

## URBAN LOGISTICS REIT PLC

(the “Company”)

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

APPROVED ON 12 NOVEMBER 2021

The Board of Directors (the “**Board**”) of Urban Logistics REIT plc delegates day-to-day management of the business of the Company and its subsidiary and associated companies (the Group) to PCP2 Limited (the “**Manager**”). However, due to legal or regulatory requirements, certain matters remain the responsibility of the Board of Directors as a whole.

The following matters are specifically reserved for approval by the Board:

#### 1. STRATEGY AND MANAGEMENT

- 1.1 Responsibility for the overall leadership of the Company and setting the Company’s, culture, values and standards.
- 1.2 Compliance with the AIC Code of Corporate Governance.
- 1.3 Approval of the Group’s strategic aims, business model and objectives.
- 1.4 Approvals of the annual operating and capital expenditure budgets and any material changes to them.
- 1.5 Oversight of the group’s operations to ensure:
  - competent and prudent management;
  - maintenance of sound management and internal control systems;
  - adequate accounting and other records; and
  - compliance with statutory and regulatory obligations.
- 1.6 Review of performance in the light of the Group’s strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.7 Extension of the Group’s activities into new business or geographic areas.
- 1.8 Any decision to cease to operate all or any material part of the Group’s business.

#### 2. STRUCTURE AND CAPITAL

- 2.1 Changes relating to the Group’s capital structure including reduction of capital, share issues (except under employee share plans), share buy backs including the use of treasury shares.
- 2.2 Major changes to the Group’s corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the Group in question (taking into account initial and deferred consideration).
- 2.3 Changes to the Group’s management and control structure.
- 2.4 Any changes to the Company’s listing or its status as a plc.

### **3. FINANCIAL REPORTING AND CONTROLS**

- 3.1 Approval of the half-yearly report, interim management statements and any preliminary announcement of the half year or full year results.
- 3.2 Approval of the annual report and accounts, including the corporate governance statement and directors' remuneration report.
- 3.3 Approval of the dividend policy.
- 3.4 Declaration of the interim dividend and recommendation of the final dividend.
- 3.5 Approval of any significant changes in accounting policies or practices.
- 3.6 Approval of treasury policies including foreign currency exposure and the use of financial derivatives.
- 3.7 Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).

### **4. PROPERTY PORTFOLIO AND CONTRACTS**

- 4.1 Approval of any significant portfolio-related changes and investments.
- 4.2 Approval of periodic valuations of the Company's property portfolio, following a review by the Audit Committee.
- 4.3 Approval of acquisition costs in excess of £100,000.
- 4.4 Approval of any property acquisition(s) or disposal(s).
- 4.5 Approval of any significant transaction in excess of an agreed financial limit which is not in the Group's normal course of business.
- 4.5 Contracts of the Company or any subsidiary not in the ordinary course of business in excess of an agreed financial limit.
- 4.7 Major investments including the acquisition or disposal of interests in the voting shares of any company or the making of any takeover offer.

### **5. INTERNAL CONTROLS**

- 5.1 Ensuring maintenance of a sound system of internal control and risk management in consultation with the Audit Committee including:
  - Approving the Company/Group's risk appetite statements;
  - Receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
  - Approving procedures for the detection and prevention of fraud, bribery, tax evasion and money laundering;
  - Undertaking an annual assessment of these processes; and
  - Approving an appropriate statement for inclusion in the annual report.

## **6. COMMUNICATION**

- 6.1 Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
- 6.2 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.3 Approval of all circulars, prospectuses and listing particulars approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights.
- 6.4 Approval of press releases concerning matters decided by the Board.

## **8. BOARD MEMBERSHIP AND OTHER APPOINTMENTS**

- 8.1 Changes to the structure, size and composition of the Board, following recommendations from the nomination committee.
- 8.2 Ensuring adequate succession planning for the Board and key members of the management team employed by the Manager so as to maintain an appropriate balance of skills and experience within the Company and on the Board.
- 8.3 Appointments to the Board, following recommendations by the nomination committee.
- 8.4 Selection of the chairman of the board.
- 8.5 Appointment of the senior independent director to provide a sounding board for the chairman and to serve as intermediary for the other directors when necessary.
- 8.6 Membership and chairmanship of Board committees following recommendations from the nomination committee.
- 8.7 Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate following recommendations from the nomination committee.
- 8.8 Continuation in office of any director at any time.
- 8.9 Appointment or removal of the Company Secretary.
- 8.10 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the audit committee.
- 8.11 Appointments to boards of subsidiaries.

## **9. REMUNERATION**

- 9.1 Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- 9.2 Determine the remuneration of providers of services to the Company following recommendations from the Management Engagement Committee.
- 9.3 The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval as appropriate.

## 10. **DELEGATION OF AUTHORITY**

- 10.1 The responsibilities between the Board and Manager.
- 10.2 Approval of the delegated levels of authority, including the Manager's authority limits (which must be in writing).
- 10.3 Establishing Board committees and approving their terms of reference and approving material changes thereto.
- 10.4 Receiving reports from Board committees on their activities.

## 11. **CORPORATE GOVERNANCE MATTERS**

- 11.1 Undertaking a regular review of its own performance, that of its committees and individual directors, and the division of responsibilities.
- 11.2 Determining the independence of non-executive directors in light of their character, judgment and relationships.
- 11.3 Considering the balance of interests between shareholders and other stakeholders.
- 11.4 Review of the Group's overall corporate governance arrangements.
- 11.5 Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the Board as a whole.
- 11.6 Authorising conflicts of interest where permitted by the Company's Articles of Association.

## 12. **POLICIES**

Approval of policies, including:

- Share dealing code; and
- Whistleblowing policy.

## 13. **OTHER**

Approval of other items such as:

- Approval of the appointment of the group's principal financial, legal and technical advisers.
- Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism in excess of an agreed financial limit or otherwise material to the interests of the Group.
- Approval of the overall levels of insurance for the group including directors' & officers' liability insurance and indemnification of directors.
- Any decision likely to have a material impact on the Company or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
- This schedule of matters reserved for Board decisions.

Matters which the Board considers suitable for delegation are contained in the terms of

reference of the relevant committee.