.3 | 4.0 |

1. Scope 1 and Scope 2 emissions include electricity and gas. Refrigerant emissions are not included.

2. All energy and emissions data is for base building consumption except for 186 Reed Street where the data is for the whole building.

FY22 environmental program

During FY22, IAP plans to focus on the following items:

| FOCUS | ACTIONS FOR THE COMING YEAR |
|--|--|
| Risks to IAP arising from climate change | Undertake climate change risk audits across all properties by 31 December 2021. |
| Energy and water consumption and GHG emissions | <div>Renew all NABERS energy and water ratings prior to expiry of the current ratings.</div> <div>Source and implement building performance analytics and fault detection system, where feasible, to enable more efficient optimisation of building performance.</div> <div>Undertake an energy and water improvement opportunity audits of each NABERS rated building in conjunction with the NABERS program.</div> <div>Undertake energy and water improvement opportunity audit of each industrial property.</div> <div>Undertake appropriate efficiency upgrades where favourable business cases are identified.</div> |
| Waste generation and disposal | <div>Source and implement a reliable system for measuring base building waste across the office portfolio to establish a waste performance benchmark.</div> <div>Implement environmentally friendly cleaning products within all IAP cleaning contracts by 31 December 2021.</div> |





02 —

Social

Social

Our people

Our business success has always been built on the quality of our people. We are proud of who we are, and we are equally proud of the people that choose to work with us. We are focused on continuing to foster an inclusive and collaborative culture for employees enabling them to deliver on our strategy.

Supporting the health and wellbeing of our employees is an important part of our success and we have implemented a number of initiatives for employees, including:

- two wellness days per calendar year for employees outside of standard annual leave
- an annual wellness allowance per employee to contribute toward wellness expenses, such as a gym membership

In addition, the management team are focused on the continued training and development of employees to assist in their professional development.

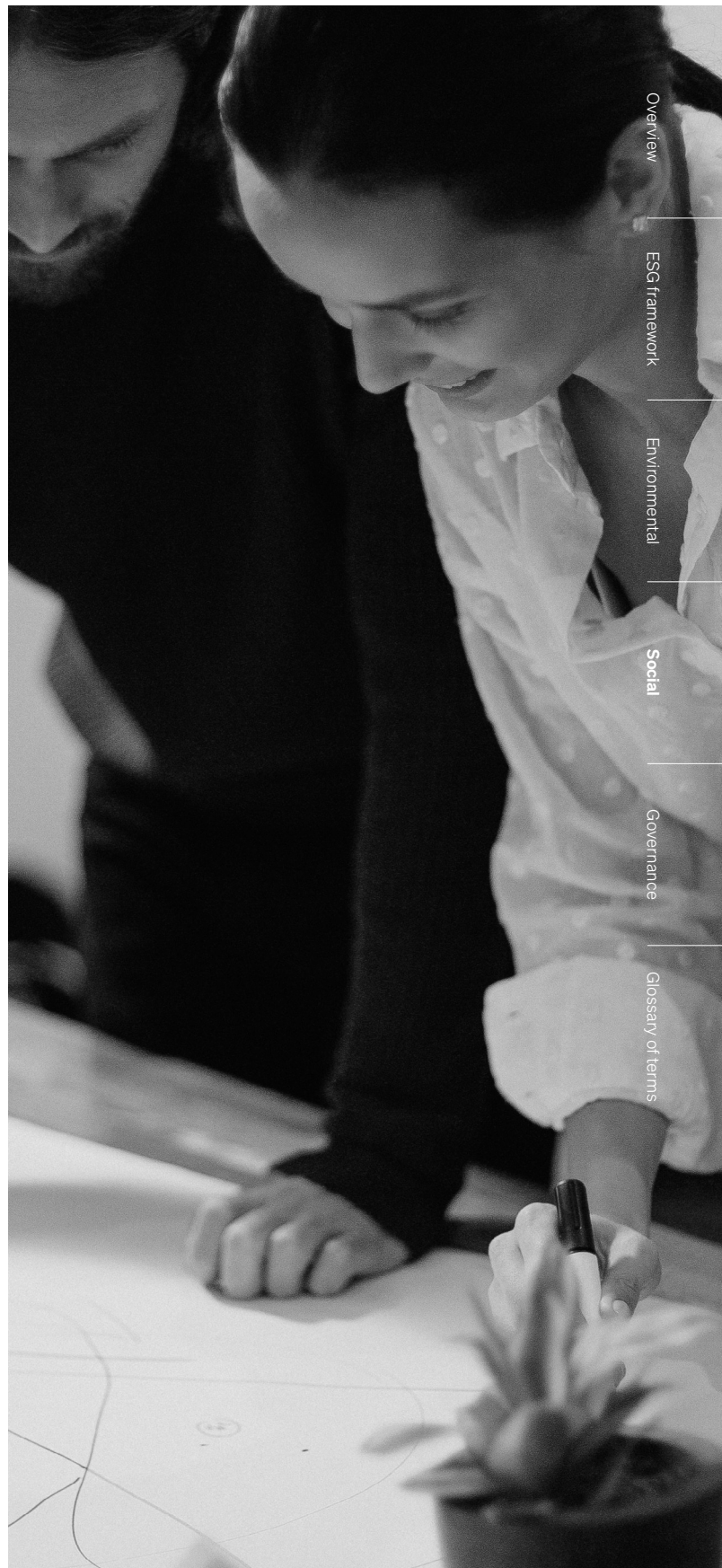
Inclusion and diversity

IAP is committed to creating a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of the Fund.

This commitment is driven from the top down with the Board setting the tone for ethical leadership. The management team play an important role in the translation of a strong ethical culture to employees, and to facilitate this the management team participated in a belonging, inclusion and diversity workshop late in 2020. The workshop focused on diversity, inclusion, bullying, harassment and other similarly importance issues in the workplace.

The management team are committed to the ongoing development of culture and values providing a strong anchor for the go forward business.

The Board has set certain diversity targets which are set out in the diversity policy. IAP has exceeded these targets for FY21 in respect of gender diversity. The Board will continue to review the targets to ensure we are adhering to both industry practice and regulatory guidelines.



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Social

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FY21 highlights

IAP's aim is to create a meaningful social and economic impact to help sustain the communities it is a part of. Our FY21 community contribution highlights are:



Bush Heritage Australia

We are proud to be partnering with Bush Heritage Australia, which is a not-for-profit conservation organisation. Bush Heritage Australia works to protect Australia's landscapes and native species, including working closely with Aboriginal people across Australia to deliver positive environmental, social and economics outcomes. IAP's contribution to Bush Heritage Australia will help to revegetate land to create connected habitat corridors so that wildlife can more freely breed and thrive.

Cystic Fibrosis Australia (CFA)

We support CFA by providing rent free accommodation at 2 Richardson Place in Sydney for their national head office. From this space CFA delivers a range of programs and services to individuals and families living with cystic fibrosis in Australia. Due to COVID-19, the Fund reached out to CFA to re-assure them that they would not be required to pay any occupancy costs under their lease through to March 2021. This enabled CFA to continue their important work without additional financial burden.



Meals on Wheels, NSW

The Fund's managing agent Knight Frank reached out to see if the Fund could join in donating supplies for Meals on Wheels, NSW. Partnering with other property groups, over 4,000 rolls of toilet paper, 200 packets of hand towels and 120L of antibacterial soap were donated, all owing Meals on Wheels to provide supplies to the elderly and people in need.



World Prematurity Day

17 November 2020 marked the World Prematurity Day, which focuses attention on premature birth. Landmarks around the world participated by "Lighting up Purple" to raise awareness of the 15 million babies born prematurely each year. 100 Willis Street in Wellington participated by lighting up the building in purple.

Dean Gifford Stair Climb

At 100 Willis Street in Wellington we host the annual Dean Gifford Stair Climb charity event, a timed race up 621 stairs. The event is held in memory of Senior Constable Dean Gifford, a Wellington-based police officer, and raises funds for the Child Cancer Foundation. The event is supported by members of the Armed Offenders Squad, the National Dive Squad, the Wellington Fire Service, the Wellington Free Ambulance, Land Search and Rescue and Wellington's Police Support Unit. In 2019 the event raised NZ\$21,000 for the Child Cancer Foundation, which we matched, bringing the final amount raised to NZ\$42,000. Sadly due to COVID-19 the event was postponed in 2020 but we continue to be a proud supporter and hope the event will be able to take place later this year.

FY22 social program

During FY22 IAP plans to focus on the following items:

| FOCUS | ACTIONS FOR THE COMING YEAR |
|----------------------------------|---|
| Employee diversity and wellbeing | Achieve and maintain a diverse workforce with low turnover. |
| Tenant satisfaction | Provide quality tenant amenities at every site. Achieve a “very satisfied” rating from all tenants on tenant satisfaction surveys. |
| Workplace safety | Zero lost time accidents among IAP’s employees. Zero notifiable incidents across the properties where IAP has operational control. |
| Community engagement | IAP will donate two days of every employee’s time to selected community programs each year. Match employee selected charity donations up to an agreed limit. Provide financial support to selected charities each year. |





03 —

Governance

Governance

The Responsible Entity is committed to acting honestly and with integrity in all its dealings and recognises the importance of having in place a strong corporate governance framework to ensure compliance with legal and other obligations to our stakeholders.

Alignment to ASX Guidelines

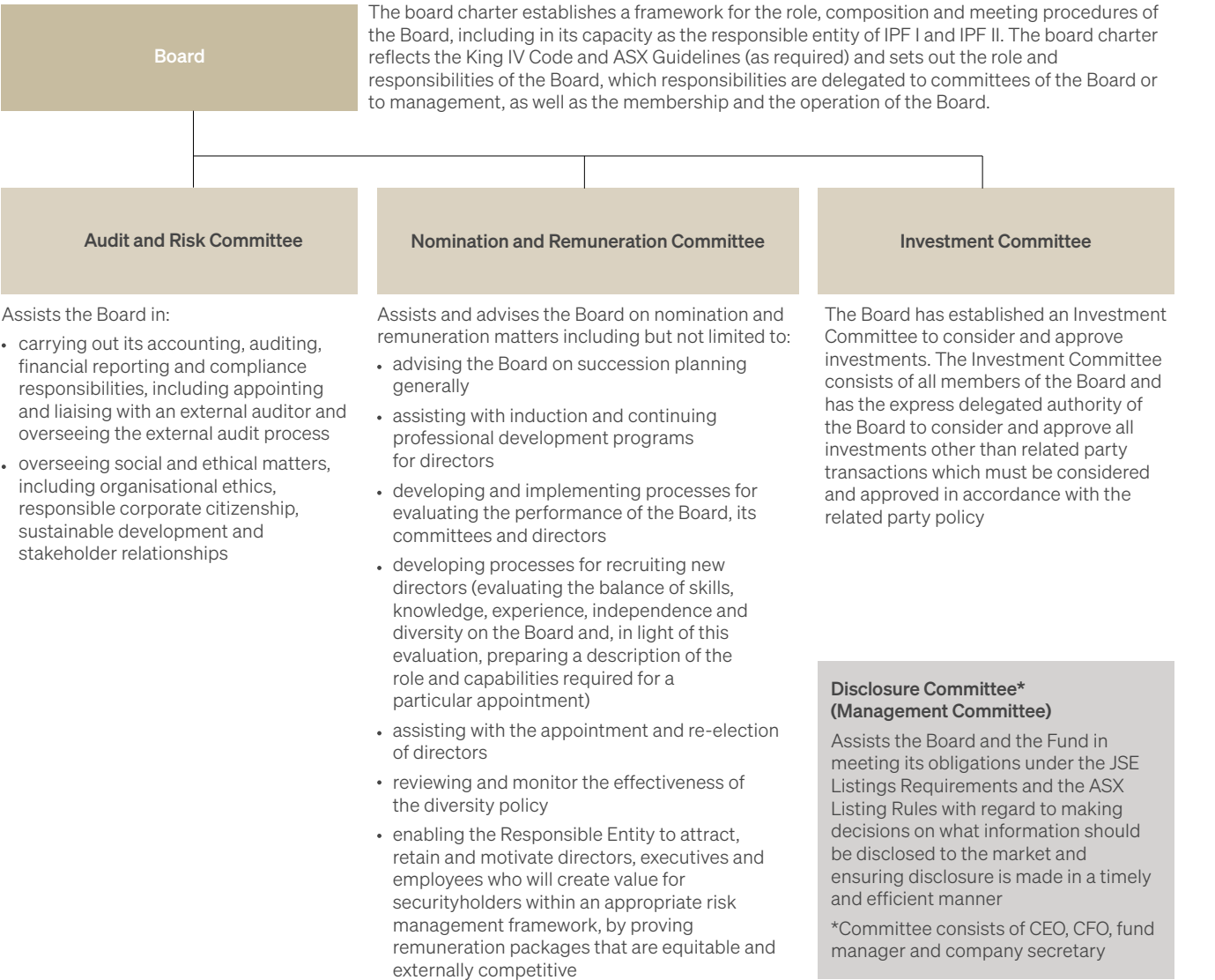
The Responsible Entity and the Fund comply with the ASX Guidelines as they apply to managed investment schemes. The ASX Guidelines encompass matters such as board composition, committees and compliance procedures and are designed to maximise corporate performance and accountability in the interests of investors and the broader economy.

Alignment to the JSE Listings Requirements and King IV Code requirements

The Responsible Entity and the Fund comply with the JSE Listings Requirements, which among other things require compliance with the King IV Code principles. The King IV Code principles outline the corporate governance guidelines that apply to all JSE-listed entities. The Responsible Entity is committed to the continued application and monitoring of the King IV Code principles and have applied these principles to the management of the Fund to the extent applicable.

The Fund's compliance with the ASX Guidelines and King IV Code principles are set out in our corporate governance statement which is available on the website at irongategroup.com.au.

Corporate governance framework

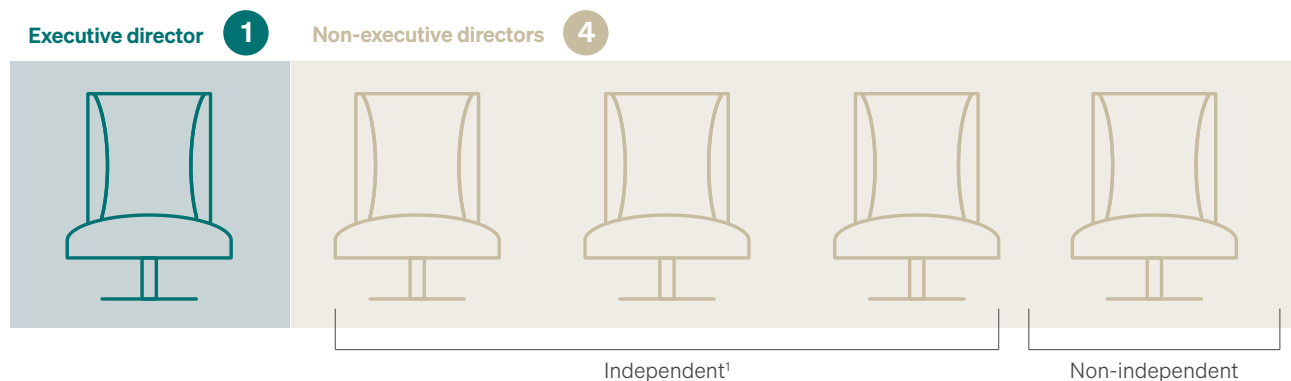


The charter for the Board, Audit and Risk Committee and Nomination and Remuneration Committee can be found on the website at irongategroup.com.au.

Governance

Continued

Board composition



1. Includes the chairperson of the Board.

The appointed non-executive directors, representing both South Africa and Australia, are experienced directors who have a broad range of skills including strategy, leadership and communications, and expertise covering property, funds management, investment banking, mergers and acquisitions, public policy, legal and compliance, all of which enable them to bring independent judgement to Board deliberations and decisions. The Board ensures that there is an appropriate balance of power and authority, such that no one individual or block of individuals can dominate the Board's decision making.

Details on the experience and skills of the Board can be found in the Annual Report.

Board and committee memberships

As at 31 March 2021

| | BOARD | AUDIT AND RISK COMMITTEE | NOMINATION AND REMUNERATION COMMITTEE | INVESTMENT COMMITTEE |
|-----------------------------|-------|-----------------------------|--|-------------------------|
| Sally Herman | ✓ | ✓ | ✓ | ✓ |
| Graeme Katz | ✓ | ✗ | ✗ | ✓ |
| Stephen Koseff | ✓ | ✗ | ✓ | ✓ |
| Georgina Lynch | ✓ | ✓ | ✓ | ✓ |
| Richard Longes ¹ | ✓ | ✓ | ✓ | ✓ |

1. Richard Longes joined the Audit and Risk Committee effective 30 November 2020.

Functionality

The information needs of the Board are reviewed annually and directors have unrestricted access to all information, records and documents to enable them to discharge their responsibilities sufficiently. Efficient and timely methods of informing and briefing directors prior to Board meetings has been developed and in this regard steps have been taken to identify and monitor key risk areas, key performance areas and non-financial aspects relevant to the Fund. In this context, the Board is afforded information in respect of key performance indicators, variance reports and industry trends.

Directors may convene a meeting of the Board whenever a director thinks fit. Board meetings are held at least quarterly with additional meetings convened when circumstances necessitate. The Board has established certain committees to assist in the discharge of its responsibilities (see page 13). External advisors, executive directors and senior management who are not members of specific committees attend committee meetings by invitation, if deemed appropriate by the relevant committees.

Senior management have a standing invitation to the Board and Audit and Risk Committee meetings.

The number of meetings held and directors' attendance are detailed below:

| | BOARD | AUDIT AND RISK COMMITTEE | NOMINATION AND REMUNERATION COMMITTEE |
|-----------------------------|-------|--------------------------|---------------------------------------|
| Sally Herman | 7/7 | 9/9 | 3/3 |
| Graeme Katz | 7/7 | – | – |
| Stephen Koseff | 7/7 | – | 3/3 |
| Georgina Lynch | 7/7 | 9/9 | 3/3 |
| Richard Longes ¹ | 7/7 | 2/2 | 3/3 |
| Sam Leon ² | 5/5 | – | – |
| Hugh Martin ³ | 5/5 | 7/7 | – |

Company secretary

The Board is satisfied that the appointed company secretary, Lucy Spenceley, is a suitably competent and experienced company secretary and is appropriately empowered to fulfil her duties to assist the Board.

The company secretary is subject to an annual evaluation by the Board. Directors have access to the services and advice of the company secretary. The company secretary is not a director of the Responsible Entity and has an arm's length relationship with the Board, who can also remove the company secretary from office.

Evaluation

The directors are committed to ensuring the Board is diverse and appropriately balanced in terms of independence, business experience, knowledge, skills and gender. A review of Board performance is carried out on an annual basis. This review takes into account the operation and performance of the Board and its committees, and the effectiveness of Board communications. This review is undertaken by the chairperson and, if so determined by the Board, an independent service provider.

The annual performance review has been carried out by way of a questionnaire. The main focus of the Board continues to be on how to drive strategy with consideration of the macro economic environment. The chairperson was satisfied with the outcome of the review process. The performance review of the chairperson was carried out by the lead independent director.

Board tenure

The Board acknowledges that the length of director service on the Board needs to be assessed to ensure that a director's independence from management and substantial holders has not been compromised. The interests of IAP and its securityholders are well served by having a mix of directors, some with a longer tenure with a deep understanding of the entity and its business and some with a shorter tenure with fresh ideas and perspective. The mere fact that a director has served on a board for a substantial period does not mean that the director has become too close to management or a substantial holder to be considered independent.

1. Richard Longes joined the Audit and Risk Committee effective 30 November 2020.

2. Sam Leon and Hugh Martin resigned effective 30 November 2020.

Governance

Continued

Nominations and remuneration

As part of the internalisation transaction the Responsible Entity entered into a governance deed poll in favour of securityholders and, although not compulsory, have chosen to adopt certain additional measure in respect of corporate governance matters which afford securityholders certain rights, these include:

- ratification of the appointment of directors
- the Responsible Entity will accept nominations for the election of directors
- the ability of securityholders to lodge an advisory vote in respect of approval of the remuneration report
- the Responsible Entity will seek securityholder approval prior to increasing the aggregate fee pool for non-executive directors

These measures are designed to ensure the Board is held accountable by securityholders for oversight of the performance and strategic direction of IAP and enhance transparency in relation to the remuneration of directors and key management personnel.

The governance deed poll can be found on the website at irongategroup.com.au.

Remuneration

Please see the Remuneration Report contained in the Annual Report

Code of conduct

The code of conduct sets out the values, commitments, ethical standards, and policies of the Responsible Entity and outlines the standards of conduct expected of its business and people. The Board has endorsed the code of conduct. The Responsible Entity and the senior management team believe that their commitment to the code of conduct will assist in maintaining confidence of the Responsible Entity's key stakeholders.

The code of conduct can be found on the website at irongategroup.com.au.

Policies

In keeping with the code of conduct the Responsible Entity ensures a high standard of governance through a comprehensive suite of policies that were implemented following the internalisation transaction in November 2020. These were designed to improve the accountability of directors, key management and employees in all areas of the business.

The key governance policies are summarised below and can be found on the website at irongategroup.com.au.

Disclosure policy

The Responsible Entity is required to comply with the continuous disclosure requirements of the JSE Listings Requirements, the ASX Listing Rules and the Corporations Act 2001. Subject to the exceptions contained in the JSE Listings Requirements and the ASX Listing Rules, the Responsible Entity will be required to disclose any information concerning the Fund which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the units.

The Responsible Entity is committed to observing the disclosure obligations under the JSE Listings Requirements, the ASX Listing Rules and the Corporations Act 2001. Information will be communicated to securityholders through the lodgement of all relevant financial and other information with the ASX and the JSE and continuous disclosure announcements will also be made available on the website at irongategroup.com.au.

The Responsible Entity aims to ensure that securityholders are kept informed of all major developments affecting the state of affairs of IAP. In addition to its continuous disclosure obligations, the Responsible Entity has adopted a marketing and communications policy. The Responsible Entity will communicate information regularly to securityholders through a range of forums and publications. If the Responsible Entity wishes to release information on the ASX it will ensure that such information is also released on the JSE, and vice versa.

All announcements made to the market, including half year and annual financial results, will be posted on the website at irongategroup.com.au as soon as they have been released by the Responsible Entity on the ASX and the JSE. The full text of all notices of meetings and explanatory material, annual reports and copies of all securityholder presentations made to analysts and media briefings will be posted on the website at irongategroup.com.au. The website also contains a facility for securityholders to direct queries to the Responsible Entity.

Diversity policy

The Responsible Entity is committed to a workplace culture that builds respect, fosters inclusiveness, promotes diversity and embraces the unique skills of all staff and directors.

The Board has adopted a diversity policy which sets out the Responsible Entity's commitment to diversity and inclusion in the workplace at all levels. The diversity policy provides a framework to achieve the Responsible Entity's diversity goals and commitment to creating a diverse work environment where everyone is treated fairly and with respect.

The Nomination and Remuneration Committee will review and monitor the effectiveness of the diversity policy and assess progress in achieving diversity targets.

Related party policy

The Board has implemented a related party policy which outlines how the Responsible Entity will approach transactions with related parties. Any related party transaction the Responsible Entity enters into must be approved by the independent non-executive directors. If it is determined that it is in the best interests of securityholders to enter into the related party transaction, the Responsible Entity will consider whether to obtain the approval of securityholders, in which case the Responsible Entity will follow the steps and processes set out in the related party policy. The Responsible Entity may also require or decide to obtain expert or professional advice in certain circumstances.

Conflicts of interest policy

Conflicts of interest may arise where the interests of IAP, or of its officers, management or agents, are inconsistent with or divergent from some or all of a securityholder's interests. The Board has implemented a conflicts of interest policy which aims to:

- identify any actual, perceived or potential conflicts of interest
- outline policies and procedures to assess and evaluate conflicts of interest
- establish processes and procedures to monitor and manage conflicts of interest

All transactions in which the Responsible Entity may have, or may be perceived to have, a conflict of interest will be conducted in accordance with the conflicts of interest policy.

Capital allocation policy

The Responsible Entity has adopted an allocation policy which aims to establish a clear framework for the allocation of investments between IPF I and other investments managed by IPF II from time to time. Where there is overlap between the mandates of IPF I and other mandates managed by IPF II, the opportunity will be shared between the relevant funds if suitable, otherwise a rotation system will apply.

Personal account dealing and trading policy

The Board has adopted a personal account dealing and trading policy to regulate dealings in securities of the Fund. The personal account dealing and trading policy explains the types of conduct which are prohibited under insider trading laws in Australia and South Africa, and establishes procedures for the buying and selling of securities which are intended to prevent individuals from entering into transactions that could be perceived to amount to market abuse, involve the misuse of inside or confidential information, or breach applicable laws and regulatory requirements.

Whistleblower policy

As a matter of good corporate governance, and to enhance and create an ethical culture that will facilitate openness and disclosure of information relating to criminal or other irregular conduct at the workplace, the Responsible Entity has adopted a whistleblower policy. Under the whistleblower policy, eligible whistleblowers are able to disclose information about possible fraudulent, unethical, criminal, corrupt or other improper behaviour or workplace misconduct in total confidentiality and anonymity, without fear of retribution or prejudice.

Anti-bribery and corruption policy

To ensure that the highest ethical standards of honesty and integrity are being met, the Responsible Entity has adopted an anti-bribery and corruption policy. The policy sets out the Responsible Entity's minimum standards on giving or receiving gifts, benefits and entertainment and the Responsible Entity's stance on anti-bribery. It seeks to ensure that gifts, benefits and entertainment of a value or frequency that would give rise to an actual or perceived conflict of interest are not received or offered, and to provide sufficient training in anti-bribery procedures.

Investment policy

The Responsible Entity has adopted an investment policy to ensure investment decision taken align with the investment strategy of the Fund. The strategy of the Fund is to invest in high quality commercial real estate assets (office, industrial and retail) that are well located in major metropolitan cities or established commercial precincts in Australia and New Zealand. IAP will also seek to grow its third party funds management platform over time, which may involve making third party assets and funds and making co-investments in relation to such third party assets and funds.

Unit pricing discretions policy

The unit pricing discretions policy sets out how the Responsible Entity exercises its discretion relating to issue and redemption prices as conferred by the constitutions of IPF I and IPF II. The Responsible Entity opted into the application of ASIC Class Order CO 13/655 and the policy also complies with the relevant sections of the Corporations Act 2001.

FY22 governance program

| FOCUS | TARGETS FOR THE COMING YEAR |
|-----------------------------|--|
| Board diversity | Maintain a diverse Board. |
| Values and policies | Develop and maintain a broad based ESG program which reflects IAP sustainability values. Continued commitment to cultivating a strong ethical culture. |
| Stakeholder engagement | Maintain ongoing Board and senior management engagement in IAP's ESG program. Create a sustainability working group to oversee the sustainability program. Ensuring continued application of our supplier code of conduct through responsible and sustainable practices. |
| Supply chain sustainability | Investigate potential modern slavery risks and prepare IAP's first modern slavery report. |

Glossary of terms

| | |
|--|---|
| A\$ | means Australian dollars. |
| ASX | means ASX Limited and, where applicable, the Australian securities exchange operated by ASX Limited operated by ASX Limited. |
| ASX Guidelines | means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, as amended from time to time. |
| ASX Listing Rules | means the listing rules of the ASX, and other rules of the ASX which are applicable to the Fund while the Fund is listed on the ASX, as amended from time to time. |
| Audit and Risk Committee | means the audit and risk committee of the Board. |
| AUM | means assets under management. |
| Board | means the board of directors of the Responsible Entity. |
| CBD | means central business district. |
| CDP | means carbon disclosure project. |
| CEO | means chief executive officer. |
| CFO | means chief financial officer. |
| ESG | means environmental, social and governance. |
| FY | means the financial year ending 31 March in the relevant year. |
| GHG | means greenhouse gas. |
| GRESB | means global ESG benchmark for real assets. |
| IAP or Fund | means Irongate Group, comprising IPF I and IPF II. |
| Investec Group | means Investec Limited and Investec Plc, being the head entities of the dual listed companies structure comprising the Investec Group, and each of their subsidiaries. |
| Investment Committee | means the investment committee of the Board. |
| IPF I | means Irongate Property Fund I (ARSN 162 067 736). |
| IPF II | means Irongate Property Fund II (ARSN 644 081 309). |
| JSA | means job safety analysis. |
| JSE | means JSE Limited and, where applicable, the exchange operated by JSE Limited in accordance with its licence under the Financial Markets Act, No. 19 of 2012 of South Africa. |
| JSE Listings Requirements | means the listings requirements of the JSE, as amended from time to time. |
| King IV Code | means the King IV Report on Corporate Governance for South Africa 2016. |
| kL | means kilo litre of liquid. |
| m² | means square metres. |
| MJ | means mega joule unit of energy. |
| NABERS | means national Australian built environment rating system. |
| NLA | means net lettable area. |
| Nomination and Remuneration Committee | means the nomination and remuneration committee of the Board. |
| NZ\$ | means New Zealand dollars. |
| REIT | means real estate investment trust. |
| Responsible Entity | means Irongate Funds Management Limited. |
| Scope 1 | means GHG emissions directly from a site arising from the burning of fuels on site or discharge of gases from the site. |
| Scope 2 | means indirect emissions arising from electricity purchased and consumed at sites under Irongate operational control (e.g. base building electricity consumed by IAP's base buildings). |
| WALE | means the average lease term remaining to expiry across the Fund's portfolio or a property or group of properties, weighted by gross property income. |

IRONGATE

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