

**VINALAND LIMITED (VNL/Company)**

**INVESTMENT COMMITTEE (IC/Committee)**

**TERMS OF REFERENCE**

*(Approved by the Board on 08 April 2014)*

**Membership**

1. The Investment Committee (IC) comprises members appointed by the Board.
2. The Committee shall have two tiers:
  - a Fund-specific IC; and
  - an Executive IC.
3. The VNL Fund-specific IC has overall responsibility for reviewing opportunities received from the real estate team and making approval decisions on which opportunities to pursue. It is structured to allow for in-depth discussion of each investment proposal, and to assign greater accountability to senior investment professionals by making them IC members. To avoid conflicts of interest across multiple funds, at least 60% of the members of the VNL Fund-specific IC will not serve on other VinaCapital fund investment committees.
4. The VNL Fund-specific IC shall comprise of no less than three individuals with appropriate investment experience and extensive hands-on knowledge. The individuals may be directors of the Company, employees of VinaCapital or external third parties. The MD of VinaLand must be a member of the VNL Fund-specific IC. The appropriate Director of the Manager's Singapore office is a member of each Fund-specific IC for regulatory purposes as the Manager works towards moving the Funds to Singapore.
5. The Executive IC provides an additional layer of governance and shall comprise of no less than two of VinaCapital's most experienced investment professionals.
6. Only members of the Committee have the right to attend Committee meetings. Other individuals such as other employees of VinaCapital and its affiliates, and independent advisers may be invited by the Committee to attend all or part of any meeting, as and when appropriate.

**Chairman**

7. The Managing Director of the Fund shall be the Chairman of the VNL Fund-specific Committee. In the absence of the Committee Chairman from any Committee meeting at which a quorum of members is present, the remaining members of the Committee present shall elect one of themselves to chair the meeting.

**Role**

8. The role of the Investment Committee is to assess and approve investments and divestments that the Investment Manager determines are suitable for the Fund. An investment or divestment will be made once the members of the Investment Committee are unanimously satisfied that it is appropriate for the Fund.

**Limits of Authority**

9. In the instance where a potential investment requires funding that is equal to or exceeds 10% of the Net Asset Value of the Fund, the investment will be presented to the Board for its consideration and majority approval.
10. This 10% threshold for investment transactions applies to all possible funding commitments that the Fund may be required to finance for a project. More specifically this means that this 10% component includes all anticipated external debt funding and co-investors' contributions, in addition to any commitments that the Company is making.
11. Similarly, in the event that the potential value of an investment to be disposed of is equal to or exceeds 10% of the Net Asset Value of the Fund, it will also be presented to the Board and majority Board approval will also be required.
12. Any investment or divestment proposal involving any related party transaction **must**, in all cases, be referred to the Independent Directors of the Board of VNL, excluding any such Directors who are related parties, for decision and **not** be decided by the Manager or the VNL IC to ensure that there is no risk of perception or actuality of conflict of interest.
13. Any investment or divestment proposal involving –
  - a) Investment in projects in which other Funds managed by VinaCapital or related Companies have an interest; or
  - b) Divestment from projects to other Funds managed by VinaCapital or related Companies,

**Must**, in all cases, be referred to the Independent Directors of the Boards of both VNL and the other fund(s) concerned for decision and **not** be decided by the Manager or the VNL IC to ensure that there is no risk of perception or actuality of conflict of interest, even in cases where such a transaction is not classified as a related party transaction under the AIM Rules.

14. When valuing projects, the Manager consults two external valuers per property and submits these valuations to the Valuation Committee for assessment at its quarterly meetings. Thereafter, the Valuation Committee recommends to the Board which

valuation should be adopted in respect of each project, whether any adjustments should be made in respect of any valuations and if so, for what reasons. The Board then considers and, if thought fit, approves the valuations to be adopted for each project.

15. When assessing whether to divest from a project at any given sale price, the IC must first make reference to the most recent pair of valuations which have carried out by the two external valuers appointed to value the project concerned and have been considered by the Valuation Committee in making its recommendations to the Board for approval of the value of that project. In the event that the valuation adopted for the purpose of deriving the proposed sale price for any project is lower than the midpoint between the two most recent valuations, the IC must refer the proposal to the Board for a decision on whether or not the divestment should proceed and if so under what conditions.

Appendix 2  
Updated investment process

