

# PHOENIX SPREE DEUTSCHLAND LIMITED

## RESPONSIBILITIES OF THE CHAIR OF THE BOARD

Last reviewed – 28<sup>th</sup> September 2022

### 1. Overall Effectiveness of the Company

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. This includes, but is not limited to, the following:

- demonstrate objective judgement throughout their tenure;
- set clear expectations concerning the style and tone of Board discussions, ensuring the Board has effective decision-making processes and applies sufficient challenge to major proposals;
- promotes a culture of openness and debate;
- facilitates constructive Board relations and the effective contribution of all non-executive directors;
- setting a Board agenda primarily focused on strategy, performance, value creation, culture, stakeholders and accountability, and ensuring that issues relevant to these areas are reserved for Board decision;
- provide guidance and mentoring to new directors as appropriate; and
- act on the results of the internal and external evaluations by recognising the strengths and addressing any weaknesses of the Board.

The Chair should ensure that:

- adequate time is available for discussion of all agenda items, in particular strategic issues, and that debate is not truncated;
- there is a timely flow of accurate, high-quality and clear information;
- the Board determines the nature, and extent, of the significant risks the Company is willing to embrace in the implementation of its strategy;
- all directors are aware of and able to discharge their statutory duties;
- the Board listens to the views of shareholders and other key stakeholders;
- all directors receive a full, formal and tailored induction on joining the Board; and
- all directors continually update their skills, knowledge and familiarity with the Company to fulfil their role both on the Board and committees.

### 2. Stakeholder Engagement

In addition to formal general meetings, the Chair should:

- seek regular engagement with major shareholders in order to understand their views on governance and performance against the company's investment objective and investment policy and convey their views to the Board as a whole;
- ensure that the Board as a whole has a clear understanding of the views of shareholders;
- represent the Company to its key stakeholders and report personally in the annual report about Board leadership and effectiveness; and
- facilitate consideration of the potential impact of Board decisions on each stakeholder group.

### 3. Independence and Conflicts of Interest

The Chair should be independent on appointment when assessed against the following circumstances set out in Provision 13 of the AIC Code of Corporate Governance:

- has, or has had within the last three years, a material business relationship with the Company or the Property Advisor, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company or the Property Advisor;
- has received or receives additional remuneration from the Company apart from a directors' fee;
- has close family ties with any of the Company's advisers, directors or the Property Advisor;
- holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;
- represents a significant shareholder; or
- has served on the Board for more than nine years from the date of their first appointment.

On appointment, and throughout the Chair's tenure, the Chair should have no relationships that may create a conflict of interest between the Chair's interest and those of shareholders, including:

- being an employee of the Property Advisor or an ex-employee who has left the employment of the Property Advisor within the last five years;
- being a professional adviser who has provided services to the Property Advisor of the Board within the last three years; or
- serving on any boards of an investment company managed by the same Property Advisor.

#### 4. Committee Membership

The Chair may only be a member of the Audit Committee and the Remuneration Committee if they were independent on appointment but cannot chair either Committee.

The Chair should not chair the Nomination Committee when it is dealing with the appointment of his/her successor.