

Audit and Risk Committee Charter

1. Organisation

- 1.1 The Audit & Risk Committee (the **Committee**) is a joint committee of the Boards of Directors (each a **Board**) of Stride Property Limited (**SPL**) and Stride Investment Management Limited (**SIML**, SIML and SPL each being a **Stapled Entity** and together, the **Stapled Group**). The Committee has the power only of recommendation to the Boards for final decisions.
- 1.2 Membership of the Committee will comprise solely of non-executive Directors.
- 1.3 The minimum number of Committee members will be three.
- 1.4 The Chair of the Committee, appointed jointly by the Boards, will be an Independent Director and may not be the Chair of a Board.
- 1.5 The majority of Directors on the Committee will be Independent Directors (as defined in the NZX Main Board Listing Rules).
- 1.6 All Committee members will be financially literate, and at least one member will have accounting or related financial management expertise.
- 1.7 The members of the Committee will be selected by the Boards by agreement among them from time to time. The Boards may jointly appoint additional Directors to the Committee, or remove or replace members of the Committee by resolution.
- 1.8 Members of the Committee will be identified in the Annual Report of each Stapled Entity and on the Stapled Group website.

2. Meetings

- 2.1 Meetings of the Committee will be held at least twice a year having regard to the Stapled Group's reporting and audit cycle. Additional meetings may be held at the discretion of the Chair of the Committee or if requested by any Committee member, the Chief Executive Officer of SIML, the Chief Financial Officer of SIML or external auditor.
- 2.2 A quorum will be two members of the Committee.
- 2.3 The Company Secretary will act as secretary to the Committee, however the Chair of the Committee may nominate who will act as secretary for a specific committee meeting.
- 2.4 The Committee will have in attendance such representatives from management, external auditors,

insurance brokers and other advisors, as it may deem necessary to provide appropriate information or explanation.

- 2.5 Directors who are not members of the Committee have the right to attend meetings of the Committee.
- 2.6 The Chief Executive Officer and the Chief Financial Officer of SIML, and the external auditor of the Stapled Group, have a standing invitation to attend any meeting of the Committee, but may be excluded from a Committee meeting at the request of the Chair of the Committee as considered necessary. The Chief Financial Officer is expected to attend all meetings of the Committee, except where excluded on the request of the Chair of the Committee.

3. Purpose of the Committee

- 3.1 The Committee will provide assistance to the Boards in fulfilling their responsibility to investors, potential investors, and the investment community, relating to corporate accounting, reporting practices of the Stapled Group and each Stapled Entity, and the quality, integrity and transparency of financial reports of the Stapled Group and each Stapled Entity. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Directors, the Boards, the external auditors, any internal auditors, and the financial management of SIML.
- 3.2 Management is primarily responsible for the implementation and operation of risk management, including internal control and audit systems. The role of the Committee is to ensure that appropriate systems are in place and are operating effectively.
- 3.3 In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best respond to changing conditions and to ensure, for the benefit of the Directors and investors, that the corporate accounting and reporting practices of the Stapled Group and each Stapled Entity are in accordance with all requirements and are of the highest quality.
- 3.4 The Committee will ensure it retains a broad understanding of good practice reporting practices for the benefit of investors, and will work (in conjunction with the Sustainability Committee of the Stapled Group) to ensure that the Stapled Group's reporting practices continue to comply with best practice standards.

Audit and Risk Committee Charter

4. Committee Responsibilities

- 4.1 Subject to the Committee's delegation in clause 1.1, the Committee provides governance oversight in the following areas:
- a) Financial Reporting;
 - b) Audit Functions; and
 - c) Risk Management Functions.
- 4.2 The Committee will have all necessary access, and the authority of the Boards, to seek any information it requires from any SIML employees to fulfil its function, duties and responsibilities. All SIML employees will be directed to co-operate with any request made by the Committee.
- 4.3 The Committee will have unrestricted access to the internal auditors (if any) and external auditors.
- 4.4 The Committee is authorised by the Boards, at the expense of the Stapled Entities jointly, to obtain independent professional advice and expertise if it considers this necessary.

5. Financial Reporting

- 5.1 In carrying out its financial reporting responsibilities, the Committee will:
- a) review the financial statements contained in the Annual Report of each Stapled Entity with management and the external auditors to determine that the external auditors are satisfied with the disclosure and content of the financial statements to be presented to the shareholders;
 - b) review with SIML financial management and the external auditors the results of their timely analysis of significant financial reporting issues and practices, including changes in, or adoptions of, accounting principles and disclosure practices, and discuss any other matters required to be communicated to the Committee by the auditors;
 - c) review with SIML's management and the external auditors, judgements about the quality, not just acceptability, of accounting principles and the clarity of the financial disclosure practices used or proposed to be used (including whether sufficient, meaningful information has been provided to enable investors and stakeholders to be well informed), and particularly, the degree of aggressiveness or conservatism of the organisation's accounting principles and underlying estimates, and other significant decisions made in preparing the financial statements;

- d) review financial reports required under stock exchange listing rules before they are issued to the market; and
- e) recommend to the Boards for adoption significant changes in accounting policies and annual and six-monthly financial statements.

6. Audit Functions

- 6.1 In carrying out its audit responsibilities, the Committee will:
- a) meet with the external auditors and SIML management to review the scope of the proposed audit and half year review for the current year and the procedures to be utilised, the adequacy of the external auditor's compensation and at the conclusion thereof review such audit or review, including any comments or recommendations of the external auditors;
 - b) review reports received from regulators and other legal and regulatory bodies, including matters that may have a material effect on the financial statements or related company compliance policies;
 - c) review the internal audit function of the Stapled Group (if any) including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the external auditors;
 - d) receive on a regular basis a summary of findings from any completed internal audits and a progress report on the internal audit plan (if any), with explanations for any deviations from the original plan;
 - e) report the results of the annual audit to the Boards, including whether the financial statements comply with applicable laws and regulations. If requested by a Board, invite the external auditors to attend the relevant full Board meeting to assist in reporting the results of the annual audit or to answer other Directors' questions (alternatively, the other Directors, particularly the other Independent Directors, may be invited to attend the Committee meeting during which the results of the annual audit are reviewed);
 - f) review the nature and scope of other professional services provided to the Stapled Group and each Stapled Entity by the external auditors and consider the impact to the auditors' independence;
 - g) on an annual basis, assess and confirm to the Boards the independence of the external auditor, consistent with the Audit Independence Guidelines attached at Appendix A;

Audit and Risk Committee Charter

- h) make recommendations to the Boards as to the appointment or discharge of external auditors;
- i) establish the external auditor's fees, subject to shareholder approval;
- j) on a six monthly basis, review and monitor the ratio of non-audit to audit fees consistent with the Audit Independence Guidelines attached at Appendix A; and
- k) ensure that the external auditor or key audit partner is changed at least every five years consistent with the Audit Independence Guidelines attached at Appendix A.

7. Risk Management Functions

- 7.1 Each Board of a Stapled Entity is responsible for risk management for that Stapled Entity generally and delegates this responsibility to the Chief Executive Officer who may further delegate such responsibilities to the Chief Financial Officer and other officers of SIML as determined by the Chief Executive Officer.
- 7.2 In carrying out its risk management responsibilities, the Committee will:
 - a) ensure that management has established a risk management framework which includes policies and procedures to effectively identify, treat, monitor and report key business risks;
 - b) review the procedures for identifying business risks and controlling their financial impact on the Stapled Group;
 - c) review management's reports, the external auditor's report and any internal auditor's reports on the effectiveness of systems for internal control, financial reporting and risk management;
 - d) ensure that the Board regularly reviews reports on the principal business risks at least annually (including any developments in relation to key risks); and
 - e) review key insurance policy terms and cover adequacy and make recommendations to the Board for adoption of the insurance cover.
- 7.3 The Sustainability Committee of the Stapled Group is responsible for overseeing the adoption and implementation of a climate change risk assessment process, and accordingly the Committee will work with the Sustainability Committee to understand climate change risks and how they interact with other risks monitored by the Committee.

8. Governance of the Committee

- 8.1 The Committee will:
 - a) obtain the approval of the full Board of each Stapled Entity to this Charter and review and reassess this Charter as conditions dictate (and at least annually);
 - b) have its performance regularly reviewed by the Boards (at least annually);
 - c) inform itself and the Boards fully on the responsibilities of external auditors and review and recommend to the Directors the external auditors to be selected based on professional merit to audit the financial statements of the Stapled Group, the Stapled Entities and their respective subsidiaries;
 - d) have a clear understanding with the external auditors that they are ultimately accountable to the Boards and the Committee, as the shareholders' representatives, who have the ultimate authority in deciding to engage, evaluate, and if appropriate, terminate their services;
 - e) provide sufficient opportunity for the external auditors to meet with the members of the Committee without members of management present. Among the items to be discussed in these meetings are the external auditors' evaluation of the Stapled Group's financial, accounting, and auditing personnel, and the cooperation that the external auditors received during the course of the audit;
 - f) submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each committee meeting with, the Boards; and
 - g) investigate any matter brought to its attention within the scope of its duties, with the power to retain outside counsel for this purpose if, in its judgment, that is appropriate.
- 8.2 Committee agenda and minutes will be distributed to all Board members regardless of whether they are members of the Committee.

11. Accountability

- 11.1 The Boards will annually review the Committee's performance against this Charter and the Boards will review the Charter from time to time as it considers appropriate.
- 11.2 This Charter was last approved by the Board in April 2021.

Appendix A - Audit Independence Guidelines

1. Introduction

- 1.1 The Stapled Group is required to comply with the NZX Main Board Listing Rules and will therefore maintain external financial auditor independence consistent with the requirements of the NZX Main Board Listing Rules and best practice.

2. Purpose

- 2.1 The purpose of the Audit Independence Guidelines ('Guidelines') is to ensure that audit independence is maintained, both in fact and appearance, so that the Stapled Group's external financial reporting is both reliable and credible. This Guideline provides guidance on the provision of external audit services by any person engaged to perform external audit services for the Stapled Group.

3. Scope

- 3.1. This Guideline applies to the Stapled Group and all subsidiaries within the group. The Audit and Risk Committee of the Stapled Group (**Committee**) is responsible for administering this Guideline and the Audit and Risk Committee Charter should be referred to when reviewing this Guideline.
- 3.2 References to the provision of 'external audit services' means the audit of the Stapled Group's financial statements as required by the Financial Markets Conduct Act and the review of the Stapled Group's interim financial statements.

4. Requirements

- 4.1 The Boards of SPL and SIML (on the recommendation of the Committee) will approve the engagement of the external auditor and will approve the audit fee of the external auditor for the provision of external audit services (subject to shareholder approval). The Boards will not approve as the external auditor any auditor who is not licenced and registered in accordance with the Auditor Registration Act 2011.
- 4.2 The external auditor will confirm to the Committee annually that he/she and his/her firm are in compliance with the professional standards and ethical guidelines of the Institute of Chartered Accountants of New Zealand and the New Zealand Auditing and Assurance Standards Board.
- 4.3 Rotation of the audit partner and engagement of the quality control reviewer must comply with the NZX Main Board Listing Rules and the New Zealand Auditing and

Assurance Standards Board Professional and Ethical Standards.

- 4.4 Former SIML employees will not be engaged in an external audit role for the Stapled Group within two years of leaving the Stapled Group. Former audit partners or audit managers will not be employed by the Stapled Group without prior approval of the Committee and only after demonstrating compliance with the requirements of the New Zealand Auditing and Assurance Standards Board Professional and Ethical Standards.
- 4.5 The external auditor will monitor his/her firm's independence and confirm to the Committee annually that it has remained independent, consistent with this Guideline and their own respective policy, during the previous twelve months.

5. Non-Assurance Services which are not Permitted

- 5.1 The external auditor's firm will not be used for any purpose which could reasonably be regarded as compromising the independence of the external auditor.
- 5.2 Non-assurance services, which may not be performed by the external auditors, include (but are not limited to) the following:
- Involvement in the production of financial information or the preparation of financial statements such that the external auditor could be perceived as auditing its own work;
 - Involvement in the function of managing the Stapled Group or a Stapled Entity or responsibility for making management decisions;
 - Involvement in the design or implementation of key financial information systems and processes;
 - Involvement in liquidations or receiverships of property of the Stapled Group;
 - Involvement in the Stapled Group's internal audit programme or business assurance services;
 - Advising on the application and interpretation of accounting standards;
 - Advising on the interpretation and application of taxation policy and reviewing compliance with taxation policy;
 - Staffing of temporary roles, including secondments in financial roles;
 - Assistance in recruiting senior management;

Appendix A - Audit Independence Guidelines

- Provision of valuation services where the valuation is included in audited financial information;
- Providing broker, dealer, investment advisory or investment banking services;
- Provision of actuarial services.

6. Non-Assurance Services which are Permitted

- 6.1 The external auditor's firm may provide non-assurance services where these are approved by the Committee and deemed to be appropriate. This will be in very limited circumstances, but may include providing due diligence services or providing accounting and technical training.
- 6.2 For clarity, any audit related services which the auditor is required under regulation to undertake or assurance services which the auditor is best placed to perform (such as audits over tenancy operating expenditure and marketing expenditure) are considered to be assurance related and within the scope of services provided by the external auditor, and accordingly will be subject to approval of the Committee in accordance with paragraph 4.1 of these Guidelines. These services will be reported to the Committee annually.
- 6.3 The Chair of the Committee, in conjunction with the Chief Financial Officer, must approval all non-audit services provided by the external auditor prior to the auditor's engagement.
- 6.4 While these Guidelines do not prescribe a ratio of non-audit service fees to audit fees that is considered appropriate, the ratio will be monitored by the Chief Financial Officer and the Chair of the Committee. Accordingly, the nature of services provided by the external auditor and the level of fees incurred should be reported to the Committee in detail on a semi-annual basis to enable the Committee to perform its oversight role.

7. Reporting

- 7.1 At each meeting of the Committee, the Chief Financial Officer will report to this Committee on any work conducted by the external auditor since the previous meeting.
- 7.2 The Committee will monitor the ratio of audit fees to non-audit fees on a six monthly basis to assist with the determination of independence.