

**ALTERNATIVE INCOME REIT PLC**  
(the "Company")

**SCHEDULE OF MATTERS RESERVED FOR THE BOARD**

**(Adopted by the board on 20 August 2021)**

The board of the Company (the "**Board**") has adopted the following formal schedule of matters specifically reserved to it in relation to the Company and its subsidiary undertakings (the "**Group**") for determination or delegation.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees. In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group. The Board has the authority to obtain outside legal or other independent advice at the expense of the Company.

<b>1.</b>	<b>Strategy and management</b>
1.1	Responsibility for the overall management of the Group and setting the Company's values and standards.
1.2	Approval of the Group's long-term objectives and commercial strategy.
1.3	Approval of the annual operating and target ongoing cost ratio budgets and any material changes to them.
1.4	Oversight of the Group's operations ensuring: <ul style="list-style-type: none"> <li>(a) competent and prudent management;</li> <li>(b) sound planning;</li> <li>(c) maintenance of sound management and internal control systems;</li> <li>(d) adequate accounting and other records;</li> <li>(e) compliance with statutory and regulatory obligations;</li> <li>(f) the external alternative investment fund manager appointed by the Company from time to time (the "<b>AIFM</b>") in discharging its services to the Company operates within the parameters set by the Board and in accordance with the Company's investment objective and investment policy.</li> </ul>
1.5	Appointment or removal of the Company's AIFM, Investment Adviser, Property Manager, Reporting Accountants, Sponsor, Broker, Administrator, Valuer, Registrar, Receiving Agents and legal counsel.
1.6	Review of performance in the light of the investment policy and objective.
1.7	Review and consider amendments to investment objective and policy
<b>2.</b>	<b>Structure and capital</b>
2.1	Changes relating to the Group's capital structure including, but not limited to, raising new capital, reduction of capital, share issues, share buy backs (including the use of treasury shares), offering or granting options or rights to subscribe for shares, reviewing discount and premium management policy.

2.2	Major changes to the Group's corporate structure, including, but not limited to acquisitions and disposals of shares outside the Company's investment objective and policy.
2.3	Any changes to the Company's listing or its status as a plc.
2.4	Alteration of the Company's articles of association.
2.5	Any additional equity, debt fundraising or bank facilities.
<b>3.</b>	<b>Financial reporting and controls</b>
3.1	Approval of the half-yearly report, interim management statements and any preliminary announcement of the final 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 a final dividend.
3.5	Approval of any significant changes in accounting policies or practices.
3.6	Approval of treasury policies of the Group including, but not limited to, foreign currency exposure, interest rate exposure and the use of financial derivatives.
3.7	Approval of any profit forecasts within the Group.
3.8	Approval of unbudgeted capital or operating expenditures.
<b>4.</b>	<b>Internal controls</b>
4.1	Ensuring the maintenance of a sound system of internal controls, including: <ul style="list-style-type: none"> <li>(a) setting the Company's initial process for risk diversification and gearing (including the Company's risk appetite statements) to be discharged and maintained by the AIFM;</li> <li>(b) receiving reports from the AIFM as regards the risk management function, and reviewing the effectiveness of, the Company's risk and control processes to support its strategy and objectives;</li> <li>(c) reviewing procedures for the detection of fraud and the prevention of bribery; and</li> <li>(d) approving an appropriate statement as regards internal controls for inclusion in the Group's annual report.</li> </ul>
<b>5.</b>	<b>Oversight of AIFM functions</b>
5.1	Responsible for all outsourcing decisions to the AIFM and for approving the terms of the alternative investment fund management agreement appointing the AIFM.
5.2	Monitoring and overseeing the AIFM's (and where applicable its delegates) compliance with the terms of its appointment in the provision of the AIFM services to the Company (including the functions of risk management, portfolio management and valuation).

5.3	<p>With regards to the risk management function, monitoring and overseeing that the AIFM deploys and maintains a sound risk management framework for the Company including by the AIFM:</p> <ul style="list-style-type: none"> <li>(a) functionally and hierarchically separating the risk management functions within the AIFM from other operating units of the AIFM's business, including portfolio including by the AIFM;</li> <li>(b) demonstrating that specific safeguards are in place to allow the independent performance of risk management activities;</li> <li>(c) implementing a risk profile that corresponds to the size, portfolio structure and investment policy and investment objective of the Company; and</li> <li>(d) maintaining and implementing an appropriate, documented and regularly updated due diligence process when investing.</li> </ul>
5.4	In ensuring the AIFM effectively discharges its functions above, the Company shall undertake an annual assessment of the AIFM's performance.
<b>6.</b>	<b>Contracts and commitments</b>
6.1	Contracts not in the ordinary course of business including entry into/variation/termination of agreements with manager/adviser and any other material adviser/service provider.
<b>7.</b>	<b>Communication</b>
7.1	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
7.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
7.3	Approval of all circulars, prospectuses and listing particulars.
7.4	Approval of stock exchange announcements other than relating to voting rights, holdings in the company, directors and PDMR dealings and similar matters delegated to the Company Secretary.
<b>8.</b>	<b>Board membership and other appointments</b>
8.1	Changes to the structure, size and composition of the board, following recommendations from the nomination committee.
8.2	Ensuring adequate succession planning, training, development and appraisal for the board and senior management so as to maintain an appropriate balance of skills and experience within the Company and on the Board.
8.3	Appointments to the board.
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.
8.8	Continuation in office of any director at any time, subject to the law and their letter of appointment.
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, following the recommendation of the audit committee.
<b>9.</b>	<b>Remuneration</b>
9.1	Determining the remuneration of the directors, subject to the articles of association and shareholder approval as appropriate.
<b>10.</b>	<b>Delegation of authority</b>
10.1	The division of responsibilities between the chairman and the other non-executive directors, which should be clearly established, set out in writing and agreed by the Board.
10.2	Establishing board committees and approving their terms of reference, including any material changes thereto.
10.3	Receiving reports from board committees on their activities.
10.4	Approval of the delegated levels of authority.
<b>11.</b>	<b>Corporate governance matters</b>
11.1	Undertaking a formal and rigorous review annually of its own performance, that of its committees and individual directors, and the division of responsibilities.
11.2	Determining the independence of directors in light of their character, judgment and relationships.
11.3	Review of the Group's overall corporate governance arrangements.
11.4	Receiving reports on the views of the Company's shareholders and ensuring that they are communicated to the Board as a whole.
11.5	Authorising directors' conflicts of interest where they are permitted by the Company's articles of association.
<b>12.</b>	<b>Policies</b>
12.1	Approval of policies
12.2	Specific risk management policies including insurance, borrowing limits and corporate security.
<b>13.</b>	<b>Other</b>
13.1	The making of charitable or political donations by the Group.
13.2	Approval of the appointment or change of the Group's principal professional

	advisers (including but not limited to the Company's AIFM and/or its delegates).
13.3	Prosecution, commencement, defence or settlement of litigation or an alternative dispute resolution mechanism.
13.4	Approval of the overall levels of insurance for the Group including directors' & officers' liability insurance and indemnification of directors and other officers.
13.5	This schedule of matters reserved for board decisions.
13.6	A change in the Company's domicile.
13.7	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.