

BOARD CHARTER

Introduction

The Board of Directors of Australian Leisure and Entertainment Property Management Limited (**ALEPML**) is accountable to Stapled Securityholders, being shareholders of ALEPML and the unitholders of Australian Leisure and Entertainment Property Trust (**the Trust**), for the performance of the ALE Property Group.

In carrying out its responsibilities, the Board undertakes to serve the interests of Stapled Securityholders, employees, customers and the broader community honestly, fairly, diligently and in accordance with applicable laws.

Role of the Board

The Board's responsibilities encompass the following:

- 1 establishing the purpose and strategic direction of the ALE Property Group;
- 2 approving the statement of values and code of conduct to underpin the desired culture;
- 3 overseeing of the ALE Property Group, including its controls and accountability systems;
- 4 appointing and (if deemed necessary) removing the Managing Director and Company Secretary;
- 5 ratifying the appointment and, where appropriate, the removal of the senior executives.
- 6 contributing to and finally approving management's development of corporate strategy and performance objectives;
- 7 reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct, and legal compliance;
- 8 overseeing and monitoring senior management's performance, implementation of strategy and instilling values and desired culture and ensuring appropriate resources are available;

- 9 approving and monitoring the progress of operating budgets, major capital expenditure, capital management, acquisitions and divestitures;
- 10 overseeing the integrity of the accounting and corporate reporting systems including monitoring financial, risk and non-financial risk and other reporting;
- 11 overseeing the process for making timely and balanced disclosure of all material information concerning the ALE Property Group that a reasonable person would expect to have a material effect on the price or value of the Staple Securities;
- 12 satisfying itself that an appropriate framework existing for relevant information to be reported by management to the Board;
- 13 whenever required, challenging management and holding it to account;
- 14 satisfying itself that the remuneration policies are aligned with the purpose, values, strategic objectives and risk appetite;
- 15 monitoring the effectiveness of the governance practices; and
- 16 establishing and maintaining leadership of the ALE Property Group and upholding ethical standards.

Delegation and Role of Management

The Board delegates to the Managing Director and senior management team responsibility for implementing the strategic direction, and for managing the day-to-day operations, instilling and reinforcing the values, of the ALE Property Group while operating within the values, code of conduct, budget and risk appetite set by the Board. The Managing Director consults with the Chairman, in the first place, on matters, which are sensitive, significant, and extraordinary, or of a strategic nature.

The senior management team is responsible for providing the Board with accurate, timely and clear information on the ALE Property Group operations to enable the Board to perform its responsibilities.

Board Size and Composition

The full Board determines the Board size and composition, subject to limits imposed by the Constitution of ALEPML. The Constitution of ALEPML provides for a minimum of three Directors and a maximum of ten.

The majority of non-executive Directors is external, as defined under section 601JA of the Corporations Act, and satisfy the principles of Independence as

outlined in the ASX Corporate Governance Recommendations Fourth Edition. [See Schedule A]

The Board has implemented an annual performance evaluation process for management, directors, the Board and its Committees. Part of this process is also to ensure that the Board and its Committees maintain an appropriate balance of skills, experience and expertise.

In reviewing its own performance and that of its Directors and Committees on an annual basis, the Board may obtain the assistance of external consultants where required.

The Chairman is selected by the full Board annually at the first meeting following the Annual General Meeting, and is an independent Director.

Under clause 44 of the Company's Constitution, a Director may not hold office for a continuous period in excess of 3 years or past the third annual general meeting following the Director's appointment, whichever is the longer, without submitting for re-election. If no Director would otherwise be required to submit for re-election but the Listing Rules require that an election of Directors be held, the Director to retire at the AGM is the Director who has been longest in office since their last election.

Under clause 43(b) of the Company's Constitution, a Director who was appointed by the Board since the last AGM must retire at the next AGM following their appointment and if eligible offer themselves for re-election.

Under the ASX listing rules an election of directors is required each year.

Role of Chairman

The Chairman presides over Board and General Meetings of ALEPML and the Trust. He/she has the task of making sure the Board is well informed and effective and that the members, individually and as a group, have the opportunity to air differences, explore ideas and generate the collective views and wisdom necessary for the proper operation of the Board and ALEPML.

The Chairman is responsible for ensuring that the meetings are conducted competently and ethically and is expected to provide effective leadership in formulating the strategic direction for the ALE Property Group.

He/she must ensure that General Meetings, too, are conducted efficiently and that Stapled Security Holders have adequate opportunity to air their views and obtain answers to their queries. Among the Chairman's other responsibilities are:

- 1 to see that new Board members are well briefed and have access to information on all aspects of ALEPML and the Trust's operations;

- 2 to be the Board's representative in dealings with Management ensuring that its views are communicated clearly and accurately;
- 3 to act as the primary counselor to the Managing Director;
- 4 to represent the views of the Board to the public, governments and other stakeholders as required.

Board Meetings

The Board meets formally at least six times per annum and whenever necessary to deal with urgent matters, which might arise between, scheduled meetings.

Senior members of Management normally attend Board meetings to present reports where requested by Board members, or seek approvals within their areas of responsibility. However, the Board may meet in private session (with only the Board members present) to discuss management issues or matters of a particularly sensitive nature on a "needs" basis. The external auditor meets with the Board or the Audit, Compliance and Risk Management Committee as part of the half year and full year financial accounts preparation.

Board Committees

To assist it in carrying out its responsibilities, the Board has established an Audit, Compliance and Risk Management Committee (ACRMC) and a Remuneration and Nominations Committee.

The ACRMC is a standing committee that is composed of at least three members, with at least a majority being Non-Executive, independent Directors. An independent consultant may be appointed if considered required by the Committee. The Chairman of the Board cannot be the Chairman of the ACRMC.

As the Board comprises 50% or more External Directors as defined under section 601JA of the Corporations Act, an independent compliance committee for the Responsible Entity need not be appointed. The Board has however determined that the Audit, Compliance and Risk Management Committee fulfill the role of the Independent Compliance Committee for the Registered Schemes.

The Audit, Compliance and Risk Management Committee meets at least four times a year.

The Remuneration and Nomination Committee is a standing committee that is composed of at least three Non-Executive independent Directors.

The Remuneration and Nominations Committee meets at least two times a year.

The Board will from time to time, or as is necessary, establish other committees to assist it in carrying out its responsibilities, which will comprise at least two Non-

Executive independent Directors such as a Due Diligence, Debt Refinancing or Capital Raising Committee.

Role of Company Secretary

The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

The role of the Company Secretary includes:

- 1) advising the Board and its Committees on governance matters;
- 2) monitoring that Board and Committee policy and procedures are followed;
- 3) coordinating the timely completion and despatch of Board and Committee papers;
- 4) ensuring that the business at Board and Committee meetings is accurately captured in the minutes; and
- 5) helping to organise and facilitate the induction and professional development of directors.

Each director may communicate directly with the Company Secretary and vice versa.

DATE OF LAST REVIEW December 2019

Schedule A

Factors relevant to assessing the independence of a director

Examples of interests, positions, associations and relationships that might cause doubts about the independence of a director include if the director:

- 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 incentives 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 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 security;
- 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 his or her independence from management and substantial holders may have been compromised.

Source ASX Corporate Governance Principals and Recommendations Fourth Edition 2019 page 14