



Board of Directors Charter

ALLY REIT MANAGEMENT CO., LTD

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ALLY Freehold and Leasehold Real Estate Investment Trust

## Board of Directors Charter

### ALLY REIT MANAGEMENT CO., LTD

Definition	
Company	Means : ALLY REIT MANAGEMENT CO., LTD as the REIT Manager.
REIT	Means : ALLY Freehold and Leasehold Real Estate Investment Trust

## Board of Directors Charter

### Roles, Duties, and Responsibilities

The **Board of Directors** has roles, duties, and responsibilities divided into two main areas.

(a) Duties and responsibilities related to the operations of the Company (ARM)

(b) Duties and responsibilities in relation to the REIT under management

The duties and responsibilities toward the REIT are detailed as follows.

(a) Duties and responsibilities in overseeing the operations of the Company (ARM)

1. Perform duties in accordance with the law, objectives, and Articles of Association of the Company (ARM), as well as resolutions of the Board of Directors and shareholders' meetings of the Company (ARM), with honesty, integrity, prudence, and with a focus on protecting the interests and fairness for the shareholders of the Company (ARM)
2. Establish the Company's (ARM) operational policies and supervise management to ensure implementation in accordance with such policies and regulations under good corporate governance principles
3. Report the Company's (ARM) performance results to shareholders
4. Supervise and ensure that all departments of the Company (ARM) treat stakeholders fairly and equitably
5. Propose agenda items for Board meetings in cases where significant matters are deemed appropriate for the Board's consideration but have not yet been included in the meeting agenda of the Company (ARM)
6. Consider the selection and appointment of directors of the Company (ARM) to replace those vacating their positions, as well as nominate additional directors for approval by the shareholders of the Company (ARM)
7. Consider and approve matters related to key operations of the Company (ARM), such as dividend payments to shareholders, convening shareholders' meetings in accordance with legal requirements, the Company's annual audit plan, selection and nomination of external auditors, and proposals for their remuneration
8. Provide knowledge related to the Company's (ARM) business, including applicable laws, announcements, regulations, and internal policies, to newly appointed directors
9. Board meetings of the Company (ARM) shall be held at least four times per year. At each Board meeting, a quorum shall consist of more than half of the total number of directors. A resolution of the Board shall be passed by a majority vote of the directors attending the meeting. Any director who has a conflict of interest in a particular matter shall not have the right to vote on that matter.
10. A position of Company Secretary shall be established to present meeting agendas as proposed by various departments, prepare and maintain the minutes of Board meetings of the Company (ARM), as well as related meeting documents. The Chairman of the Board or an appointed independent director acting on behalf of the Chairman shall have the authority to determine the agenda for the Board meetings of the Company (ARM).
11. The performance of the Managing Director shall be evaluated. In the event that the Managing Director also holds a director position, such director shall not participate in the consideration or decision-making regarding his or her own evaluation.



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#### **(B) Duties and Responsibilities Toward the REIT under Management**

1. Consider and approve key policies related to REIT management, including policies on trust administration, capital structure of the REIT, investment in real estate, and the utilization of real estate assets, to ensure that relevant departments implement accordingly.
2. Consider and approve initial investments or acquisitions of real estate or leasehold rights in real estate, as well as any additional investments, for the purpose of deriving benefits from such assets. Supervise to ensure compliance with the policies of the Company (ARM), the REIT deed, the trust manager appointment agreement, registration statements, prospectuses, relevant regulations, and applicable laws. Also, consider and approve any capital increases of the REIT, including all necessary related approvals.
3. Consider and approve the disposal of core assets and equipment of the trust to ensure compliance with the policies of the Company (ARM), the REIT deed, the trust manager appointment agreement, registration statements, prospectuses, relevant regulations, and applicable laws.
4. Consider and approve the risk management policies related to REIT management, to be implemented by the relevant departments.
5. Consider and approve policies, operational procedures, and processes for managing conflicts of interest, particularly between the trust and the REIT manager and their related parties. This includes establishing measures or guidelines to protect the best interests of the trust or unitholders as a whole in the event of a conflict of interest.
6. Consider and approve transactions between the trust and the REIT manager, as well as transactions between the trust and related parties of the REIT manager, and transactions between the trust and the trustee or parties related to the trustee, in accordance with applicable rules and regulations. Directors who have a conflict of interest in the matter shall not be entitled to vote.
7. Consider and approve transactions with related persons in accordance with applicable rules and regulations. Directors who have a conflict of interest in the matter shall not be entitled to vote.
8. Consider the selection of the Managing Director of the Company (ARM) responsible for REIT management.
9. Consider and approve the appointment and performance evaluation of the property management executives.
10. Consider and approve the operational systems to be assigned to external service providers (outsourcing) in accordance with applicable regulations, including the selection of such external service providers.
11. Monitor and supervise the performance of the trust manager and designated representatives to ensure compliance with the policies of the Company (ARM), the trust deed, the REIT manager appointment agreement, registration statements, prospectuses, relevant regulations, and applicable laws. Report key issues to the Board of Directors on a quarterly basis or as necessary, and evaluate the performance of the Chief Executive Officer, Managing Director, or other equivalent positions.



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12. Monitor and supervise the performance of the trust manager and its designees to ensure compliance with the policies of the Company (ARM), the trust deed, the REIT manager appointment agreement, registration statements, prospectuses, relevant regulations, and applicable laws, including reporting key matters to the Board on a quarterly basis or as necessary, and evaluating the performance of the Managing Director.
13. Consider and approve the annual budget.
14. Consider and approve special expenditures and/or investment budgets that fall outside the approved annual budget.
15. Oversee the internal audit reporting process (if applicable) to ensure it is conducted in accordance with the approved plans and established criteria.
16. Consider and approve operational results and the distribution of benefits to unitholders.
17. Consider and approve the convening of the annual general meeting of trust unitholders. or call a meeting when deemed necessary for the management of the REIT, or when trust unitholders holding not less than 10 percent of the total issued units jointly submit a written request clearly stating the reasons for the meeting.
18. Consider and approve appropriate approaches to resolve significant disputes or complaints relating to REIT operations, to ensure the effective handling of such matters arising from third parties or trust unitholders.
19. Undertake any other actions as required to comply with applicable laws, regulations, resolutions of the unitholders' meetings, the REIT deed, the trust manager appointment agreement, registration statements, and the prospectus.
20. The Board of Directors may assign one or more directors or any other person to perform specific tasks on its behalf. However, such delegation shall not include any authorization or sub-authorization that would allow a director or the person authorized by the director to approve any transaction in which they or any related party may have a conflict of interest, vested interest, or any benefit that may be in conflict with the interests of the REIT
21. Consider and approve legal actions to be taken in relation to any disputes that may arise.