

# Matters reserved for the Board

**BWP REIT plc**

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BWP REIT plc (“BWP” or the “Company”) is an alternative investment fund (“AIF”) for the purpose of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (“AIFMD”). BWP 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), the Company’s articles of association (the “Articles”) and the admission document dated 16 November 2022 of the Company, except for the overall management and control of the Company’s business which is reserved for the Board.

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”).

The board of directors (the “Board”) of BWP 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 AIFM Agreement 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 BWP’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.

## Schedule of matters reserved for the Board

<b>1 Strategy and management</b>	
1.1	Responsibility for the overall leadership of the Company and setting the Company’s values and standards.
1.2	Approval of the Group’s strategic aims and objectives.
1.3	Consult with the AIFM with respect to the settling of the annual budget proposed and financial plans.
1.4	Review of performance in the light of the Group’s strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
1.5	Any decision to cease to operate all or any material part of the Group’s business.
1.6	Any change of the investment policy of the Company.
<b>2 Structure and capital</b>	
2.1	Changes relating to the Company’s capital structure, including reduction of capital, share issues (other than under employee share schemes) and any share buyback.
2.2	Major changes to the Group’s corporate structure, including, but not limited to significant transactions and related party transactions, in accordance with the IPSX rules.
2.3	Approval of any changes to the Company’s status as a plc.
2.4	Approval of the winding up or liquidation of the Company.

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<b>3 Financial reporting and controls</b>	
3.1	Approval of any changes to dividends policy.
3.2	Approval of any financial statements including the annual report and accounts, corporate governance statement and directors' remuneration report.
3.3	Consult with the AIFM with respect to the determination of the Company's NAV and NAV per Share
3.4	Approval of the preliminary announcement and final results.
3.5	Approval of the declaration of the interim dividend and recommendation of the final dividend (whether in cash or in specie).
3.6	Consult with the AIFM with respect to any significant changes in accounting policies or practices proposed by the AIFM.
3.7	Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).
3.8	Monitor the level of share price discount or premium to the prevailing NAV.
<b>4 Internal controls</b>	
4.1	<p>Ensuring maintenance of a sound system of internal financial and operating controls and risk management delegated to the AIFM, including:</p> <ul style="list-style-type: none"><li>• Approving the Company/Group's risk appetite statements;</li><li>• Receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;</li><li>• Undertaking an annual assessment of procedures for the disclosure of conflicts of interest and detection fraud and prevention of bribery implemented by the AIFM to ensure their effectiveness; and</li><li>• Approving an appropriate statement for inclusion in the annual report.</li></ul>

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<b>5 Contracts</b>	
5.1	<p>Consult with the AIFM with respect to any of the following matters to be proposed by the AIFM:</p> <ul style="list-style-type: none"> <li>• Any disposal, directly or indirectly, of the entirety or any material part of the assets of the Company (directly or indirectly through the disposal of one or more of the Property Companies).</li> <li>• The entry into of any contract (or series of connected or related contracts) with an aggregate cost to the Company (or any member(s) of the Group) in excess of GBP400,000 per annum.</li> <li>• The entry into of any contract or business relationship in respect of which the AIFM is aware that a director will, or is materially likely to have, a conflict of interest.</li> <li>• The entry into of any binding commitment to enter into a material strategic alliance, merger or joint venture.</li> <li>• The commencement of any material litigation. For this purpose, material litigation is any litigation where the outcome may give rise to a receipt or payment greater than GBP100,000 (or equivalent).</li> </ul>
<b>6 Communication</b>	
6.1	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
6.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
6.3	Approval of all circulars and offering documents and approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights.
6.4	Approval of press releases concerning matters decided by the board.

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<b>7 Board membership and other appointments</b>	
7.1	Approval of any change to the structure, size and/or composition of the Board.
7.2	Ensuring adequate succession planning for the board so as to maintain an appropriate balance of skills and experience within the Company and on the board.
7.3	Appointments to the board and continuation in office in accordance with the articles of association of the Company and letters of appointment of the board.
7.4	Approval of the selection of the chairman of the board.
7.5	Appointment or removal of the company secretary.
7.6	Appointments to boards of subsidiaries where according to articles of association of subsidiaries or company law, the shareholder has powers to appoint directors.

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<b>8 Remuneration</b>	
8.1	Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
<b>9 Delegation of authority</b>	
9.1	Approval of the delegated levels of authority, including to the AIFM, the Asset Manager and to any other service providers.
9.2	Establishing board committees and approving their terms of reference, and approving material changes thereto.
9.3	Receiving reports from board committees on their activities.
<b>10 Corporate governance matters</b>	
10.1	Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors, and the division of responsibilities.
10.2	Determining the independence of non-executive directors in light of their character, judgment and relationships.
10.3	Considering the balance of interests between shareholders, employees, customers and the community.
10.4	Review of the Group's overall corporate governance arrangements.
10.5	Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.
10.6	Authorising conflicts of interest where permitted by and in accordance with the Company's articles of association.
10.7	Complying with the Company's articles of association, AIC Code of Corporate Governance and IPSX Rules (having regard to Schedule 6 thereto) in respect of the role of the board.
10.8	Responsibility for general meetings of shareholders.

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<b>11 Policies</b>	
11.1	Approval of policies, including: <ul style="list-style-type: none"><li>• Code of ethics;</li><li>• Share dealing code;</li><li>• Insider dealing policy; and</li><li>• Corporate social responsibility policy.</li></ul>
<b>12 Other</b>	
12.1	The making of political donations.
12.2	Approval of the overall levels of insurance in respect of directors' & officers' liability insurance and indemnification of directors.
12.3	This schedule of matters reserved for board decisions.
12.4	Having regard for any such other matters as documented in service provider agreements or the constitutional documents of the Group.

Matters which the board considers suitable for delegation are contained in the terms of reference of its committees.

In addition, the board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

16 November 2022