



Board Charter

Newmark REIT Management Limited

Policy details

Compliance Policies and Procedures	
Description	Document describing the roles, responsibilities and composition of the Board of Newmark REIT Management Limited.
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1.0 Background

Newmark REIT Management Limited (the **Company**) is the responsible entity of the ASX listed Newmark Property REIT, formed by the stapling of units in Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust.

In this Board Charter:

- (a) Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust are collectively referred to as the **Group**;
- (b) the Board of the Company is referred to as the **Board**;
- (c) the unit holders of Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust are collectively referred to as the **Securityholders**;
- (d) the Investment Manager is Newmark Property Funds Management Pty Ltd (**NPFM**); and
- (e) the Joint Managing Directors (**JMDs**) are the joint managing directors of the Newmark Property Group Pty Ltd (the Company's parent entity).

2.0 Purpose

This Board Charter sets out the roles, responsibilities and composition of the Board.

3.0 Board Role and Responsibilities

3.1 Role

The Board's role is to ensure that the Company acts in the best interests of Securityholders, consistent with the Group's purpose and values, and to guide the strategic direction of the Group in order to increase long term value for Securityholders.

3.2 Responsibilities

The Board's responsibilities include:

- (a) deciding the strategic direction of the Group;
- (b) monitoring the implementation of the Group's strategic objectives;
- (c) monitoring the performance of the Investment Manager;
- (d) appointing the Group's Company Secretary;
- (e) monitoring the Group's governance framework and policies, including its Corporate Governance Statement;
- (f) monitoring risk management systems and controls, codes of conduct and legal compliance;
- (g) approving and monitoring the operational and financial performance of the Group;
- (h) determining the distribution policies of the Group; and
- (i) overseeing the Group's communications with Securityholders to ensure they are informed of all material developments.



4.0 Board Membership

- (a) The Board will determine the size and composition of the Board in accordance with the terms of the constitution of the Company, this Board Charter and the requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**).
- (b) The Board will be comprised of the following:
 - (i) a majority of Non-Executive Directors who satisfy the criteria for independence set out in section 7 (and in the guidelines referred to in that section);
 - (ii) Directors with an appropriate range of skills, expertise and experience from a diverse range of backgrounds;
 - (iii) Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business; and
 - (iv) Directors who can effectively review and challenge the performance of management and exercise independent judgment.
- (c) The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of the Directors, subject to the limits imposed by the constitution of the Company and the terms served by existing Non-Executive Directors.

5.0 Role of Chair

- (a) The Board will appoint one of the Directors to be the Chair of the Board.
- (b) The Chair must be a Non-Executive Director and must not be a JMD.
- (c) The role of the Chair is to:
 - (i) lead the Board;
 - (ii) promote effective, respectful and constructive relations between the Directors and between the Board and management;
 - (iii) provide support to the JMDs in operating the Group's business;
 - (iv) exercise the powers delegated to the Chair by the Board;
 - (v) uphold the Group's purpose and promote the achievement of its strategic objectives; and
 - (vi) set the Board agenda and annual calendar.

6.0 Role of Company Secretary

- (a) The Board will appoint at least one Company Secretary;
- (b) The Company Secretary is accountable to the Board through the Chair.
- (c) The Company Secretary will co-ordinate all Board business and other matters related to the effective and proper functioning of the Board.
- (d) All Directors will be able to directly access to the Company Secretary.



7.0 Director Independence

- (a) The Board is to determine a set of guidelines that outline the relevant factors to be considered in making an assessment of independence of Directors.
- (b) The Board will assess each Director's independence upon appointment and annually during their term of appointment.
- (c) Directors must continuously disclose to the Board any interests which may affect, or be seen to affect, their independence.
- (d) A Director will not be independent if the Director:
 - (i) is, or has been, employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board;
 - (ii) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;
 - (iii) is, or has been within the last three years, in a material business relationship (eg as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;
 - (iv) is, represents, or has been within the last three years, an officer or employee of, or professional adviser to, a substantial holder;
 - (v) has close personal ties with any person who falls within any of the categories described above; or
 - (vi) has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

8.0 Delegation to Management

- (a) Responsibility for the day-to-day management of the business of the Group is delegated by the Board to the JMDs, except for the matters set out in section 3.
- (b) The delegated responsibilities of the JMDs include:
 - (i) the day-to-day management and administration of the Group and its business in accordance with the strategy, business plans and policies approved by the Board;
 - (ii) developing business plans, budgets and strategies, and making recommendations to the Board on these business plans, budgets and strategies;
 - (iii) developing and maintaining the Group's risk management systems, and developing strategies for the management of these risks (to be considered by the Board) where they may have a material impact on the Group;
 - (iv) recommending to the Board significant operational changes, and major capital expenditure, acquisitions or divestments beyond any delegated thresholds;
 - (v) reporting regularly to the Board in a timely and detailed manner, in order to allow the Board to effectively discharge its duties; and
 - (vi) adopting and exercising any additional powers which may be delegated by the Board.

- (c) The Board will hold management accountable in relation to the provision of information in a form, timeframe and quality which enables it to discharge its duties effectively.
- (d) Directors may request further information from management at any time where they consider it appropriate.

9.0 Board Committees

- (a) The Board may decide to delegate any of its powers, authorities and discretions to a Committee or Committees of the Board.
- (b) Committee members will be appointed by the Board by resolution.
- (c) Each Committee is to have a chair, who is to be an independent, Non-Executive Director.
- (d) The Board will determine and periodically review the charters of Committees. The performance of each Committee will be reviewed at least annually by the Board, any amendments to the relevant charter will be considered by the Board.
- (e) The Committees that may be constituted by the Board may include the following:
 - (i) Audit Risk and Compliance Committee;
 - (ii) Investment Committee;
 - (iii) Manager Resources Committee;
 - (iv) Nominations Committee; and
 - (v) any other Committee created on an ad hoc basis under a resolution of the Board, with its scope, authority and discretions clearly defined by the Board at that time.

10.0 Meetings

- (a) The Board will meet a minimum of six times per year, with additional meetings as required.
- (b) The Chair is responsible, in addition to and in consultation with the JMDs and Company Secretary, for the conduct of all Board meetings, such as approving meeting agendas and ensuring that recommendations align with the Board's strategic direction.
- (c) The Board will meet in accordance with the proceedings and quorum requirements set out in the constitution of the Company.
- (d) For each meeting of the Board, the Company Secretary will, subject to a decision of the Chair:
 - (i) circulate agendas and minutes to all Directors;
 - (ii) take minutes;
 - (iii) maintain and hold a record of submissions, papers, and minutes; and
 - (iv) maintain and hold a record of all approvals and recommendations made by the Board.

11.0 Conflicts of Interest

- (a) Directors are subject to fiduciary and statutory duties to not place themselves in a position which gives rise to a real or substantial possibility of a conflict of interest.



- (b) The Related Party Transactions and Conflicts of Interest Policy provides guidance to Directors in how to deal with conflicts of interest.
- (c) Where a Director has an interest which gives rise to a real or substantial possibility of conflict with the interests of the Group, they must give notice to the Board.

12.0 Policies

- (a) The Board may adopt new or amended Group policies and procedures upon a recommendation from a Board Committee.
- (b) The Board will act in accordance with the values of the Group, corporate governance policies, the constitution of the Company, the ASX Listing Rules, and the Corporations Act.

13.0 Induction, Development and Performance

- (a) Each new Director appointed to the Board will participate in an induction programme.
- (b) The Board will review the performance of Directors annually. These reviews may be carried out with the assistance of an external party.
- (c) A Non-Executive Director, determined by the Board, will review the performance of the Chair, considering the views of other Directors annually. This review may be carried out with the assistance of an external party.
- (d) Directors may request training and development when appropriate at the expense of the Group.

14.0 Directors Seeking Advice

- (a) Each director, and the Board as a whole, may seek independent professional advice with the approval of the Chair and at the expense of the Company.
- (b) Each Director should consult the Chair and JMDs before seeking independent professional advice.
- (c) External advice obtained by a Director of the Board will be made available to all Directors, except where the Chair decides otherwise.

15.0 Review of this Charter

The Board will, at least once in each year, review this Board Charter and each Board Committee charter to determine its ongoing appropriateness.

16.0 Approval

This Board Charter was approved and adopted by the Board on 12 November 2021.



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