

## **NEW FRONTIER PROPERTIES LTD**

### **INVESTMENT COMMITTEE - TERMS OF REFERENCE**

#### **1 Membership**

- (a) The Committee shall comprise at least three members. The Chairman of the Committee shall be appointed by the Board and the other members of the Committee shall be appointed by the Board in consultation with the Chairman.
- (b) The Chairman of the Committee shall have significant recent experience in property management related activities.

#### **2 Proceedings**

- (a) Only the members of the Committee shall have the right to attend its meetings. The Committee may, subject to these terms of reference and with the assistance of the Company Secretary, regulate its own proceedings.
- (b) The Committee may invite the Company's executives to attend its meetings, in whole or in part, as it considers appropriate.
- (c) In the absence of the Committee's Chairman at a meeting, the remaining members shall elect one of their number to chair the meeting.
- (d) The Company Secretary shall act as secretary of the Committee and shall work in liaison with the Chairman to ensure that the Committee has an appropriate schedule of meetings and receives relevant papers and information electronically in sufficient time to enable full consideration of relevant matters.
- (e) The quorum for the transaction of business at the Committee's meetings shall be three members.
- (f) The Committee shall meet as often as necessary to carry out its duties and shall meet at least twice annually, to coincide with relevant points in the Company's planning cycle, when the principle business of the meeting shall be to review the Company's investment policy.
- (g) Meetings of the Committee shall be convened by the Secretary at the request of any of its members, in consultation with the Chairman, at least twice a year.
- (h) The Committee is authorised: (i) to seek any information it requires from any employee/director of the company in order to perform its duties; (ii) to obtain, at the company's expense, external legal or other professional advice on any matter within its terms of reference where required; and (iii) to request the attendance of any employee at a meeting of the committee as and when required.
- (i) Unless otherwise agreed, notices of meetings of the Committee shall contain the date, time and venue of the meeting, together with a description of the items of business for consideration. Notices and supporting documents shall be forwarded to each member of the Committee and to others invited to attend, by such methods as individuals have specified, at least 5 working days prior to the meeting.

- (j) The Secretary shall provide appropriate minutes of the Committee's proceedings and shall circulate the draft minutes to members timeously following each meeting. Approved minutes shall be provided to the other members of the Board.

### **3 Duties**

- (a) The Committee is empowered and required to carry out the duties set out in the Appendix to this document: "Duties of the Investment Committee".
- (b) In addition to chairing meetings of the Committee, the Committee's chairman shall consult and maintain a dialogue with key individuals whose roles relate to the Committee's interests, including the Chairman of the Board, the Chief Executive and the Finance Director and executives responsible for the Company's investment activities.
- (c) The Committee's Chairman shall endeavour to make himself available to report to shareholders and respond to their questions at meetings of the Company's members, in particular the Annual General Meeting.
- (d) The Committee's chairman, in liaison with the Secretary shall ensure that appropriate and timely induction is provided to new members and on a continuing basis for all members.

**January 2018**

## Appendix: Duties of the Investment Committee

The Committee shall:

1. Review, at least annually, the Company's overall investment strategy and the appropriateness of the Company's current investment portfolio to the achievement of the Company's investment objectives and established risk profile.
2. Formulate, for approval by the Board and subsequent application by the Committee a framework and procedures for the consideration of individual investment proposals.
3. Review, challenge and approve (as appropriate), in accordance with the Company's investment strategy, as set out below, proposals brought to its attention:
  - a. The Company's primary objective is to acquire and develop good quality, income-generating retail and logistics property in the United Kingdom and Europe;
  - b. Investment decisions will be made based on the following key criteria:
    - i. **Retail assets**
      - Regionally dominant
      - Quality shopping centres
      - Solid fundamentals – long-term leases, low vacancies and strong anchor tenants
      - High level of non-discretionary spend
      - Smaller centres, serving the local community, offering non-discretionary mid to value goods
    - ii. **Non-retail assets**
      - Logistics and warehouse assets let to e-commerce and retailer tenants
      - Capitalise on the increasing use of the internet in mainland Europe
    - iii. **Short-term acquisition strategy**
      - Focus on properties in mainland Europe
      - Preference given to logistics/warehouse assets in the UK, Germany, Austria, Slovakia, the Czech Republic, Poland, Ireland and the Benelux countries
4. Report formally to the Board on its proceedings and make recommendations to the Board on any area within its remit.
5. At least annually review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
6. Produce a strategy for the hedging of specific transactions and currency and make recommendations to the Board in this regard.