



14 August 2025

CORPORATE GOVERNANCE STATEMENT

HMC Funds Management Limited (AFSL 237257) as responsible entity (**RE**) for the HomeCo Daily Needs REIT (**HDN**) (together, the **Group**) provides this Corporate Governance Statement which discloses the extent to which the Group follows the recommendations set by the ASX Corporate Governance Council in its publication "Corporate Governance Principles and Recommendations (the Fourth Edition)", *ASX Corporate Governance Council*, as revised in February 2019 (**Recommendations**). The Recommendations are not prescriptive, but instead provide guidelines against which entities must report on an "if not, why not" basis. Under the ASX Listing Rules, HDN is required to disclose the extent of its compliance with the Recommendations for each reporting period.

The RE of HDN regards good corporate governance as a fundamental component of the RE's commitment to its unitholders, and the board of the RE (**Board**) strives to ensure that high standards of governance are met. This Corporate Governance Statement discloses the extent to which HDN followed the Recommendations in the period from 1 July 2024 to 30 June 2025 (**FY25**).

The RE of HDN is an ultimately-owned subsidiary of the ASX-listed entity HMC Capital Limited (ASX: HMC). HDN complies with all of the Recommendations applicable to it as an externally managed listed entity.

Information on HDN's governance practices, together with copies of relevant charters and policies such as the Board Charter, Audit and Risk Committee Charter, Code of Conduct, Continuous Disclosure Policy, Whistleblower Policy and Securities Trading Policy can be found in the 'Corporate Governance' section of HDN's website at: <https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/>.

References in this Corporate Governance Statement to the Product Disclosure Statement (**PDS**) are to the PDS dated 16 October 2020 that was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date, a copy of which is available here: <https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/pds/>.

This statement is current as at 30 June 2025 and has been approved by the Board.

Principle / Recommendations

How the RE or HDN Complies

Principle 1: Lay solid foundations for management and oversight

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Recommendation 1.1 (for externally managed listed entities):

The responsible entity of an externally managed listed entity should disclose:

- (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and
- (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.

HDN is managed under the supervision and direction of the board of the RE (**Board**). The primary function of the Board is to ensure that HDN is managed in the best interests of unitholders.

Although the Board retains overall responsibility for the management of HDN, under the Investment Management Agreement and the Property and Development Management Agreement, the RE has engaged HMC Investment Management Pty Ltd (**HMC IM**) and HMC Property Management Pty Ltd (**HMC PM**) (together, the **Manager**) to provide, or procure, the provision of all necessary services and resources to the RE to enable it to carry out its obligations in respect of HDN. Key terms of these management agreements are summarised in the PDS, a copy of which is available here: <https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/pds/>.

HMC IM and HMC PM are wholly-owned subsidiaries of HMC Capital Limited (**HMC Capital**).

Unless specifically reserved for the Board, all matters necessary for the day-to-day management of HDN are delegated to the Manager.

The Board's responsibilities are defined in the Board Charter and there is a clear delineation between the function reserved to the Board and those conferred upon the Manager.

In accordance with the Board Charter, the Board has the following specific responsibilities:

- demonstrating leadership, defining the Group's purpose and setting the strategic objectives of the Group;
- approving the Group's statement of values and Code of Conduct to underpin the desired culture within the Group;

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- overseeing the Manager’s implementation of the Group’s strategic objectives, instilling its values and its performance generally;
- through the Chair, overseeing the role of the Company Secretary;
- satisfying itself that an appropriate framework exists for relevant information to be reported by the Manager to the Board;
- whenever required, challenging the Manager (and their management teams) and holding them to account;
- overseeing the administration of the Investment Management Agreement and the Property and Development Management Agreement;
- overseeing the integrity of the Group’s accounting and corporate reporting systems, including the external audit;
- overseeing HDN’s process for making timely and balanced disclosure to the ASX of all material information concerning it that a reasonable person would expect to have a material effect on the price or value of HDN’s securities;
- with the assistance of the Audit and Risk Committee, satisfying itself that the Group has in place an appropriate risk framework and setting the risk appetite with which the Board expects the Manager to operate;
- determining the Group’s distribution policy, the amount and timing of all distributions and the operation of HDN’s distribution re-investment plan (if any);
- evaluating, approving and monitoring operating budgets, major capital expenditure, capital management and all major acquisitions, divestitures and other corporate and financing transactions, including the issue of units of HDN;
- approving financial reports, profit forecasts and other reports required at law or under the ASX Listing Rules to be adopted by the Board;
- ensuring that the Group maintains a commitment to promoting diversity in the workplace;

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	<ul style="list-style-type: none"> • performing such other functions as are prescribed by law or nominated by the Board from time to time; and • reviewing the performance and effectiveness of the Group's governance practices, policies and procedures. <p>The Board Charter is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/board-charter/.</p>
<p>Recommendation 1.2:</p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive, or putting someone forward for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Not applicable as HDN is externally managed.</p> <p>The directors of the Board are appointed by HMC Capital (as the RE is a wholly-owned subsidiary of HMC Capital).</p> <p>Prior to the appointment (or recommendation for appointment) of a director, HMC Capital carries out appropriate background checks and assessments (including police, bankruptcy, and business reference background checks) and an assessment of experience and employment history.</p>
<p>Recommendation 1.3</p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, the RE and HMC Capital ensure that all directors and senior executives providing services to HDN have a letter of appointment setting out the terms of their appointment, including their remuneration, right to the provision of a deed of access and indemnity, disclosure obligations in relation to personal interests, confidentiality obligations and, in the case of directors, expectations regarding meetings and committees.</p>

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<p>Recommendation 1.4:</p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, the company secretary of the RE is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The company secretary is responsible for:</p> <ul style="list-style-type: none"> • advising the Board and its committees on governance matters; • monitoring that Board and committee policies and procedures are followed; • coordinating the timely completion and despatch of Board and committee papers; • ensuring that the business at Board and committee meetings is accurately captured in the minutes; • facilitating the provision of independent legal advice that the Board may request; and • organising and facilitating the induction and professional development of directors and his or her own professional development.

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<p>Recommendation 1.5</p> <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board, set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p style="padding-left: 40px;">(1) the measurable objectives set for that period to achieve gender diversity;</p> <p style="padding-left: 40px;">(2) the entity's progress towards achieving those objectives; and</p> <p style="padding-left: 40px;">(3) either:</p> <p style="padding-left: 80px;">(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p style="padding-left: 80px;">(B) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under the Act.</p>	<p>Not applicable as HDN is externally managed and does not directly employ any personnel. HMC Capital is responsible for the composition of the Board, senior executives and the workforce generally.</p> <p>However, the Board refers to, and supports, HMC Capital’s Diversity Policy which is available on the HDN website here: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/diversity-policy/.</p> <p>The Board currently comprises two female directors and four male directors.</p> <p>The Board will, in consultation with HMC Capital, continue to consider diversity (among other factors) in future appointments to the Board.</p>
<p>Recommendation 1.6</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during the year or in respect of that period.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, the Board has established a process to review performance of individual directors, and the Audit and Risk Committee, as well as the Board as a whole. The Chair leads the review and considers performance against relevant charters, corporate governance policies, and agreed goals and objectives.</p>

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<p>Recommendation 1.7</p> <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p>Not applicable as HDN is externally managed, and does not directly employ any personnel.</p> <p>The Board is responsible for reviewing the performance of the Manager.</p> <p>Senior executives of the Manager, who have day-to-day responsibility for the business activities of HDN, are employees of HMC Capital. As part of HMC Capital's policies and procedures, senior executive performance will be assessed against performance criteria at least annually.</p>
<p>Principle 2: Structure the board to be effective and add value</p> <p><i>The Board of a listed entity should be of an appropriate size and collective have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.</i></p>	
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p style="padding-left: 20px;">(1) has at least three members, a majority of whom are independent directors; and</p> <p style="padding-left: 20px;">(2) is chaired by an independent director;</p> <p>and disclose</p> <p style="padding-left: 20px;">(3) the charter of the committee;</p> <p style="padding-left: 20px;">(4) the members of the committee; and</p> <p style="padding-left: 20px;">(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>Not applicable as HDN is externally managed. In particular, it is not considered necessary to have a nomination committee given that the directors of the Board are appointed by HMC Capital (as the RE is a wholly-owned subsidiary of HMC Capital).</p> <p>The board of HMC Capital is responsible for overseeing the appointment of directors to the RE and has set out the following criteria:</p> <ul style="list-style-type: none"> • a majority of directors must be independent, including the Chair; and • the Board is comprised of directors with an appropriate range of qualifications and experience.
<p>Recommendation 2.2</p>	<p>Not applicable as HDN is externally managed.</p>

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<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>However, the Board has been appointed by HMC Capital with regard to the mix and skills of each director. The Board is currently made up of members with a broad range of skills, expertise and experience and from a diverse range of backgrounds, which the Board believes is appropriate to address existing and emerging business and governance issues relevant to HDN.</p>
<p>Recommendation 2.3</p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>The RE assesses the independence of directors against the requirements for independence set out in the Board Charter and the independence criteria set out in the ASX Corporate Governance Principles and Recommendations.</p> <p>As at the date of this statement, four Board members are independent directors (Simon Shakesheff, Simon Tuxen, Stephanie Lai and Robyn Stubbs).</p> <p>In determining the independence of its directors, the RE has had regard to the guidelines provided by Principle 2.3 of the Recommendations. The Board considers a director to be independent if they are free of any interest, position, or relationship (including with the Manager), that could materially interfere with, or could reasonably be perceived to materially interfere with their capacity to bring an independent judgement to bear on issues before the Board and act in the best interests of HDN as a whole rather than in the interests of an individual unitholder or other party.</p> <p>As at the date of this statement, two members of the Board (being Zac Fried and David Di Pilla) are not considered to be independent due to their ownership interests in securities of HMC Capital and HDN and, in the case of David Di Pilla, his material business relationship with, and position as key management personnel of, HMC Capital.</p> <p>HMC Capital, having regard to the collective experience and expertise of the directors, considers the current composition of the Board to be appropriate.</p> <p>The length of service of each director on the Board was as follows:</p> <p>(a) David Di Pilla: 18 September 2020 – present</p> <p>(b) Simon Tuxen: 16 October 2020 – present</p> <p>(c) Simon Shakesheff: 16 October 2020 – present</p>

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	<p>(d) Stephanie Lai: 16 October 2020 – present</p> <p>(e) Robyn Stubbs: 4 March 2022 – present</p> <p>(f) Zac Fried: 13 February 2025 – present</p> <p>In FY25, Greg Hayes retired from his role as a director of the Board, having served from 16 October 2020 until 13 February 2025.</p>
<p>Recommendation 2.4:</p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, the Board has six directors, of whom four are considered by the Board and HMC Capital to be independent. HMC Capital currently considers this to be the optimal Board composition given the existing size and business of the RE and HDN.</p>
<p>Recommendation 2.5:</p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, the Chair of the Board, Simon Shakesheff, is an independent director and not the same person as the CEO of HDN.</p>
<p>Recommendation 2.6</p> <p>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Not applicable as HDN is externally managed.</p> <p>However, all directors receive an induction or orientation program which includes relevant information on the RE and HDN.</p> <p>Ongoing training for the directors includes site visits and annual continuing professional development programs to enhance skills and knowledge.</p>
<p>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</p> <p><i>A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.</i></p>	
<p>Recommendation 3.1</p> <p>A listed entity should articulate and disclose its values.</p>	<p>HDN's values of integrity, respect, alignment and accountability are stated and reinforced by HMC Capital's Code of Conduct, which applies to HDN. HMC Capital's Code of Conduct and its other corporate governance policies are available on HDN's website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/.</p>

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<p>Recommendation 3.2</p> <p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>HDN does not employ personnel. However, HDN refers to, and supports, HMC Capital's Code of Conduct which applies to all executive and non-executive directors, officers, employees, consultants, advisers and contractors of the HMC Capital Group (this includes employees of the Manager, who provide services to HDN). The HMC Capital Code of Conduct applies to all such persons at any time when business is conducted on and/or away from a person's principal place of employment and in all of HMC Capital's workplaces.</p> <p>The HMC Capital Audit and Risk Committee is informed of material breaches of the Code of Conduct and has responsibility to ensure that HMC Capital monitors and ensures compliance by HMC Capital's employees with the Code of Conduct. The HDN Audit and Risk Committee is informed of material breaches of the Code of Conduct that are relevant to HDN.</p> <p>The HMC Capital Code of Conduct is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/code-of-conduct/.</p>
<p>Recommendation 3.3</p> <p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under the policy.</p>	<p>The Board has adopted a Whistleblower Policy. The Whistleblower Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/whistleblower-policy/.</p> <p>The Audit and Risk Committee will receive reports about material incidents reported under the Whistleblower Policy from the Manager and oversee related investigations.</p>
<p>Recommendation 3.4</p> <p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	<p>The Board has adopted an Anti-Corruption Compliance Policy. The Anti-Corruption Compliance Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/anti-corruption-compliance-policy/.</p> <p>The Anti-Corruption Compliance Policy applies to all executive and non-executive directors, officers, employees, consultants, advisers and contractors of the Group (including the Manager).</p>

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	The Audit and Risk Committee will receive reports about material breaches of the Anti-Corruption Compliance Policy from the Manager and oversee related investigations.
<p>Principle 4: Safeguard the integrity of corporate reports</p> <p><i>A listed entity should have appropriate processes to verify the integrity of its corporate reports.</i></p>	
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, <p>and disclose:</p> <ul style="list-style-type: none"> (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>The Board has established an Audit and Risk Committee to assist in the Board overseeing the integrity of HDN's financial reporting, risk management framework and the independence of external auditors, and monitoring compliance with legal, regulatory and policy requirements.</p> <p>All of the directors on the Audit and Risk Committee are independent directors, which satisfies ASX Recommendation 4.1 and 7.1, and the Audit and Risk Committee is chaired by an independent director, who is not the Chair of the Board. The Committee is currently comprised of Stephanie Lai (as Chair), Simon Shakesheff, and Simon Tuxen.</p> <p>The qualifications and experience of the members of the Audit and Risk Committee are set out in HDN's FY25 Annual Financial Report.</p> <p>The Audit and Risk Committee has a formal charter which sets out the Committee's responsibilities and functions. A copy of the Audit and Risk Committee Charter is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/audit-and-risk-committee-charter/.</p> <p>The Audit and Risk Committee's responsibilities in relation audit include:</p> <ul style="list-style-type: none"> • reviewing the scope and adequacy of the internal audit function; • reviewing internal audit reports and monitoring management responses • reviewing the independence, objectivity and performance of the internal audit function; • reviewing the external auditors' proposed audit scope and approach;

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- meeting with the external auditors to review reports, and meeting separately, at least once a year, to discuss any matters that the Committee or auditors believe should be discussed privately;
- establishing policies as appropriate regarding the independence of the external auditors;
- reviewing the rotation of the audit engagement partner;
- reviewing and confirming the independence of the external auditors;
- reviewing the performance of the external auditors, and consider the re-appointment and proposed fees of the external auditors for audit and non-audit work;
- reviewing the appropriateness and integrity of accounting policies and principles adopted by management;
- reviewing the financial reports and related regulatory filings and considering whether they are accurate, complete and reflect the Company's accounting policies and other internal policies and practices;
- considering declarations from the Fund Manager and CFO to the Board in relation to the financial statements.

The number of times the Audit and Risk Committee met throughout FY25 and the individual attendance of the members at those meetings are set out in HDN's FY25 Annual Financial Report.

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<p>Recommendation 4.2:</p> <p>The board of a listed entity should, before it approves the entity's financial statements, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>Prior to approving HDN's financial statements, the Board ensures that it receives from the Chief Executive Officer of HDN, the Group Chief Financial Officer of HMC Capital, and the Fund Portfolio Manager of HDN a declaration that, in their opinion, the financial records of HDN have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
<p>Recommendation 4.3:</p> <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>There are various processes in place to review and confirm the accuracy and reasonableness of disclosures contained in any periodic corporate report HDN releases to the market that is not audited or reviewed by an external auditor, which are tailored based on the nature of the relevant report, its subject matter, and where it will be published. However, HDN seeks to adhere to the following general principles with respect to the preparation and verification of its corporate reporting:</p> <ul style="list-style-type: none"> • periodic reports should be prepared by, or under the oversight of, the relevant subject matter expert (either internal or external, as applicable) for the matter being reported on; • the relevant report should comply with any applicable law and regulations; • the relevant report should be reviewed (including any underlying data) to ensure that it is not inaccurate, false, misleading or deceptive; and • relevant reports are authorised for release by the person/body required by law or policy.
<p>Principle 5: Make timely and balanced disclosure</p> <p><i>A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</i></p>	
<p>Recommendation 5.1:</p>	<p>The Board has adopted a Continuous Disclosure Policy to ensure that HDN complies with its disclosure obligations under the <i>Corporations Act 2001</i> (Cth) (Act) and the ASX Listing Rules.</p>

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<p>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	<p>The Continuous Disclosure Policy applies to all executive and non-executive directors, officers, employees, consultants, advisers and contractors of the Group (including the Manager).</p> <p>The Continuous Disclosure Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/continuous-disclosure-policy/.</p>
<p>Recommendation 5.2</p> <p>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	<p>The Continuous Disclosure Policy requires that all directors receive copies of all material market announcements promptly after they have been made.</p> <p>The Continuous Disclosure Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/continuous-disclosure-policy/.</p>
<p>Recommendation 5.3</p> <p>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p>	<p>The Board has adopted a Unitholder Communication Policy which requires that before a new and substantive presentation to analysts or institutional investors, the presentation materials will be released to the ASX and posted on the HDN website, regardless of whether the presentation contains material new information required to be disclosed under ASX Listing Rule 3.1.</p> <p>The Unitholder Communication Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/unitholder-communication-policy/.</p>
<p>Principle 6: Respect the rights of security holders</p> <p><i>A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as unitholders effectively.</i></p>	
<p>Recommendation 6.1:</p> <p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>The Board has adopted a Unitholder Communication Policy, which provides that HDN's website will contain information relevant to unitholders and stakeholders, including statements lodged with the ASX by the Group, board and board committee charters and corporate governance policies and other material relevant to unitholders.</p>

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	<p>The RE and HDN currently provide all relevant information about itself and the governance of HDN at https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/.</p> <p>The various governance policies specifically applicable to, and adopted by, HDN can be found at: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/.</p>
<p>Recommendation 6.2:</p> <p>A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>The Unitholder Communication Policy sets out the RE's commitment to effective communication with its unitholders.</p> <p>HDN facilitates two-way communication with unitholders, with unitholders able to contact HDN's registry and HDN by phone or email. Unitholders are also able to communicate with directors and executives of HDN at unitholder meetings.</p> <p>In addition, the RE communicates with its unitholders through:</p> <ul style="list-style-type: none"> • HDN's annual and half-yearly reports; • market releases to the ASX in accordance with continuous disclosure obligations; • the investor relations section of the HDN website; and • any unitholder meetings. <p>The Unitholder Communication Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/unitholder-communication-policy/.</p>
<p>Recommendation 6.3:</p> <p>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>HDN encourages unitholders to participate in unitholder meetings by allowing unitholders a reasonable opportunity to ask questions during the meeting and allowing unitholders to lodge proxies electronically. HDN conducts all voting on substantive resolutions at unitholder meetings on a poll, ensuring that voting outcomes reflect proportionate holdings of all unitholders who vote (whether in person or by proxy or other representative).</p> <p>The Unitholder Communication Policy sets out how HDN's facilitates and encourages unitholders to participate in meetings and is available on the HDN</p>

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	website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/ .
<p>Recommendation 6.4:</p> <p>A listed entity should ensure that all substantive resolutions at a meeting of unitholders are decided by a poll rather than by a show of hands.</p>	As noted above, HDN conducts all voting on substantive resolutions at unitholder meetings on a poll.
<p>Recommendation 6.5</p> <p>A listed entity should give unitholders the option to receive communications from, and send communications to, the entity and its securities registry electronically.</p>	<p>The Unitholder Communication Policy is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/unitholder-communication-policy/.</p> <p>The policy encourages unitholders to receive communications electronically by registering their email address with the registry. The Unitholder Communication Policy also provides an email address for the registry to enable unitholders to send the registry communications electronically.</p>
<p>Principle 7: Recognise and manage risk</p> <p><i>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</i></p>	
<p>Recommendation 7.1:</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose:</p> <ul style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and 	<p>The Board has established the Audit and Risk Committee to oversee and review the effectiveness of HDN's risk management framework.</p> <p>The Audit and Risk Committee is currently comprised of Stephanie Lai (as an independent non-executive Chair), Simon Shakesheff, and Simon Tuxen.</p> <p>All of the directors on the Audit and Risk committee are independent directors, which satisfies ASX Recommendation 4.1 and 7.1.</p> <p>The Board has adopted a formal charter setting out the main responsibilities and functions of the Audit and Risk Committee. A copy of the Audit and Risk Committee Charter is available on the HDN website: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/investor-information/corporate-governance/audit-and-risk-committee-charter/.</p>

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<p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>The Audit and Risk Committee's specific responsibilities relating to risk management include:</p> <ul style="list-style-type: none"> • ensuring that management prepare a risk profile which describes the material business risks facing HDN including financial and non-financial matters; • regularly reviewing and updating the material risk profile; • reviewing the effectiveness of the risk management framework; • reviewing internal controls for identifying, determining, monitoring and managing material business risks; and • recommending to the Board any changes to HDN's internal control, risk appetite and risk management framework from time to time as appropriate. <p>The number of times the Audit and Risk Committee met throughout FY25 and the individual attendance of the members at those meetings are set out in HDN's FY25 Annual Financial Report.</p> <p>See also Recommendation 4.1.</p>
<p>Recommendation 7.2</p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Audit and Risk Committee oversees and reviews the effectiveness of HDN's risk management framework at least annually to satisfy itself that it continues to be sound and that HDN is operating with due regard to the risk appetite set by the Board.</p> <p>The Audit and Risk Committee has reviewed HDN's risk management framework for the reporting period ended 30 June 2025.</p>
<p>Recommendation 7.3:</p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p>	<p>HDN does not have an internal audit function and relies on HMC Capital via the Manager to provide internal audit, risk management, and internal control functions.</p> <p>In FY25, HMC Capital received co-sourced internal audit services from a suitably qualified internal audit firm to assist HMC Capital (including the funds it manages) to manage its independent, risk-based internal audit function for FY25. The internal audit function has direct access to the Audit and Risk Committee. Results of the internal audit reviews are provided to the Audit and Risk Committee who</p>

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<p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>review the results of internal audits undertaken, any issues raised and monitors management’s responsiveness to internal audit findings. Over time the internal audit function aims to provide assurance over higher risk areas of the business. The Audit and Risk Committee also reviews the independence, objectivity and performance of the internal audit function.</p> <p>In addition, there is a dedicated internal Risk and Compliance Function that reports to the Audit and Risk Committee. The Audit and Risk Committee is responsible for overseeing that management prepares a risk appetite statement, risk register and a quarterly risk profile report on the material risks facing HDN. The Risk Appetite Statement and Risk Register is regularly reviewed and updated to ensure that there are sufficient internal controls in place for determining and managing risks. The Committee continues to assess HDN’s risk appetite as part of HDN’s strategy going forward.</p>
<p>Recommendation 7.4:</p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>HDN is exposed to certain risks, including environmental and social risks. Refer to Section 7 of the PDS (a copy of which is available here: https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/pds/) and HDN’s FY25 Annual Report for more information in respect of those risks, and risks associated with holding units generally in HDN.</p> <p>HMC Capital has an independent Sustainability Committee that oversees the environmental, social and governance (ESG) risks, strategy and approach of HMC Capital and its managed entities, including HDN, and provides board oversight for sustainability initiatives by the entities it manages, including HDN.</p> <p>HMC Capital will publish its FY25 sustainability report for the HMC Capital Group in late 2025. Further, HDN’s ESG risks are overseen by the Board in accordance with its risk management framework, with the assistance of the Audit and Risk Committee.</p>

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Principle 8: Remunerate fairly and responsibly

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives to align their interests with the creation of value for security holders and the entity's values and risk appetite.

Recommendations 8.1, 8.2 and 8.3 (for externally managed listed entities):

An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.

Subject to the below, summaries of management fees payable to the Manager which provides investment management services and property management services to HDN is contained in Section 13 of the PDS (a copy of which is available here: <https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/pds/>).

In FY22, the management fees payable to the Manager in respect of its investment management services to HDN were amended (to the benefit of unitholders), such that the Manager is currently entitled to receive a management fee of:

- 0.65% per annum of GAV up to and including \$1.5 billion;
- 0.55% per annum of GAV in excess of \$1.5 billion and up to \$5.0 billion; and
- 0.50% per annum of GAV in excess of \$5.0 billion.

In addition, Section 13 sets out the fees payable to the RE under the Constitution.

The Constitution and PDS is available on the HDN website at: <https://www.hmccapital.com.au/investment-strategies/real-estate/homeco-daily-needs-reit/>.