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## **REGISTER OF DELEGATED AUTHORITIES**

BWP REIT plc (the “Company”) is an alternative investment fund (“AIF”) for the purpose of UK’s Alternative Investment Fund Managers Regulation 2013 (“AIFMD Rules”). The Company appointed M7 Real Estate Financial Services Ltd as Alternative Investment Fund Manager (the “AIFM”) to provide full discretionary investment management services and otherwise to act as the alternative investment fund manager of the Company and to operate the Company and manage its investment portfolio pursuant to the terms of the AIFM Agreement executed among the Company, its subsidiaries and the AIFM on 16 November 2022 (“AIFMA”), the Company’s articles of association (the “Articles”) and the admission document of the Company dated 16 November 2022, except for the overall management and control of the Company’s business which is reserved for the board of directors of the Company (“Board”).

The Company holds through its subsidiaries Bridgewater Place, located in central Leeds, and valued at £63 million (as at 30 August 2022). Bridgewater Place is a mixed-use, multi-tenanted building that will undergo a comprehensive capital expenditure programme carried out by the Company’s Asset Manager. The Company’s plan to undertake a number of active asset management initiatives and capital expenditure programmes should reposition the Property as a high quality, energy efficient building offering flexible and affordable office space. The Company expects that this will drive its rental value, income profile and WAULT and thus the Property should be more attractive to institutional property buyers.

The Company and its subsidiaries (the “Group”) have also appointed M7 Real Estate Limited (the “Asset Manager”) to provide the services set out in the schedule 1 of the Asset Management Agreement executed among the Company, its subsidiaries and the Asset Manager on 16 November 2022 (the “AMA”). M7 Real Estate is a specialist Pan-European real estate investment and asset manager with a proven track record of creating value for investors.

The Board comprises three independent non-executive directors, including the Chair, and no executive directors, with the Company’s day-to-day operational work carried out by the AIFM and by the Asset Manager as per authorities delegated in the AMA and AIFMA duly recorded in the Register of Delegated Authorities.

The role of the Board is to establish policy, define the business plan, and supervise the management of the Company’s business and affairs conducted by the Asset Manager and by the AIFM, with the objective of increasing shareholder value. The Asset Manager and the AIFM roles are to conduct the day-to-day operations in a way that will meet this objective.

### **General**

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Any decision taken under delegated authorities shall be in accordance with the Company's Articles, the AIFMA, the AMA and applicable laws and regulations.

Pursuant to the AIFMA and subject at all times to the direction of the Board, the AIFM shall have full discretion and authority, without prior reference to the Company, the Board, or any of the Group companies (and their respective boards of directors) to take such actions or omit to take such actions, as the AIFM reasonably determines necessary to provide the services under the AIFMA, including without limitation, performing risk management and portfolio management for the Company (including making all decisions concerning the investment of cash and assets of the Company, acquiring Permitted Temporary Investments (as defined in the AIFMA) and managing and disposing of Investments (as defined in the AIFMA) for the Company directly or indirectly and, in each case, in accordance with the Investment Strategy (as defined in the AIFMA)).

At all times in the performance of services, the AIFM and Asset Manager shall have regard to and comply with the terms of the Governing Documents, Property Business Plan and FPPP Memorandum (as applicable and each as defined in the AIFMA and AMA respectively) in accordance with the terms of the AIFMA and AMA.

#### **Delegated Authority of the AIFM**

The AIFM will provide risk management, investment management and portfolio management services, in all cases subject to the overall supervision of the Board.

Any defined terms used in this section shall have such meaning as set out in the AIFMA.

In accordance with the AIFMA, the AIFM is delegated authority to:

#### **1. Portfolio Management**

(A) acquire and dispose of Investments in each case on behalf of the Company (whether directly or indirectly via any Property Company);

(B) proactively carry out a review of the Investments of the Company at such reasonable intervals to ensure active monitoring of the Company's Investments;

(C) prepare material and manage production of annual or other reports of the Company;

(D) monitor the financial and business performance of the Company against targets;

(E) recommend to the Board any future developments or changes to the Investment Strategy which the AIFM may consider to be advisable;

(F) enter into, make and perform all contracts, agreements and other undertakings as may in the reasonable opinion of the AIFM be necessary or advisable or incidental to the carrying out of the objectives of the Company subject to the terms of the Governing Documents;

(G) exercise all voting rights attached to securities held in the portfolio of the Company, whilst complying with the AIFM's voting rights policy when applicable; and

(H) use all of its reasonable endeavours to procure that the services listed in this section 1.(A) to (G) are carried out in a manner that permits the Company to maintain its qualification as a UK REIT (Real Estate Investment Trust), as defined in Part 12 of the Corporation Tax Act 2010.

## **2. Risk Management**

(A) establish and implement a risk management system that is functionally and hierarchically separate from the portfolio management function and review the risk management system in order to identify, measure, manage and monitor all risks which are relevant to the Investment Strategy and to which the Company is or may be exposed;

(B) implement an appropriate, documented and regularly updated due diligence process according to the Investment Strategy, objectives and risk profile of the Company;

(C) ensure that the risks associated with each Investment of the Company and their overall effect on the Company's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing procedures;

(D) ensure that the risk profile of the Company corresponds to the size, portfolio structure and Investment Strategy and objectives of the Company as set out in the Governing Documents;

(E) monitor on-going compliance with such risk profile; and

(F) review the risk management systems with appropriate frequency and, in any event, at least once a year, adapting them where necessary.

## **3. Investment Management**

(A) generally manage the Company's Investments with a view to implementing and achieving the Investment Strategy;

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- (B) evaluate and propose investment and divestment opportunities for the Company in respect of Investments, taking into account prevailing market conditions;
- (C) negotiate and determine the terms and structure in respect of acquiring or disposing of any Investments and negotiate and determine such terms for consideration by the Company;
- (D) arrange and conduct due diligence reviews in relation to potential acquisitions;
- (E) attend meetings of the Board to report on the Properties and related matters and provide such information to the Board as is reasonably requested by the Board from time to time;
- (F) assist with the drawdown of equity and/or the drawdown, procurement, execution, monitoring and management of debt by the Company or any Property Company in relation to acquisitions (or as otherwise required) and assist with distributions and/or debt repayments by the Company or any Property Company;
- (G) enforce security in respect of any third party or intragroup loans on behalf of the Company or any Property Company;
- (H) liaise with, monitor and report to the Company on the performance of, the Asset Manager;
- (I) settle and review an overall estate strategy in respect of the Property; review and approve the business plan including capital budget for the Property Companies with respect to the Company, prepared by the Asset Manager;
- (J) procure that moneys are available to meet the Company's liquidity needs;
- (K) assist the Company and its service providers in connection with communications with and queries from, investors in the company and other investor relations matters, as reasonably requested from time to time;
- (L) determine the suitability and availability of financing with respect to the Company's Investments;
- (M) manage any complaints received in accordance with the FCA Handbook;
- (N) undertake the valuation of the Company in accordance with the AIFM Agreement and calculation of the Company's NAV per Ordinary Share; and
- (O) otherwise generally perform such duties and functions as may be allocated to the AIFM under the Governing Documents, FPPP Memorandum and the AIFMD Rules.
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## Delegated Authority of the Asset Manager

The Asset Manager will be responsible for the day to day discretionary management of the Group's properties, and will provide certain administration services to the Company, in each case subject to the overall supervision of the Board.

Any defined terms used in this section shall have such meaning as set out in the AMA.

In accordance with the AMA, the Asset Manager is delegated authority to:

### **1. Primary**

- (A) collect the Rental Income;
- (B) assist with the operation, administration and winding-up of the Property Companies;
- (C) arrange marketing or negotiation of any new lease or review the implications of change to any existing lease;
- (D) assist the relevant Property Company with any negotiations for, and formalising of any lease re-gearing or the removal of break clauses in respect of any lease;
- (E) manage the process of termination of leases including in respect of any schedule of dilapidations to be served on tenants and procure the negotiation and agreement of such schedules with them;
- (F) arrange for the payment by the relevant Property Company of all revenue expenses and outgoings in respect of such parts of any of the Property which are the responsibility of the relevant Property Company;
- (G) prepare budgets for properties in respect of capital improvements where necessary;
- (H) coordinate with third parties providing services in connection with the assets;
- (I) ensure that the relevant Property Company complies with and observes and performs the obligations on their part contained in or relating to any leases and head-leases;
- (J) periodically monitor and analyse the performance of the Property and provide reports to the Property Companies on such performance, including procuring a quarterly "desktop" valuation and annual full valuation of the Property as contemplated in the AIFM Agreement;

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(K) calculate the Company's NAV and NAV per Ordinary Share, subject to the AIFM's oversight and it being noted that the AIFM retains responsibility for the final production of these calculations and the determination of the NAV and NAV per Ordinary Share;

(L) procure, or assist the Property Companies, the AIFM, or auditor (as the case may be) with, the preparation of valuations, reports and accounts of the Company and the determination of any valuations required in accordance with the Governing Documents or as otherwise required by the Property Companies, the AIFM or the AIFMD Rules;

(M) coordinate board meetings of the Property Companies in collaboration with the company secretary;

(N) provide advice concerning the exercise of voting and other rights attaching to or arising in respect of the Property Companies;

(O) inspect, in conjunction with appropriate consultants where necessary, the Property at least every 12 months or more frequently as the Asset Manager determines in its professional opinion to be appropriate for the purposes of good estate management having regard to the type of property the nature of the tenants' uses and any other material considerations, provided that such inspection(s) shall not imply any warranty by the Asset Manager;

(P) assist the Property Companies in engaging any necessary consultants, and monitor the performance and coordinate the activities of such consultants, in order to ensure, so far as possible, that the Property is managed in the best interests of the Property Companies;

(Q) provide all services as are customarily expected in respect of investments of the nature of the Company's Investments including, without limitation such other duties as may be reasonably requested by the Property Companies in relation to the acquiring, investing in, mortgaging, managing, operating, otherwise dealing in or disposing of all or part of the Property or any Permitted Temporary Investments and/or setting up, operating, acquiring, otherwise dealing in or disposing of the Property Companies in accordance with the AMA; and

(R) ensure that the authorities listed in these paragraphs 1(A) to (Q) are carried out in a manner that ensures that the Company maintains its qualification as a UK REIT (Real Estate Investment Trust), as defined in Part 12 of the Corporation Tax Act 2010.

## **2. Administrative**

(A) maintain books and records of the Property Companies and/or the Company, including the production of valuation reports in relation to net asset value calculations;

(B) produce of net asset value statements, including reconciliations of cash and assets to accounting records;

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- (C) produce and review monthly management accounts;
  - (D) produce Board packs in collaboration with the company secretary on a quarterly basis (including commentary);
  - (E) produce, in a timely manner, annual and interim financial statements and liaise with the auditors of the Property Companies and/or the Company;
  - (F) draft the narrative sections of the Property Companies' and/or the Company's annual report in collaboration with the company secretary;
  - (G) reconcile the management accounts to statutory financial accounts;
  - (H) engage, review and liaise with the Property Companies' and/or the Company's tax adviser to meet ongoing tax compliance requirements;
  - (I) prepare and review the budget and reforecast;
  - (J) provide a draft annual budget to the AIFM and draft a Board report on the annual budget;
  - (K) calculate and ensure payment of all fees/invoices due, including management fees, performance fees (if any), and directors' fees and expenses;
  - (L) ensure the payment of fees arising from other agreements undertaken by the Property Companies and/or the Company (including without limitation the Property Companies' and/or the Company's registrars and sub-advisers) and to maintain a schedule of authorised signatories in relation to the Property Companies' and/or the Company's banking arrangements;
  - (M) reconcile all cash of the Property Companies and/or the Company on a monthly basis;
  - (N) prepare the dividend calculation for review by the AIFM;
  - (O) monitor debt compliance and provide relationship management services with lenders;
  - (P) provide information technology infrastructure and support;
  - (Q) establish and operate a Risk Committee that will fulfil the risk management requirements of the AIFM;

(R) establish and maintain a Disclosure Committee that will fulfil requirements relating to the Inside Information and Disclosure Policy; and

(S) attend quarterly Board meetings, if requested to do so.

16 November 2022