

Corporate Governance Statement

Newmark Property REIT (ASX:NPR) is an externally managed real estate investment trust. Newmark REIT Management Limited (ACN 644 715 380, AFSL 526690) (**NRML**) is the responsible entity of each of Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust (each a **Trust** and together the **Trusts**). The units of each Trust are stapled together to form NPR, and together with NRML is referred to as the **Group**.

In accordance with ASX Listing Rule 1.1 *Condition 16*, this statement discloses the extent to which the Group will follow, as at the date of its admission to the official list, the recommendations set by the ASX Corporate Governance Council in the "Corporate Governance Principles and Recommendations (the Fourth Edition)", *ASX Corporate Governance Council*, as revised in February 2019.

NRML, in providing this Corporate Governance Statement, acknowledges the importance of good corporate governance, and will promote good corporate governance going forward.

The Product Disclosure Statement (**PDS**) referred to throughout is the PDS dated 16 November 2021 that was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Group's corporate governance policies are available at: www.newmarkcapital.com.au/npr (**the NPR website**).

Principle / Recommendations	How NRML or NPR Complies
<p>Principle 1: Lay solid foundations for management and oversight</p> <p><i>A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.</i></p>	
<p>Recommendation 1.1 (for externally managed listed entities):</p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>Newmark Property REIT will be managed under the supervision and direction of the board of NRML (the Board). The main function of the Board is to manage NPR in the best interests of its securityholders.</p> <p>Under the terms of the Investment Management Agreement and the Property Management Agreement, NRML has appointed Newmark Property Funds Management Pty Ltd (NPFM), to provide investment management services to NPR (Investment Manager) and Newmark Asset Management Pty Ltd (NAM) as the property manager of NPR (together, the Managers). Key terms of these management agreements are summarised in the PDS.</p> <p>NPFM and NAM are wholly owned subsidiaries of Newmark Property Group Pty Ltd (Newmark or Newmark Property Group), which is also the parent company of NRML.</p> <p>All matters, unless specifically reserved for the Board, necessary for the day-to-day management of NPR are delegated to the joint managing directors of Newmark, (Joint Managing Directors).</p> <p>The Board's responsibilities are defined in the Board Charter and there is a clear delineation between the function reserved to the Board and those conferred upon the Joint Managing Directors.</p> <p>In accordance with the Board Charter, the Board has specific responsibilities, including:</p> <ul style="list-style-type: none"> • deciding the strategic direction of the Group; • monitoring the implementation of the Group's strategic objectives; • monitoring the performance of the Investment Manager; • appointing the Group's company secretary;

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	<ul style="list-style-type: none"> • monitoring the Group's governance framework and policies, including its Corporate Governance Statement; • monitoring risk management systems and controls, codes of conduct and legal compliance; • approving the Group's Code of Conduct for Employees and Code of Conduct for Directors; • approving and monitoring the operational and financial performance of the Group; • determining the distribution policies of the Group; and • overseeing the Group's communications with Securityholders to ensure they are informed of all material developments. <p>The Board Charter is available on the NPR website: www.newmarkcapital.com.au/npr.</p>
<p>Recommendation 1.2:</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>However, the Board Charter provides minimum requirements that directors must have an appropriate range of skills, expertise and experience from a diverse range of backgrounds, a proper understanding of, and competence to deal with, current and emerging issues of the business, and be able to effectively review and challenge the performance of management and exercise independent judgment.</p> <p>The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of the directors.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>However, the Group ensures that all directors and senior executives of NRML have a letter of appointment setting out the remuneration, right to the provision for a deed of access and indemnity, term of appointment, disclosure obligations in relation to personal</p>

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	interests, confidentiality obligations and expectations regarding meetings and committees.
<p>Recommendation 1.4:</p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>However, the company secretary of NRML is accountable directly to the Board, through the Chair. The Company Secretary will co-ordinate all Board business and other matters related to the effective and proper functioning of the Board and all directors will be able to directly access the Company Secretary.</p>
<p>Recommendation 1.5</p> <p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy; (b) through its board or a committee of the board, set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (i) the measurable objectives set for that period to achieve gender diversity; (ii) the entity's progress towards achieving those objectives; and (iii) either: <ul style="list-style-type: none"> (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or 	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>NRML does not directly employ the senior management or staff who undertake day to day management of NPR, with these functions having been delegated to the Managers. However, the Board recognises that people are the most important asset to drive value for NPR and is committed to the maintenance and promotion of workplace diversity. NRML will work cooperatively with the Managers to enhance the diversity of staff engaged to work on NPR consistent with Recommendation 1.5, whilst also recognising that other selection criteria, in particular business acumen, appropriate skills and industry experience, are also fundamentally important to the Group.</p>

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<p>(B) if the entity is a “relevant employer” under the <i>Workplace Gender Equality Act 2012</i> (Cth), the entity’s most recent “Gender Equality Indicators”, as defined in and published under the Act.</p>	
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during the year or in respect of that period.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>The Board will review the performance of the directors annually. These reviews may be carried out with the assistance of an external party. The performance of each Committee will be reviewed at least annually by the Board.</p>
<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>The Board is responsible for reviewing the performance of the Managers.</p>
<p>Principle 2: Structure the board to be effective and add value</p> <p><i>The Board of a listed entity should be of an appropriate size and collective have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.</i></p>	

Principle / Recommendations	How NRML or NPR Complies
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director; <p>and disclose</p> <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>The board of Newmark, instead of a nomination committee, is responsible for overseeing the appointment of directors to NRML. The Board, and directors, must meet the following criteria:</p> <ul style="list-style-type: none"> • a majority of Non-Executive Directors must satisfy the criteria for independence; • Directors with an appropriate range of skills, expertise and experience from a diverse range of backgrounds; • Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business; and • Directors who can effectively review and challenge the performance of management and exercise independent judgment.
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>The recommendation is not applicable as NPR is externally managed.</p> <p>However, important criteria for the Board in determining and regularly reviewing its composition, is the optimum number and skill mix of directors.</p>

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<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>As at the date of the PDS, three Board members are independent directors being Michael Doble, Melinda Snowden and Andrew Erikson. In determining the independence of its directors, NRML has given consideration to the guidelines provided by Principle 2 of the Recommendations. The Board considers a director not to be independent if the director:</p> <ul style="list-style-type: none"> • 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; • receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity; • 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; • is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder; • has close personal ties with any person who falls within any of the categories described above; or • has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised. <p>The remaining two members of the Board are not considered to be independent due to their position as key management personnel or connection with a substantial shareholder of Newmark Property Group.</p> <p>The length of service of each director on the Board is as follows:</p> <ul style="list-style-type: none"> • Michael Doble – 1 March 2021 to present • Melinda Snowden – 1 March 2021 to present

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	<ul style="list-style-type: none"> • Andrew Erikson – 1 March 2021 to present • Mark Allan – 29 September 2020 to present • Chris Langford – 29 September 2020 to present
Recommendation 2.4: A majority of the board of a listed entity should be independent directors.	The recommendation is not applicable as NPR is externally managed. However, it is required that the Board have a majority of independent directors.
Recommendation 2.5: The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The recommendation is not applicable as NPR is externally managed. However, the Chair of the Board must be a Non-Executive Director and must not be one of the Joint Managing Directors.
Recommendation 2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	The recommendation is not applicable as NPR is externally managed. However, each new director appointed to the Board will participate in an induction programme. Directors also may request training and development when appropriate at the expense of the Group.
Principle 3: Instil a culture of acting lawfully, ethically and responsibly <i>A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.</i>	
Recommendation 3.1 A listed entity should articulate and disclose its values.	NRML's values are outlined in its Code of Conduct, available on the NPR website at: www.newmarkcapital.com.au/npr .
Recommendation 3.2 A listed entity should:	The Code of Conduct of Newmark Property Group Pty Ltd and its subsidiaries (Newmark Group) will apply in relation to NPR. Newmark Property Group Pty Ltd is the parent company of NRML.

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<p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>The Code of Conduct contains the Newmark Property Group's values, responsibilities and obligations.</p> <p>The Code of Conduct applies to Newmark Property Group employees, officers, representatives, consultants, contractors, associates, executives and the Newmark Capital Limited board of directors.</p> <p>The Joint Managing Directors of Newmark deal with reported breaches of the Code, and the Board shall be informed of any material breaches of the Code.</p> <p>The Code of Conduct is available on the NPR website: www.newmarkcapital.com.au/npr</p>
<p>Recommendation 3.3</p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under the policy.</p>	<p>The Whistleblower Policy of the Newmark Property Group will apply in relation to NPR. The Whistleblower Policy is available on the NPR website: www.newmarkcapital.com.au/npr.</p> <p>The Board and Audit, Risk and Compliance Committee will receive reports from the Whistleblowing Contact Person under the Whistleblower Policy.</p>
<p>Recommendation 3.4</p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	<p>The Board has adopted an Anti-Bribery and Corruption Policy. The Anti-Bribery and Corruption Policy is available on the NPR website: www.newmarkcapital.com.au/npr.</p> <p>The Anti-Bribery and Corruption Policy applies to all directors, officers and employees of the Newmark Property Group, and to all consultants, contractors, agents and associates that are effectively controlled by the Newmark Property Group or act on its behalf.</p> <p>The Compliance Officer of Newmark will receive reports under the Anti-Bribery and Corruption Policy and will investigate all reported, actual or suspected breaches of this Policy.</p>
<p>Principle 4: Safeguard the integrity of corporate reports</p>	

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<i>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</i>	
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ul style="list-style-type: none"> (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>The Board has established an Audit, Risk and Compliance Committee to review the integrity of NRML's financial reporting, risk management framework, role of the internal auditors and the independence of external auditors, and monitor compliance with legal, regulatory and policy requirements.</p> <p>The Audit, Risk and Compliance Committee must comprise at least three non-executive directors, a majority of whom are independent directors and the Chair is an independent director, who is not the Chair of the Board. The Committee is currently comprised of Melinda Snowden, Michael Doble and Mark Allan.</p> <p>The qualifications and experience of the members of the Audit, Risk and Compliance Committee are set out in Section 5.2 of the PDS.</p> <p>The Audit, Risk and Compliance Committee has a formal charter which sets out the Committee's responsibilities and functions. The key roles of the Audit, Risk and Compliance Committee are also summarised in Section 5.9.3 of the PDS. A copy of the Audit, Risk and Compliance Committee Charter is available on the Newmark website: www.newmarkcapital.com.au/npr.</p> <p>Meetings of the Audit and Risk Committee will be held at least four times per annum or more frequently as required, with some flexibility over the December-January period subject to there being no material issues of concern advised by either the Board or the Compliance Officer.</p>

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<p>Recommendation 4.2:</p> <p>The board of a listed entity should, before it approves the entity's financial statements, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Audit, Risk and Compliance Committee Charter provides that prior to approving NPR's financial statements, the Audit, Risk and Compliance Committee will receive a declaration from the Joint Managing Directors and CFO of the Investment Manager that, in their opinion, the financial records of NPR have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of NPR and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. The Audit, Risk and Compliance Committee will provide this to the Board for consideration.</p>
<p>Recommendation 4.3:</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>In accordance with the Audit, Risk and Compliance Committee Charter, the Audit, Risk and Compliance Committee is responsible for reporting to the Board on NRML's process to verify the integrity of any periodic corporate report NPR releases to the market that is not audited or reviewed by an external auditor.</p> <p>The Audit, Risk and Compliance Committee Charter is available on the NPR website: www.newmarkcapital.com.au/npr.</p> <p>All periodic reports released to the ASX are reviewed and approved by the Board.</p>
<p>Principle 5: Make timely and balanced disclosure</p> <p><i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i></p>	
<p>Recommendation 5.1:</p> <p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>The Board has adopted a Continuous Disclosure Policy in accordance with its obligations under the <i>Corporations Act 2001</i> (Cth) (Act) and the ASX Listing Rules.</p> <p>The Continuous Disclosure Policy applies to all executive and non-executive directors, officers, employees, consultants, advisers and contractors of the Group.</p> <p>The Continuous Disclosure Policy is available on the Newmark website: www.newmarkcapital.com.au/npr.</p>

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Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	The Continuous Disclosure Policy requires that, through the Disclosure Committee, all directors receive copies of all material market announcements promptly after they have been made. The Continuous Disclosure Policy is available on the NPR website: www.newmarkcapital.com.au/npr .
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	The Board has adopted a Securityholder Communication Policy which requires that before a new and substantive investor or analyst presentation, the presentation materials will be released to ASX and posted on the NPR website. The Securityholder Communication Policy is available on the NPR website: www.newmarkcapital.com.au/npr .
Principle 6: Respect the rights of security holders <i>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.</i>	
Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.	The Board has adopted a Securityholder Communication Policy. The Group intends to provide all relevant information about itself and its governance at www.newmarkcapital.com.au/npr as required by the Recommendations, the Listing Rules, and other laws applicable to NRML.
Recommendation 6.2: A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	The Board has adopted a Securityholder Communication Policy which supports NRML's commitment to effective communication in a timely and readily accessible manner with its security holders and other stakeholders. In addition, NRML intends to communicate with its security holders through: <ul style="list-style-type: none"> (a) releases to ASX in accordance with the Group's continuous disclosure obligations; and (b) half-yearly reports to investors on financial and operational matters.

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	The Securityholder Communication Policy is available on the NPR website: www.newmarkcapital.com.au/npr .
Recommendation 6.3: A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	The Constitutions of Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust and the Securityholder Communication Policy are available on the NPR website: www.newmarkcapital.com.au/npr .
Recommendation 6.4: A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	NRML intends for NPR to comply with this recommendation. The Constitutions of Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust will be available on the NPR website: www.newmarkcapital.com.au/npr .
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its securities registry electronically.	The Securityholder Communication Policy encourages security holders to receive Group information electronically by registering their email address online with the Group's share registry. The Group also provides security holders with the option to send communications to the Group electronically. The Securityholder Communication Policy is available on the NPR website: www.newmarkcapital.com.au/npr .
Principle 7: Recognise and manage risk <i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i>	
Recommendation 7.1: The board of a listed entity should: <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> (i) has at least three members, a majority of whom are independent directors; and 	The Board has established the Audit, Risk and Compliance Committee to oversee risk management and assist the Board in carrying out its obligations regarding the Group's risk management framework. The Audit, Risk and Compliance Committee is currently comprised of Melinda Snowden, Michael Doble and Mark Allan, a majority of whom are independent directors, and is

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<p>(ii) is chaired by an independent director, and disclose:</p> <p>(iii) the charter of the committee;</p> <p>(iv) the members of the committee; and</p> <p>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>chaired by an independent director who is not Chair of the Board pursuant to ASX Recommendations 4.1 and 7.1.</p> <p>The Board has adopted a formal charter setting out the main responsibilities and functions of the Audit, Risk and Compliance Risk Committee. A copy of the Audit, Risk and Compliance Committee Charter is available on the NPR website: www.newmarkcapital.com.au/npr.</p> <p>The Audit, Risk and Compliance Committee's responsibilities relating to risk management are as follows:</p> <ul style="list-style-type: none"> (a) monitoring management's performance against the entity's risk management framework, including whether it is operating within the risk appetite set by the Board; (b) evaluating the adequacy and effectiveness of the risk management framework and risk management reporting; (c) reviewing any material incident involving fraud, a breakdown of the entity's risk controls or other risk exposures, and provide a report to the Board on those incidents and/or breaches on the lessons learned and recommendations on how to deal with such exposures; (d) following the establishment of an internal audit function, receiving reports from internal audit on its reviews of the adequacy of the entity's processes for managing risk; (e) receiving reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks; (f) reviewing the Group's risk management framework at least annually, including making recommendations to the Board in relation to changes that should be made to the entity's risk management framework and risk

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	<p>profile (including evaluating operational, strategic and emerging risks) or to the risk appetite set by the Board; and</p> <p>(g) overseeing the entity's insurance program, through reviewing and approving the adoption and structure of the Group's insurance program, having regard to the entity's business and the insurable risks associated with its business.</p> <p>The Audit, Risk and Compliance Committee will meet at least four times per annum or more frequently as required, with some flexibility over the December-January period subject to there being no material issues of concern advised by either the Board or the Compliance Officer.</p>
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Audit, Risk and Compliance Committee will oversee and review the effectiveness of NRML's risk management framework at least annually, including making recommendations to the Board in relation to changes that should be made to the entity's risk management framework and risk profile (including evaluating operational, strategic and emerging risks) or to the risk appetite set by the Board. The Board must review the Audit, Risk and Compliance Committee Charter at least annually.</p>
<p>Recommendation 7.3:</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually</p>	<p>The Group does not yet have an internal audit function in consideration of its size. However, the Audit, Risk and Compliance Committee Charter provides that following the establishment of an internal audit function, the Committee will have responsibility for overseeing its internal audit in the following way:</p> <p>(a) reviewing the effectiveness, independence, objectivity and performance of internal audit work;</p>

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improving the effectiveness of its risk management and internal control processes.	<p>(b) reviewing internal audit reports and the responsiveness of management to internal audit findings; and</p> <p>(c) reviewing and approving the appointment or removal of the internal auditor.</p> <p>The Audit, Risk and Compliance Committee also has oversight in respect of risk management and internal control processes through reviewing the Group's risk management framework at least annually, including making recommendations to the Board in relation to changes that should be made to the entity's risk management framework and risk profile (including evaluating operational, strategic and emerging risks) or to the risk appetite set by the Board.</p>
<p>Recommendation 7.4:</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>NPR is exposed to economic and environmental risks (as detailed in section 9.3.9 of the PDS). The risks posed by changes in economic and market conditions are managed and reviewed by NRML under its risk management framework, and through the Audit, Risk and Compliance Committee.</p>
<p>Principle 8: Remunerate fairly and responsibly</p> <p><i>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives to align their interests with the creation of value for security holders and the entity's values and risk appetite.</i></p>	
<p>Recommendations 8.1, 8.2 and 8.3 (for externally managed listed entities):</p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>The management fees payable to the Managers, responsible for investment management services relating to NPR and its portfolio of assets, are contained in Section 5.8 of the PDS.</p> <p>In addition, Section 5.8 sets out the fees payable to NRML under the Constitutions of Newmark Hardware Trust and Newmark Capital (Chadstone) Property Trust. A summary of the Constitutions are at Section 13.1 of the PDS.</p> <p>The PDS is available on the NPR website: www.newmarkcapital.com.au/npr.</p>