

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Investa Office Fund (IOF)

ABN/ARBN

Investa Office Fund comprising the Armstrong Jones Office Fund (ARSN 090 242 229) and the Prime Credit Property Trust (ARSN 089 849 196)

Financial year ended

30 June 2016

Our corporate governance statement² for the above period above can be found at:³



this URL on our website: <http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>

The Corporate Governance Statement is accurate and up to date as at 19 September 2016 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.

Date here: 26 September 2016



Sign here: _____

Director

Print name: Jonathan Callaghan

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of rule 4.10.3.

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
<u>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</u>			
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p> <p>... and information about the respective roles and responsibilities of our board and management (including those matters expressly reserved to the board and those delegated to management):</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate 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 fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.3	<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 fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.4 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 fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>1.6 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, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraph (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE		
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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; <u>OR</u></p> <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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ 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><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>2.2 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>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>2.3 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>... the names of the directors considered by the board to be independent directors:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... where applicable, the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p>... the length of service of each director:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>2.4 A majority of the board of a listed entity should be independent directors.</p>	<p>... the fact that we follow this recommendation:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
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.	<p>... the fact that we follow this recommendation:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	<p>... the fact that we follow this recommendation:</p> <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	<p>... our code of conduct or a summary of it:</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement AND <input checked="" type="checkbox"/> at this location: http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <input checked="" type="checkbox"/> in our Corporate Governance Statement <p>... and a copy of the charter of the committee:</p> <input checked="" type="checkbox"/> at this location: http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/ <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>(5) 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> <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>... and the information referred to in paragraphs (4) and (5):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement AND</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/ <i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____ <i>Insert location here</i></p>	
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, 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 fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____ <i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable</p>
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	<p>... our continuous disclosure compliance policy or a summary of it:</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<p>... information about us and our governance on our website:</p> <p><input checked="" type="checkbox"/> at this location:</p> <p>http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...	
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable	
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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;</p> <p>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>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
		<p style="text-align: center;"><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____</p> <p style="text-align: center;"><i>Insert location here</i></p>	
7.2	The board or a committee of the board should: (a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____ <p style="text-align: center;"><i>Insert location here</i></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; OR (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input checked="" type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____</p> <p style="text-align: center;"><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: _____</p> <p style="text-align: center;"><i>Insert location here</i></p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) 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;</p> <p>OR</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR</p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
	executives and ensuring that such remuneration is appropriate and not excessive: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives. ... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it. ... our policy on this issue or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement OR <input type="checkbox"/> at this location: <hr/> <i>Insert location here</i>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement OR <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have <u>NOT</u> followed the recommendation in full for the whole of the period above. We have disclosed ...
<u>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</u>		
<p>- <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> 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;</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
<p>- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at this location:</p> <p>_____</p> <p><i>Insert location here</i></p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Statement

Introduction

Investa Listed Funds Management (ACN 149 175 655) (**ILFML**) is the responsible entity of the Investa Office Fund (ASX: IOF) (the **Fund**), and a wholly-owned subsidiary of Investa Office Management Pty Limited (ACN 161 354 016) (**IOM**). The Board of Directors of ILFML (the **Board**) is committed to the highest standards of corporate governance and ethical conduct, recognising them as essential components of Investa's responsibility to investors in the Fund. Through its commitment to transparency, the Board has developed a robust framework to ensure its governance objectives are met, risk is monitored and assessed, and performance is optimised.

During the year ended 30 June 2016, the corporate governance framework of the Fund was consistent with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles**).

The Fund publishes its corporate governance statement on its website rather than in its Annual Report. The Fund's corporate governance statement, as well as the policies referred to in the corporate governance statement, are available in the Governance section of the Fund's website at: <http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>

This corporate governance statement was approved by the Board of Investa Listed Funds Management Limited and is current as at 19 September 2016 in accordance with ASX Listing Rule 4.10.3.

Unless the context requires otherwise, capitalised terms in this statement have the meanings given in the glossary at the end of this statement.

References to the "Annual Report" are to the Fund's 2016 Annual Financial Report lodged with the ASX on 26 September 2016.

1. The Fund is an Externally Managed Entity

The Fund is comprised of the Armstrong Jones Office Fund (**AJO Fund**) and the Prime Credit Property Trust (**PCP Trust**), two managed investment schemes registered with the Australian Securities and Investments Commission (**ASIC**).

The Fund is listed on the Australian Securities Exchange (**ASX**) and the units in the AJO Fund and the PCP Trust are stapled together and trade as one stapled security.

ILFML, has acted as the responsible entity of each of the AJO Fund and the PCP Trust since 8 July 2011.

The corporate governance structure adopted by the Board reflects its role as responsible entity of an externally managed listed real estate trust, which is different from the corporate governance structure adopted by listed companies.

1.1 The Board of ILFML

As at the date of this Report, ILFML has five Directors, four of whom are Independent Directors. An overview of the experience, qualifications and memberships of each Director is set out below.

Director	Appointed	Independence status
Richard Longes	15 April 2016	Non-executive (independent)
John Fast	15 April 2016	Non-executive (independent)
Geoff Kleemann	15 April 2016	Non-executive (independent)
Bob Seidler AM	15 April 2016	Non-executive (independent)
Jonathan Callaghan ¹	15 April 2016	Executive

Richard Longes – Chairman and Independent Non-Executive Director

Richard Longes is an Independent Director and Non-Executive Chairman of the Responsible Entity.

Richard Longes is the Chairman of Liberty Financial Pty Limited, Terrace Tower Group Pty Limited and Investec Australia Limited. He was previously Chairman of GPT and Deputy Chairman of Lend Lease, as well as a Director of a number of public companies.

John Fast – Independent Non-Executive Director

John Fast is an Independent Director of the Responsible Entity.

John Fast is founder and Joint Managing Director of international specialist advisory firm Dragoman Pty Limited. John Fast is also Chairman of NIEF Limited, Deputy Chairman of the Norman Beischer Medical Research Foundation, Non-Executive Director of the Australian Brandenburg Orchestra and Chairman of the Advisory Board of the Rotary Aboriginal and Torres Strait Islanders Tertiary Scholarship.

John Fast's previous executive roles include Chief Legal Counsel and Head of External Affairs at BHP Billiton Limited and BHP Billiton Plc respectively.

Geoff Kleemann – Independent Non-Executive Director

Geoff Kleemann is an Independent Director of the Responsible Entity and Non-Executive Chairman of the Audit and Compliance Committee of the Responsible Entity.

Geoff Kleemann's former directorships include being an independent and Non-Executive Director of Asciano Limited and a Non-Executive Director of Broadspectrum Limited. Geoff Kleemann was also previously CFO at a number of major Australian companies including Crown Limited, Publishing & Broadcasting Limited, and Woolworths Limited.

¹ Resigned 28 January 2016 and reinstated 15 April 2016.

Bob Seidler AM – Independent Non-Executive Director

Bob Seidler AM is an Independent Director of the Responsible Entity. Bob Seidler AM is also a Director of Investa Office Management Pty Limited, which is the parent company of the Responsible Entity and the manager of IOF.

Bob Seidler AM is Chairman of Hunter Phillip Japan Limited and a member of CIMIC Group Limited's board. Previous board memberships include Valad Property Group, Australian Prime Property Fund, Chairman of Leighton Asia India and Offshore and Leighton Properties Pty Limited.

Jonathan Callaghan – CEO, Investa

Jonathan Callaghan is the CEO of Investa and an Executive Director of ILFML and Investa Wholesale Funds Management Limited (**IWFML**).

Jonathan Callaghan is responsible for the strategic direction of Investa, across both the office and funds businesses, including responsibility for financial strategy, treasury, debt and risk management, taxation and internal and external reporting.

Jonathan Callaghan has been with Investa for over 10 years where he has held a number of roles, including the role of Group General Counsel and more recently, Joint Managing Director and Finance Director.

Jonathan Callaghan is a member of the NSW Division Council of the Property Council of Australia and a founding member of the Property Male Champions of Change.

Jonathan Callaghan holds a Bachelor of Science (Hons), a Bachelor of Laws (Hons) and a Masters of Applied Finance.

1.2 Role of the Board and Management

Role of the Board

The primary role of the Board is to operate the Fund in accordance with the constitution of each of the AJO Fund and the PCP Trust, the ASX Listing Rules and the *Corporations Act 2001* (Cth) (**Corporations Act**). The Board must ensure it acts in the best interests of unitholders and that the activities of the Fund are conducted in a proper and efficient manner.

The constitution of each of the AJO Fund and the PCP Trust gives the Board all the powers in respect of the Fund that it is possible under the law to confer on a trustee as though it were the absolute owner of the assets of the Fund and acting in its personal capacity. The Corporations Act empowers the Board to appoint a person, including one of its associates, as its delegate, attorney or agent to exercise its powers and perform its obligations. However, the Board remains responsible for the actions of its delegates, attorneys and agents.

Key responsibilities of the Board include:

- reviewing the performance of management, including the Fund Manager and the adequacy of resources allocated to ILFML by Investa Office;
- providing input into and final approval of management's strategy and performance objectives for the Fund;
- reviewing and if appropriate approving significant transactions;
- overseeing the administration of ILFML, including risk and compliance monitoring functions;
- reviewing the appropriateness of management's risk management processes;
- reviewing the Fund's policies and procedures; and
- establishing formal committees to assist in discharging its responsibilities, for example the Audit and Compliance Committee.

The Board has adopted a charter that sets out additional information about the role and responsibilities of the Board.

Role of management

Management is responsible for all matters not specifically the responsibility of the Board and for implementing the strategy and performance objectives of the Fund and its day to day operations.

The Board has also granted specific delegated authorities to management, including in respect of project expenditure, operational expenditure, leasing, accounting and treasury.

Investa Office is responsible for providing the resources to enable ILFML to appropriately and adequately conduct its funds management operations and to administer the affairs of the Fund. The Board oversees the activities of management and provides strategic guidance.

Remuneration of Responsible Entity and management fees

The remuneration of ILFML in its capacity as responsible entity is regulated by the constitution of each of AJO Fund and PCP Trust (**Fund Constitutions**). Under the Fund Constitutions, ILFML is entitled to a quarterly management fee. Details of the responsible entity and other management fees payable by the Fund to ILFML and its related parties are set out in the notes to the financial statements included in the 2016 Annual Report.

1.3 Executive performance, evaluation and remuneration

Investa Office, not the Fund itself, is responsible for the remuneration and performance of the Directors of ILFML and Investa Office employees involved in the management of the Fund. However, the Board is responsible for reviewing the adequacy of the resources and for making any recommendations to Investa Office as necessary.

Investa Office has an established process for setting and measuring the performance of all employees. This process includes the setting of annual key performance indicators for each employee, which are formally reviewed on a half and full year basis. All senior executives have defined objectives and have a discretionary element to their total remuneration, which is based on

achieving defined objectives. Furthermore, the management team of the Fund has performance based remuneration aligned to the performance and key objectives of the Fund. Regular reviews are undertaken to ensure that the agreed objectives are met during the year.

The Independent Directors review the key performance indicators associated with the variable component of the Fund Manager's remuneration to ensure alignment with unitholder interests.

During the financial year, the performance of all Investa Office employees involved in the management of the Fund was reviewed in accordance with the process set out above.

The fees of the Independent Directors of ILFML are determined and paid for by ILFML and not by the Fund itself. The Executive Director of ILFML is not remunerated for their Director appointments with ILFML. The remuneration of employees involved in the management of the Fund is determined and paid for by ILFML's parent, IOM.

During FY16, the remuneration paid to the current Directors of ILFML was as follows:

Director	Director category	Remuneration ²
Richard Longes	Independent Director and Chairman	\$41,800
John Fast	Independent Non-Executive Director	\$31,300
Geoff Kleemann	Independent Non-Executive Director	\$31,300
Bob Seidler AM	Independent Non-Executive Director	\$31,300
Jonathan Callaghan ³	Executive Director (CEO, Investa)	Nil

The remuneration of ILFML in its capacity as responsible entity is regulated by the constitution of each of AJO Fund and PCP Trust. ILFML has only a right to be paid a fee or reimbursed an expense from the Fund in relation to the proper performance of its duties.

2. Board Structure

2.1 Directors' appointment and selection

The appointment of Directors is governed by the constitution of ILFML and the Corporations Act. The Board's policy and procedure for the selection of Directors is included in the Board Charter.

As ILFML is wholly owned by IOM, IOM may also appoint or remove a Director of ILFML by written notice to ILFML.

Under a deed poll dated 10 June 2015, IOM has made a commitment to ILFML as responsible entity for the Fund that:

- the Board will consist of a majority of Independent Directors and the Chairman will be an Independent Director;

² Subject to rounding and relates to the period of appointment to 30 June 2016.

³ Resigned 28 January 2016 and re-instated 15 April 2016.

- each Independent Director will have a term that expires at the conclusion of the general meeting of the unitholders held in the third year after the year in which they were appointed or their re-appointment is approved, unless further 3 year terms are approved by an ordinary resolution of the unitholders; and
- the appointment of an Independent Director by the Board or ILFML's parent will be subject to ratification by the unitholders at the next general meeting, which must be held no more than 12 months after that appointment.

It was determined that the appointments of Richard Longes, John Fast, Geoff Kleemann and Bob Seidler AM as Independent Directors would be submitted for approval by unitholders at the Fund's 2016 annual general meeting to be held on 20 October 2016.

Directors are appointed with the aim of ensuring the Board has:

- an appropriate blend of skills, experience and expertise;
- a proper understanding of, and competence to understand, deal with and provide responses and reactions to the day-to-day operation of the Fund; and
- a majority of Independent Directors.

2.2 **Nomination Committee**

The existing size of the Board and the frequency of Board meetings are such that IOM is able to determine the selection and appointment process of the members on the Board in an efficient manner, without the need for a separate nomination committee. Furthermore, unitholders have the opportunity to ratify the appointment of Independent Directors.

2.3 **Board meetings**

The Board meets regularly in scheduled Board meetings. In addition to scheduled Board meetings, any Director may convene a Board meeting where the Director considers a meeting is necessary or convenient to the proper discharge of the functions of the Board or in the interests of IOF or ILFML. Attendance at Board meetings over the financial year is shown in the tables below:

(a) **Current Directors**

Director	Number of meetings held while the individual was a Director	Number of meetings attended by the Director
Richard Longes	3	3
John Fast	3	3
Geoff Kleemann	3	3
Bob Seidler AM	3	3
Jonathan Callaghan ⁴	12	12

⁴ Resigned 28 January 2016 and re-instated 15 April 2016.

(b) Former Directors

Director	Number of meetings held while the individual was a Director	Number of meetings attended by the Director
Deborah Page AM	15	15
Peter Rowe	15	15
Peter Dodd	15	15
Scott MacDonald	5	Nil
Campbell Hanan ⁵	5	4

2.4 Director Independence

Independent Directors must satisfy the definition of “External Director” as defined in section 601JA(2) of the Corporations Act in order to be considered “independent”. As at the date of this statement, four of the five Directors are Independent Directors. All Independent Directors satisfy the requirements of independence, and IOM has made this determination with reference to the Corporations Act as well as the ASX Principles.

To ensure that the Board remains independent, the Board has also adopted the following procedures for ensuring independence.

Disclosure of Directors who are independent

In the event an existing Director is assessed to no longer be independent, ILFML, on behalf of the Fund, will disclose this fact to the ASX as soon as practicable after the assessment has been made.

Independent decision making

Directors have, in appropriate circumstances, and subject to prior discussion with ILFML’s Chairman, the right to seek independent professional advice on matters relating to the Fund, including matters relating to the discharge of ILFML’s obligations under the constitution of the AJO Fund and/or the PCP Trust and the law, the cost of which may be borne by ILFML or, where permitted, the Fund.

Conflicts of interest and Directors’ standing notice register

Directors owe a duty to avoid any conflicts of interest that may arise. A conflict may arise through a personal interest or a duty to a third party.

Therefore, if a possible conflict of interest arises in respect of a Director, i.e. a material personal interest in a matter, that Director is required to make full disclosure to the Board as soon as possible or contact the Company Secretary. A register of Directors’ standing notices of interest is held by the Company Secretary.

⁵ As alternate for Scott MacDonald.

In the event a conflict or potential conflict situation exists, the conflicted Director is absent from the meeting while the Board discusses the matter and may not vote on the matter, unless the other Directors, who do not have a material personal interest in the matter, are satisfied that the interest should not disqualify the Director from voting or being present.

2.5 Role of the Chair

The Chairman is a Non-Executive Director, who is elected by the Board from time to time.

The Chairman is responsible for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction approved by the Board.

2.6 Board education and performance evaluation

The Board undertakes a review of its performance annually. This includes a review of the objectives of the Board and its Committees and progress towards achieving these objectives, a review of the Board and its committees' processes, achievements and composition and any areas for improvement.

As the current Directors were appointed in the last quarter of FY16, it is intended that a performance evaluation for the Board and its committees will not take place for FY16. The performance evaluation process for the current Board and committees will be undertaken over the course of the next financial year.

Directors have the opportunity to visit the Fund's properties and to meet with management to gain a better understanding of the Fund's operations, and receive regular updates on relevant matters such as property industry issues, economic outlook and developments in accounting standards.

3. Promoting Responsible and Ethical Behaviour

3.1 Code of Conduct

Investa Office has established a Code of Conduct that outlines acceptable standards of behaviour and attitudes expected from staff to promote and maintain the confidence and trust of all those dealing with Investa Office. A copy of the Code of Conduct is located on the Governance page of IOF's website at <http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>. ILFML has also implemented a number of policies that supplement the Code of Conduct, which include:

- Continuous Disclosure Policy
- Security Trading Policy
- Fund and Business Expense Policy

In accordance with Investa Office's Whistleblower Policy, staff are expected to report any serious issues and these will be investigated fairly. Individuals who report serious issues in good faith are appropriately protected.

3.2 Security Trading Policy

Investa Office and ILFML have established a Security Trading Policy that applies to all Investa Office employees, directors (including the Directors of ILFML) and certain contractors. The purpose of the policy is to assist directors, employees and contractors to comply with their legal obligations relating to dealing in securities of the Fund while in the possession of inside information about the entity not generally available to the public (**Inside Information**). The policy is also intended to ensure that public confidence is maintained in Investa Office employees and the trading of Investa Office securities, including units in the Fund.

The Security Trading Policy prohibits trading in the Fund's units by persons in possession of Inside Information and regulates trading during trading windows and blackouts. The policy also prohibits the communication of Inside Information in relation to publicly listed securities to another person likely to deal or procure others to deal in those securities. Importantly, these prohibitions apply to all securities, not just Investa securities.

Additionally, under the policy, Investa Office directors and prescribed employees must provide details of any trade of a listed Investa security, including Units in the Fund, to the Company Secretary.

3.3 Diversity and Inclusion Policy and Equal Employment Opportunity Policy

The Investa Property Group is fully committed to creating a workplace in which diversity in all its forms is recognised, embraced and respected.

Investa and ILFML have in place a Diversity and Inclusion Policy that includes the following key measurable objectives:

- Improve the representation of women across all levels of Investa;
- Engage a culturally diverse workforce improving representation across age, cultural, religious, ethnic, socio-economic and educational backgrounds;
- Support and encourage ongoing career development opportunities for all employees; and
- Ensure fairness and parity across Investa.

Investa Property Group has established a Diversity and Inclusion Committee which is chaired by Jonathan Callaghan (Chief Executive Officer of the Investa Property Group) and has representation from across the diverse groups that make up the Investa Property Group. The aim of this committee is to guide strategies and sponsor initiatives to create an inclusive and innovative culture – one that aligns to the Investa Property Group's Diversity and Inclusion Policy and supports its strategic objectives.

In FY16, the Diversity and Inclusion Committee has focused on the following key targets:

- achieving specific numerical targets for the proportion of women in the organisation, in senior executive roles and on the Board within a specified timeframe;
- management training for high potential women in the business to maintain a pipeline of female candidates for higher management roles;

- audit of the data in respect of the classification of all roles within the Investa Property Group in accordance with the Workplace Gender Equality Act 2012 (Cth);
- establish a recruitment policy which eliminates bias in recruitment; and
- set key performance indicators linked to remuneration for senior executives to measure the achievement of diversity objectives.

While ILFML does not have any employees, the above measurable objectives have also been adopted by Investa Office and ILFML monitors Investa Office's progress towards achieving these objectives.

Investa also has in place an Equal Employment Opportunity Policy to ensure that it develops a working environment and culture that is fair and enables all employees to make a valuable contribution to their role and business operations. The policy also ensures that any form of discrimination or harassment is eliminated from the workplace.

4. Financial Reporting

4.1 Review and authorisation

In accordance with section 295A of the Corporations Act, the Chief Executive Officer and Chief Financial Officer of the Investa Property Group have declared in writing to the Board that, in their opinion, the financial records of the Fund for the financial year have been properly maintained in accordance with section 286 of the Corporations Act, that the Fund's financial statements present a true and fair view of the Fund's financial position and performance and are in accordance with relevant accounting standards and that this opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

4.2 Board Audit and Compliance Committee and Charter

The Board has established an Audit and Compliance Committee (**Audit Committee**) that operates under a Board approved charter (**Audit Committee Charter**). A copy of the Audit Committee Charter is available on the Fund's website at: <http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>.

The Audit Committee reports to the Board and its charter extends to all activities of ILFML and all entities (including funds) that are controlled by the Fund.

The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities in relation to the Fund's financial reporting process, systems of internal control, external and internal audit processes, compliance with the compliance plan for each of the AJO Fund and the PCP Trust and ILFML's process for monitoring compliance with laws and regulations and the Code of Conduct.

The Audit Committee consists of at least three financially literate members, at least one of whom has accounting or related financial expertise and who are all Non-Executive Directors of ILFML. A majority of the members of the Audit Committee must be Independent Directors of ILFML. The term of each member will be determined by the Board. The Chairman of the Board is not permitted to chair the Audit Committee, and must be an Independent Director. As at the date of this

statement, the members of the Audit Committee are the Independent Directors of ILFML and the Chair of the Audit Committee is Geoff Kleemann.

The Audit Committee is required to meet a minimum of four times per year, or more frequently if required. Attendance at the meetings of the Audit Committee over the FY16 is shown in the table below:

(a) Current members of the Audit Committee

Director	Number of meetings held while the individual was a member of the Audit Committee	Number of meetings attended by the individual
Richard Longes	1	1
John Fast	1	1
Geoff Kleemann	1	1
Bob Seidler AM	1	1

(b) Former members of the Audit Committee

Director	Number of meetings held while the individual was a member of the Audit Committee	Number of meetings attended by the individual
Deborah Page AM	4	4
Peter Rowe	4	4
Peter Dodd	4	4

The qualifications and experience of the members of the Audit Committee are set out in section 1.1 above and are available on the Fund's website at: <http://www.investa.com.au/about/governance/>.

The Audit Committee is a committee of the Board and as such, the evaluation of its performance is undertaken as part of the evaluation of the performance of the Board.

4.3 Appointment of External Auditor

PricewaterhouseCoopers is the current auditor for ILFML, the AJO Fund, the PCP Trust and the compliance plans for the AJO Fund and the PCP Trust.

The appointment and removal of the external auditor is regulated by the Corporations Act.

Information on procedures for the selection, appointment and monitoring of the performance of the external auditor and for the rotation of external audit engagement partners is set out in the Audit Committee Charter.

5. Continuous Disclosure

5.1 Continuous Disclosure

As the responsible entity of a listed fund, ILFML must comply with the continuous disclosure provisions of the ASX Listing Rules.

ILFML is required to immediately notify the ASX of any information concerning the Fund of which it is or becomes aware, which a reasonable person would expect to have a material effect on the price or value of units in the Fund, subject to certain limited exceptions.

ILFML has established a Continuous Disclosure Policy that deals with:

- information that needs to be disclosed to the market;
- responsibility for responding to market rumours or speculation;
- communications with analysts and major investors;
- procedures for dealing with the media; and
- senior management review and sign off of release of information to the market.

A copy of the Continuous Disclosure Policy is available at the following website:
<http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>.

The Company Secretary has been appointed as the person responsible for communicating with the ASX. This person is also responsible for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules.

6. Investor Communications

6.1 Unitholder meetings

ILFML may convene a unitholder meeting during the financial year at a time and place that is considered convenient for the majority of the Fund's unitholders.

The Fund will place a copy of the most recent notice of meeting and any accompanying explanatory memorandum on its website when released to the ASX.

At any unitholder meeting, the Chairman will ensure that a reasonable opportunity exists for unitholders to ask questions relating to the operations of the Fund and if applicable, the resolutions being voted on.

Unitholders are encouraged to attend all unitholder meetings.

During FY16, ILFML held a unitholder meeting on 15 April 2016 at which the proposal by the DEXUS Property Group (ASX: DXS) to acquire 100% of the issued units in the Fund by way of trust scheme was rejected.

Auditor attendance at unitholder meetings

If ILFML convenes a unitholder meeting, the Company Secretary will request the external auditor or a qualified representative of the auditor to attend the unitholder meeting and be available to answer questions from security holders relevant to the audit.

6.2 Communication with unitholders

The Fund has procedures in place to ensure that all unitholders and other interested stakeholders have access to balanced, understandable and timely information concerning the operations of the Fund. The Fund's policy on unitholder communications is contained in the compliance plan for each of the AJO Fund and the PCP Trust and the Fund's Continuous Disclosure Policy.

The Company Secretary, in conjunction with the Fund Manager and the Investor Relations Representative are primarily responsible for ensuring communications with unitholders are delivered in accordance with these procedures.

The Fund principally communicates with unitholders through its website, which contains the following information:

- Current and archived annual and half year reports;
- ASX announcements, including all investor presentations by the Fund's management team;
- Significant developments relating to the Fund;
- The Fund's corporate governance documents, including its key policies, charters and constitutions (please see section 9.1 below for a list of documents available);
- Current and archived webcasts of annual and half-year results presentations; and
- Key dates and events.

The Investa Office website also provides information in respect of the Investa Property Group, other funds managed by Investa Office and profiles of Investa Property Group senior management and Directors.

The Investor Relations section on pages 92-93 of the Annual Financial Report summarises unitholder communications over the reporting period and includes contact details for the Fund's Investor Relations Representative. The Fund provides all unitholders with the option to receive communications from, and send communications to, the entity and its security registry electronically.

7. Risk Management and Compliance Procedures

7.1 Risk management framework

The Board and management recognise that having a well-developed system in place for risk management is an integral part of good management practice. Investa Office actively promotes a culture of compliance and risk management awareness with the aim of ensuring all activities comply with laws, regulations, codes and in-house policies and procedures.

Investa Office regularly analyses its business operations to ensure that:

- key risks can be identified that could lead to an operational loss;
- assessments are made of the potential risks and potential exposures; and
- adequate mitigation measures are implemented to address potential risks in the business.

Investa Office has designed and implemented a risk management and internal control framework

(RMF) to manage its business risks and the business risks of the managed investment schemes that it operates. The Board has adopted the RMF to manage the Fund's business risks.

7.2 Risk & Sustainability Committee

The Investa Property Group's Risk & Sustainability Committee (**RSC**) assists the Board in the management of the RMF. Management executives report to the Board and the RSC on a regular basis on whether the RMF is operating effectively in respect of the Fund. The Chairman of the Audit and Compliance Committee is a member of the RSC.

The RSC operates under a Board adopted charter that sets out the RSC's role, responsibilities (including reporting obligations), objectives and authority. Broadly, the RSC reviews and guides the implementation, operation and effectiveness of Investa Office's Sustainability, Safety, Health, Environment & Risk Policies and the Investa Property Group's system of internal control and compliance with laws, regulations and internal policies. A copy of the charter for the RSC is available on the Governance section of IOF's website located at:

<http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>.

Management and the Fund Manager also formally review the Fund's risk profile on a semi-annual basis and report to the RSC and the Board on the Fund's key business, operational and compliance risks and the effectiveness of the controls and mitigation actions to manage these risks. This includes an appraisal at least annually of the Fund's risk management framework to ensure it continues to be sound.

The Fund Manager includes an assessment of risks facing the Fund as part of their regular Board reporting, and specifically in respect to capital transactions.

The RSC consists of at least three members, a majority of whom must be non-executives. The Chairman of the RSC is Graham Monk. As at the date of this statement, the members of the RSC are Graham Monk, the chairman of the Audit Committee, Geoff Kleemann and James Evans.

The RSC is required to meet a minimum of four times per year, or more frequently if required. The RSC held five meetings in FY16. Attendance at the meetings of the RSC over FY16 is shown in the table below:

(a) Current members of the RSC

Member	Number of meetings held while the individual was a member of the RSC	Number of meetings attended by the individual
Graham Monk	5	5
Geoff Kleemann	1	1
James Evans	5	5

(b) Former members of the RSC

Member	Number of meetings held while the individual was a member of the RSC	Number of meetings attended by the individual
Peter Dodd	5	5
Chris Tynan	Nil	Nil
Nathan Thomas (alternate to Chris Tynan)	4	4

7.3 Compliance Plan

The RMF is further supported by the compliance plan for each of the AJO Fund and the PCP Trust. The purpose of each compliance plan is to set out key processes, systems and measures ILFML will apply to ensure compliance with:

- the Corporations Act;
- the constitutions of each of the AJO Fund and the PCP Trust;
- industry practice standards relevant to the Fund; and
- Investa Office and ILFML internal policies and procedures.

Each compliance plan describes the key obligations that ILFML must meet under the Corporations Act and the constitution of each of the AJO Fund and the PCP Trust, the measures in place to comply with these obligations and how compliance with these measures is monitored. In addition, each compliance plan details the risk of not complying with these obligations, and how breaches are to be reported and addressed.

The compliance plan for each of the AJO Fund and the PCP Trust is audited each year. The audit report, which is lodged with ASIC, includes an assessment on:

- whether the procedures and controls set out in the compliance plans sufficiently address the requirements of the Corporations Act; and
- if the controls and procedures described in the compliance plans have been in place and operating effectively over the year.

7.4 Risk management review and reporting to the Board and its Committees

In respect of the reporting period, the Board has received the following certifications which have been reviewed by the Committee:

- certification from the Chief Executive Officer and Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks; and
- certification from management confirming that the internal controls and processes in place effectively manage the Fund's material business risks.

7.5 **Internal Audit**

The Investa Property Group maintains an independent Internal Audit function that is responsible for providing the Audit Committee and Senior Management with objective appraisals of the Investa Property Group's control environment. The Internal Audit function is led by the Internal Audit Manager.

The Internal Audit function has an open channel of communication with the Chairman of the Audit Committee. The role of Internal Audit is to provide objective assurance that the functions and operations of the Investa Property Group are operating efficiently and effectively and that the Investa Property Group's processes are founded upon a robust control environment. The Internal Audit Manager attends the Audit Committee and provides a report of the progress of the internal audit plan and the results of reviews completed during each quarter.

8. **Sustainability**

8.1 **Economic, Environmental and Social Sustainability Risk**

In addition to its commitment to the Principles, the Board and the Investa Property Group is committed to sustainability principles encompassing environmental, social and economic, dimensions. The Fund reports annually on economic, environmental and social sustainability through its Sustainability Report which is available on the Fund's website: www.investa.com.au/sustainability/results.

8.2 **Investa Office Fund – Sustainability Strategy FY16**

The Fund aims to be 'Australia's best performing office fund'. Investa Office and its funds differentiate the sustainability approach through four key priorities in the Environment, Social and Governance (**ESG**), and the sustainability approach of the Investa Office management platform. An annual Sustainability Action Plan drives delivery of these priorities.

ESG and Sustainability Approach

Investa Office sets out to improve the operational performance, and therefore investment returns, of the properties it acquires and manages. The sustainability platform provides a framework for focusing upon and enhancing good business practices, which in turn contribute to asset income and values and improved social and environmental outcomes. Sustainability is embedded in the Fund through:

- *Harnessing human capital and meeting tenant needs.* Tenants are becoming more focused on tenancy sustainability as a route to more productive, engaged employees. Investa Office offers sustainability initiatives and tenant and occupant engagement activities to create healthier workplaces, smarter businesses and a better environment.
- *Leadership in governance.* Through external benchmarks, accreditations and memberships, Investa Office offers excellence in ESG governance and investor alignment. Investa Office's Sustainable Responsible Investment Guidelines ensure proactive management of risks for investors. An ongoing commitment to transparency of results through Investa Office's timely online reporting holds the Fund accountable and drives continuous improvement.

- *Optimising value by improving environmental performance.* Careful assessment and implementation of value-add opportunities reduces greenhouse gas emissions, energy and water use whilst increasing occupant comfort and so boosts the financial performance of Investa Office assets. Investment in sophisticated management capabilities to deliver high performing buildings includes providing functional and behavioural tools which assist managers to identify and replicate good performance and quickly act to manage poor performance.
- *Adding value through research and innovation.* The Investa Office Sustainability Institute conducts active research into emerging trends and opportunities in the built environment.

During FY16, the sustainability and ESG approach delivered the key aims of the Fund, by supporting the business to deliver results and drive value through improving leasing income and building values, efficient investment propositions and brand positioning and reputation.

The Fund manages its key inherent risks, including any material exposure to economic, environmental and social sustainability risks (if any), and the strategies to manage them are described in the Directors' Report in the 2016 Annual Report.

9. Additional Corporate Governance Information

9.1 Corporate Governance Documents

The following documents are available in the Governance section of the Fund's website at <http://www.investa.com.au/funds/investa-office-fund-iof/about-iof/governance/>:

- Board Charter
- Board Audit and Compliance Committee Charter
- Risk & Sustainability Committee – Safety, Health, Environment Charter
- Continuous Disclosure Policy
- Security Trading Policy
- Code of Conduct
- Risk Management Policy
- Complaints Policy
- Diversity and Inclusion Policy
- Whistleblower Policy
- IOF Deed Poll
- Constitution for each of the AJO Fund and the PCP Trust

Glossary

AJO Fund	Armstrong Jones Office Fund (ARSN 090 242 229).
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) trading as Australian Securities Exchange, which is the main Australian marketplace for the trading of equities, government bonds and other fixed interest securities.
Board	The Board of Directors of ILFML.
Directors	Directors of ILFML.
ESG	Environment, Social and Governance.
IOF or the Fund	Investa Office Fund (ASX:IOF), which comprises AJO Fund and PCP Trust.
Fund Manager	The fund manager of the Fund from time to time, being, as at the date of this statement, Penny Ransom.
ILFML	Investa Listed Funds Management Limited (ACN 149 175 655).
Independent Directors	The Directors of the Responsible Entity who are external directors within the meaning of section 601JA(2) of the Corporations Act, being, as at date of this statement, Richard Longes, John Fast, Geoff Kleemann and Bob Seidler AM.
Investa Office	IOM and its subsidiaries (which include ILFML, the Responsible Entity of the Fund).
Investa Property Group	The corporate group comprised of Investa Office and its related bodies corporate.
IOF Deed Poll	The deed poll dated 10 June 2015 entered into by IOM in favour of the Responsible Entity.
IOM	Investa Office Management Pty Limited (ACN 161 354 016).
PCP Trust	Prime Credit Property Trust (ARSN 089 849 196).
Principles	The third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.
Responsible Entity	ILFML acting in its capacity as responsible entity of the Fund.