
Conflicts of Interest and Related Party Transactions Policy

**Landsdowne Investment Company Limited
(ACN 658 476 058)**

1. Purpose

1.1 Landsdowne Investment Company Limited (**Company**) has implemented this policy (**Policy**) to mitigate the risk of regulatory breaches and to prescribe expected standards of conduct to ensure that the Company complies with:

- (a) its fiduciary duties, including to act in the best interests of securityholders;
- (b) the *Corporations Act 2001* (Cth) (**Corporations Act**); and
- (c) the NSX Listing Rules.

The purpose of this policy is to ensure the Company has arrangements in place to adequately manage actual or potential conflicts of interest which may arise in relation to the provision of financial services by the Company and its representatives (staff members or related parties) as part of its business. The Corporations Act provides that the Company must act in the best interest of the members and, if there is a conflict between the members' interests and its interests, give priority to the members' interests.

2. Background

Application

2.1 This Policy applies to all of the Company's employees, directors (both executive and non-executive), contractors, labour hire employees and suppliers (collectively, "Workplace Participants" or "you").

2.2 This Policy is to be read in conjunction with the:

- (a) Code of Conduct;
- (b) Anti-Corruption Compliance Policy;
- (c) Board Charter; and
- (d) Audit and Risk Management Committee Charter.

Other documents may also apply to the management of conflicts of interest such as the documents that apply to a joint venture or other business arrangements entered into by the Company.

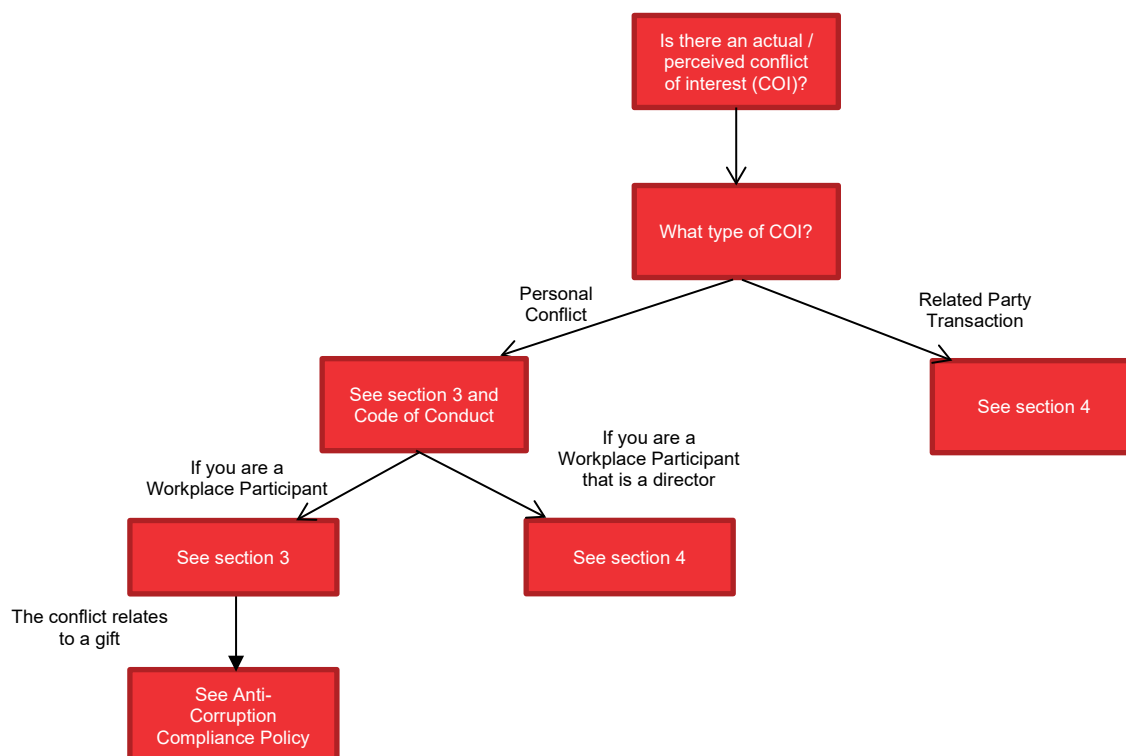
What is a conflict of interest?

2.3 A conflict of interest arises where:

- (a) the interests of a Workplace Participant actually or potentially conflict with those of the Company (see the Personal Conflicts section below); or
- (b) the interests of a Company entity are inconsistent with the interests of the person to whom that Company entity is providing a service or where a Company entity owes a duty to a third party that is inconsistent with a duty that it owes to the Company as a whole (see the Related Party Transactions section below).

2.4 Where it is unclear whether a matter constitutes a conflict of interest or not, advice should be sought as soon as practicable from the Audit and Risk Management Committee. Where practicable, this advice should be in writing.

- 2.5 How a conflict of interest is managed will depend on the type of conflict of interest. The below diagram summarises the conflict management process set out in this Policy.



3. Personal conflicts of interest

Personal conflicts of interest - Workplace Participant

- 3.1 Workplace Participants should ensure that any personal relationships with third parties, clients or suppliers do not influence or prejudice their obligations to the Company or its tenants.
- 3.2 All Workplace Participants are required to understand conflicts of interest, how they may arise and what should be done when a conflict is identified. The Audit and Risk Management Committee will require that all Workplace Participants participate in training at least annually on this Policy.
- 3.3 Examples of a personal conflict of interest can include where a Workplace Participant:
- (a) (or a friend or family member) has a personal interest in a business decision involving the Company. This may include granting a lease to a family member or friend;
 - (b) uses its position at the Company for personal gain or for the personal gain of a family member, friend or other party. This may include where a developer can influence decisions relating to a site he/she has contracted to develop;
 - (c) uses the Company's systems and equipment for personal gain. This may include using the Company's systems as part of secondary employment;
 - (d) is an employee and has another job outside the Company that conflicts with the Company's business;
 - (e) joins the board, or become a director, of another company;

- (f) receives a financial benefit from a business decision that involves the Company including where he/she has a direct or indirect ownership interest in the beneficiary of the transaction; or
 - (g) is involved in any personal relationship (including any consensual, romantic or sexual relationship) with another Workplace Participant which may give rise to an actual or potential conflict of interest.
- 3.4** If you become aware of an actual or perceived conflict of interest, you must disclose the conflict of interest as soon as possible to the Audit and Risk Management Committee and set out:
- (a) sufficient detail in order for the Audit and Risk Management Committee to properly assess whether or not the circumstances present an actual or potential conflict of interest.
 - (b) a proposal for how any perceived or actual conflict is to be managed (**Conflict Management Proposal**). For example, will the Workplace Participant be removed from any involvement in the tender with the conflicted party?
 - (c) how the arrangements for the Conflict Management Proposal are to be monitored or evidenced. For example, will the relevant Workplace Participant's manager ensure that the Workplace Participant is excluded from negotiations with the conflicted party?
- 3.5** Other examples as to how a conflict of interest may be managed include (i) clear disclosure concerning the conflict, (ii) abstaining from voting on, making or influencing decisions or proposals, (iii) withdrawing from discussions on relevant proposals, (iv) having access restricted to information relating to the conflict and/or (v) having access denied to sensitive documents or confidential information relating to the conflict.
- 3.6** The Workplace Participant must not be involved in a transaction subject to the notification until the Audit and Risk Management Committee has provided written confirmation of agreement to the Conflict Management Proposal. Where a conflict of interest relates to a material transaction or may affect the reputation of the Company, the Audit and Risk Management Committee must seek the approval of the board of directors of the Company (Board) prior to agreement to any Conflict Management Proposal.
- 3.7** All Workplace Participants are required to provide an email confirmation that they have completed their annual "Declaration of Personal Conflicts of Interest". Selected employees may be required to complete the declaration on a more frequent basis. Any conflicts of interest notified to the Audit and Risk Management Committee on an ad hoc basis must also be included in the disclosure made under the periodic Declaration of Personal Conflicts of Interest disclosure.
- 3.8** The disclosures made will form the Declaration Register which is maintained by the Audit and Risk Management Committee and made available to the Board and the Company's external auditors.
- 3.9** Where a personal conflict of interest relates to a Workplace Participant giving or receiving a gift, the Workplace Participant must also comply with the procedures set out in the Anti-Corruption Compliance Policy.

Personal conflicts of interest - Directors

- 3.10** A director of any Company entity who has an interest in any matter that relates to the affairs of the Company should:

- (a) give the other directors notice of the interest unless the interest is exempted (section 191 of the Corporations Act); and
 - (b) in the case of a director of a public company (including, in the case of the Company, a director of the Company) where the interest is a “material personal interest”:
 - (i) not be present while such a matter is being considered at a Board meeting; and/or
 - (ii) not vote on the matter,
 - (c) unless allowed to by the disinterested directors or by ASIC (section 195 of the Corporations Act).
- 3.11** An interested director may be invited by the Board to attend discussions (but not vote) in relation to a relevant matter at the invitation of the Board.
- 3.12** A director does not need to give notice of an interest under section 191 of the Corporations Act if the director has given a standing notice of the nature and extent of the interest and the notice is still effective in relation to the interest.
- 3.13** A material personal interest is an interest that has the capacity to influence the vote of a particular director.
- 3.14** A director of a Company entity must notify the secretary of the relevant Company entity of any interest that needs disclosure under section 191 of the Corporations Act.
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4. Related Party Transactions

- 4.1** A related party transaction is a transaction that involves a Company entity providing a financial benefit to a related party (see definition in section 4.3 below). By definition, a related party transaction involves a conflict of interest because related parties are often in a position to influence the decision of whether the benefit is provided to them, and the terms of the provision.
- 4.2** The concept of a "financial benefit" will be broadly defined for the purposes of this Policy and the following are examples of giving a financial benefit:
- (a) giving or providing related party finance or property;
 - (b) buying an asset from or selling an asset to a related party;
 - (c) leasing an asset from or to a related party;
 - (d) supplying services to or receiving services from a related party;
 - (e) issuing or allocating securities, or granting an option to a related party;
 - (f) agreeing to an arrangement that benefits the business operations of a related party; and
 - (g) taking up or releasing an obligation of a related party.

What is a Related Party?

- 4.3** Related parties of the Company (Related Parties) include:
- (a) an entity that controls the Company, the Trusts or the Company;

- (b) the officers and employees (and their immediate family members) of the Company (and any nominee securityholder with whom they are associated), or any entity referred to in (a);
- (c) any entity which is controlled by a related party referred to in (a) or (b) (including any listed or unlisted trust for which any related party acts in a trustee or manager capacity);
- (d) any entity which was a related party of the Company in the previous six months;
- (e) an entity that believes it will become a related party in the future;
- (f) an entity acting in concert with a related party; and
- (g) any other person who is a related party of the Company prescribed by the Corporations Act (each a **Related Party**).

Related Party Transactions - Corporations Act

4.4 The following are likely to be related party transactions applicable to the Company:

- (a) sale/transfer of assets between, and co-investments with, related Company entities (including without limitation, any listed or unlisted fund managed by the Company);
- (b) management fees and changes to them and expense recoveries between related Company entities; and
- (c) the provision of guarantees between related Company entities.

4.5 Unless it is an “arm’s length transaction”, a financial benefit can only be given to a related party when securityholder approval has been granted and the financial benefit is given within 15 months of such approval.¹

4.6 A transaction will be at “arm’s length” where the financial benefit is given on terms that would be reasonable in circumstances where the parties are dealing at arm's length, or on terms that are less favourable to the Related Party.

4.7 'Arm's length' refers to transactions conducted as if the parties were not related. In general, 'arm's length' terms and conditions will be determined having regard to ASIC Regulatory Guide 76 'Related party transactions' and consistent with the following principles:

- (a) in the case of acquisitions of assets by or from a Related Party, by reference to independent valuations of the purchase price and by reference to a sign-off from an external law firm confirming the arm’s length nature of the legal terms of the transaction;
- (b) in the case of acquisitions by way of co-investments with Related Parties, by reference to independent valuations of the purchase price and by reference to a sign-off from an external law firm confirming the arm’s length nature of the legal terms of the transaction;
- (c) in the case of services being provided by a Related Party to the Company (other than services provided under the Investment Management and Property Management Agreements), all fees and expenses being charged will require substantiation either by comparison with a range of similarly qualified unrelated service providers (if there is

¹ The Corporations Act also provides for a number of other exceptions to the requirement to obtain securityholder approval which apply in certain circumstances. Please contact the Company Secretary for more information on the relevant exemptions.

reliable data of comparable transactions) or a review and report by a qualified external party; and/or

- (d) where appropriate or where no other method of determination exists, by reference to the opinion of a suitably qualified independent expert that the terms are fair and reasonable,

and in each case there is evidence that conflicts of interest were appropriately managed in negotiating and structuring the transaction.

Related Party Transactions - NSX Listing Rules

- 4.8** In addition to the Corporations Act requirements for related party transactions, under the NSX Listing Rules, the Company is required to obtain securityholder approval to acquire a substantial asset from, or dispose of a substantial asset to, a related party, subsidiary or substantial securityholder. "Substantial asset" is not defined in the NSX Listing Rule, but based on market practice, it generally means an asset representing 5% or more of the equity interests of the Company, as set out in the last financial accounts for the Company. The equity interests are the paid up capital, reserves and accumulated profits or losses of the Company.²

How are Related Party Transactions to be managed?

- 4.9** Other than those transactions set out below as "Pre-approved Transactions", any related party transaction or proposed related party transaction is to be notified to the Audit and Risk Management Committee, who will make a recommendation to the Board. Those related party transactions must be approved by the Board and any such approval must be given in accordance with the requirements of the Board Charter.
- 4.10** In providing its recommendation, the Audit and Risk Management Committee must consider, among other things:
- (a) if it is in the best interests of existing securityholders;
 - (b) the terms negotiated of the transaction and whether they are as good as, or better than what the Company would receive if it were dealing at arm's length on a commercial basis;
 - (c) the documentation relating to the proposed related party transaction, including records to justify the price and any other terms and conditions upon which the transaction is proposed to be entered into, in particular the rationale for entering into the transaction; and
 - (d) if relevant, any independent reports as to the reasonableness of the price and other terms and conditions.
- 4.11** The Audit and Risk Management Committee must provide the Board with all material facts of the proposed or existing related party transaction including the terms of the transaction, whether those terms are on arm's length and the business purpose of the transaction.
- 4.12** The Board will consider the information provided in order to determine whether and how to proceed with the proposed transaction. In considering the information, the Board may seek further advice from appropriately qualified advisers and professionals as required.

² The NSX Listing Rules provide certain exemptions from the requirement to obtain securityholder approval and waivers from the relevant NSX Listing Rule(s) may be available. Please contact the Company Secretary for more information on relevant exemptions.

- 4.13** A checklist of factors to be taken into consideration in determining whether a transaction is at arm's length is set out at Annexure 1 to this Policy. This checklist is not exhaustive.
- 4.14** The Company's Related Party Transactions Protocol sets out the details of the steps to be taken in identifying a proposed related party transaction and submitting the transaction for approval by the Board.
- 4.15** Any person with a material personal interest in the proposed transaction must not be present for the discussion regarding the proposed transaction. Unless the Board has expressly invited an interested director to attend discussions, any director with a material personal interest in the transaction must leave the room while the matter is being considered and must not vote on the transaction.
- 4.16** In addition to the general conduct requirements outlined above:
- (a) where a Company entity is a responsible entity, trustee or manager, its officers and employees must act in the best interests of the members of the relevant trust or scheme for which it acts as the trustee, responsible entity or manager or where a Company entity provides services to a client as a fiduciary, it must act in the best interests of the client for which it provides services to; and
 - (b) if a conflict exists between the interests of the members of a registered managed investment scheme and the interests of the Company, the relevant Company entity and its officers and employees must give priority to the members' interests; and in exercising its powers and carrying out its duties, each Company entity and its officers and employees are required to comply with requirements of the Corporations Act and ASIC Regulatory Guidance relating to their duties.

Pre-Approved Transactions

- 4.17** The following transactions are considered "Pre-approved Transactions" and do not require notification to the Audit and Risk Management Committee or approval by the Board:
- (a) reimbursement of director expenses incurred in performing director duties in accordance with the Company's policies, as amended from time to time;
 - (b) payment of indemnities, insurance premiums and legal expenses incurred in performing director duties;
 - (c) transactions in the ordinary course of business that are not expected to or do not exceed \$5,000 during any rolling 12-month period in aggregate;
 - (d) a benefit is given to the director in their capacity as a securityholder of the Company where the benefit does not discriminate unfairly against other securityholders of the Company;
 - (e) a benefit is given as a result of a court order; and
 - (f) any transactions with a closely held subsidiary (as that term is defined in the Corporations Act).
- 4.18** For the avoidance of doubt, any Pre-approved Transaction must be consistent with any applicable provision of the Corporations Act.

5. Review

- 5.1 The Audit and Risk Management Committee is responsible for reviewing the effectiveness of this Policy at least every two years and to make recommendations to the Board of any amendments to this Policy. This Policy may be amended by resolution of the Board.

Version History

Version	Issued by (Position)	Details of changes / comments	Distribution	Approval date
8 November 2022	Company Secretary			

Annexure 1

Factors for Determining whether Transaction is at "Arm's Length"

	Yes	No
1. Is the transaction a Pre-approved Transaction?		
2. How do the terms of the overall transaction compare with those of any comparable transactions on an arm's length basis?		
3. Are there any other options available to the Company? For example, has a process for tender occurred?		
4. Has any expert advice been received by the Company (including any professional or expert advice from appropriately qualified advisers)?		
5. Are the terms of the proposed transaction fair to the Company and on the same basis that would apply if the transaction did not involve a related party?		
6. Are the terms of the proposed transaction on terms that are less favourable to the related party than arm's length?		
7. Are there business reasons for the Company to enter into the proposed transaction?		
8. Will the proposed transaction impair the independence of the relevant director?		
9. What are the implications for the Company's financial position and performance?		
10. What is/was the nature and content of the deal process (include reference to any unique or unusual terms/content)?		

When considering whether a transaction is at "arm's length", a copy of Annexure 1 should be completed and retained, along with any documentation that supports the transaction and/or is otherwise used to determine the factors in Annexure 1.

This information should be provided to the Board, together with the written recommendation of the Audit and Risk Management Committee, regarding the transaction (see section 4.8).

Note that the factors in Annexure 1 are not exhaustive.