
Transcend Residential Property Fund

Remuneration Policy

Transcend is externally managed by IHS Asset Management Pty Ltd (IHS AM) through an Asset Management Agreement (AMA). IHS AM is wholly owned by IHS Pty Ltd (IHS). Through a service level agreement (SLA), IHS AM has largely outsourced its day to day functions to IHS.

As a result of the above structure, Transcend itself does not have any employees. Instead, suitable employees of IHS have been seconded to Transcend in line with the following clause from the AMA:

“Pursuant to the terms of this Agreement, the Manager will second suitably qualified employees of the Manager to act in the positions of CEO, COO and CFO of the Company, whose appointment as executive directors of the Company will be subject to the periodical approval of the board and/or shareholders of the Company as determined by the board from time to time. The CEO, COO and CFO shall remain employees of the Manager and their contract of employment with the Manager shall remain in full force and effect. The remuneration and benefits to be paid to the CEO, COO and CFO for their services as directors of the Company will be borne by the Manager and will form part of the fees payable by the Company to the Manager for the Services provided”

As such, Transcend does not have a formal policy in place to remunerate the executive directors of Transcend. However, it should be noted that the performance of the CEO, COO & CFO shall, in accordance with the AMA clause above, be reviewed by the Transcend Board of Directors from time to time with reference to forecast distribution guidance provided from time to time, as well as the executive teams ability to secure acquisitions of properties of similar quality and yield producing capability.

Non-Executive Directors

Transcend's policy on non-executive directors remuneration is set and reviewed on an annual basis by the Remuneration Committee and is benchmarked against industry norms. Ultimate approval of the non-executive directors fees lies with shareholders who are tasked with approving fees at the AGM on an annual basis.
