



CORPORATE GOVERNANCE STATEMENT

US Student Housing REIT (ARSN 655 096 629)

Responsible Entity: Equity Trustees Limited (ABN 96 004 031 298, AFSL 240975)

Equity Trustees Limited ("Equity Trustees") in its capacity as a responsible entity ("Responsible Entity") of the US Student Housing REIT ("the Trust") (ASX: USQ), has an established corporate governance framework which sets out the rules, relationships, systems and processes within which the Responsible Entity operates to promote investor confidence and good corporate governance.

The Responsible Entity has adopted a majority of the recommendations in the ASX Corporate Governance Principles and Recommendations (4th edition) ("ASX Recommendations") to the extent they apply to an externally managed listed investment trust, and the Trust specifically, from the date of the Trust's admission to the official list of the ASX on 16 February 2022. This Corporate Governance Statement ("Statement") sets out the approach adopted by the Responsible Entity and the Trust in relation to the ASX Recommendations and explains the reasons ('if not, why not' response) for any ASX Recommendations which have not been adopted. The Equity Trustees Limited Board ("Responsible Entity Board") has approved this Statement as at 29 August 2022.

The Responsible Entity is a subsidiary of EQT Holdings Limited ("EQT"), an ASX listed company (ASX: EQT). EQT and its subsidiaries ("EQT Group") also issue a Corporate Governance Statement ("EQT Group Corporate Governance Statement"). This Corporate Governance Statement can be read in conjunction with the EQT Group Corporate Governance Statement.

APPLICATION AND DISCLOSURE

The Responsible Entity has provided a statement in the Trust's annual report for the financial year ended 30 June 2022 disclosing the extent to which the Trust has followed the ASX Recommendations.

The Trust's unitholders ("Unitholders") are able to view the Responsible Entity's policies, charters and Product Disclosure Statement dated 15 December 2021 ("PDS") on the Trust's website: usq-reit.com

The ASX Recommendations that apply to the Trust are:

2.3, 3.1, 3.2, 3.3, 3.4, 4.1, 4.2, 4.3, 5.1, 5.2, 5.3, 6.1, 6.2, 6.3, 6.4, 6.5, 7.1, 7.2, 7.3, and 7.4

The Responsible Entity has not followed, in its entirety, the ASX Recommendations at 2.3, 4.1 and 7.1 which is explained in this Statement

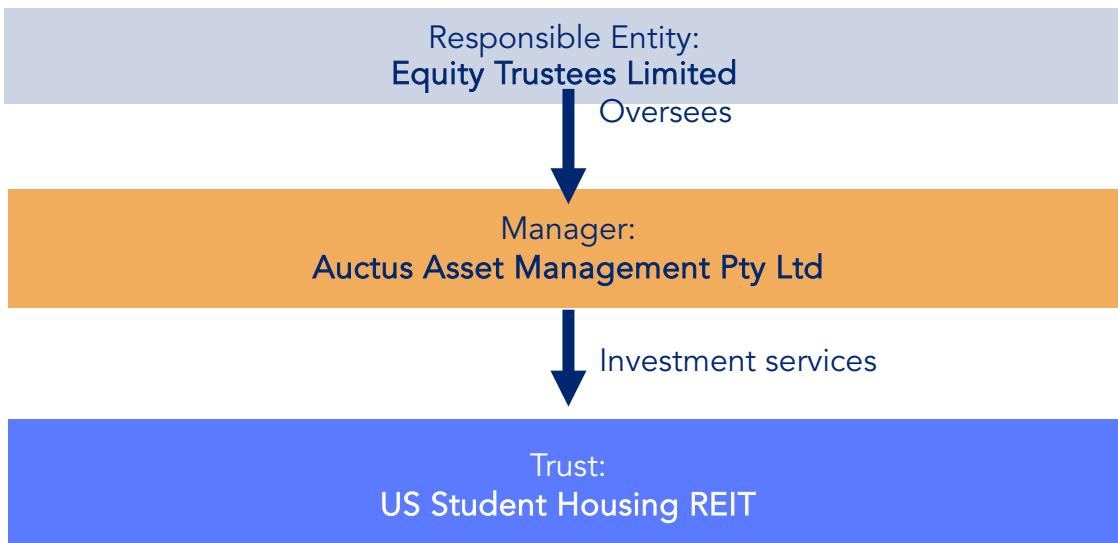
The ASX Recommendations that are not applicable to the Trust, due to the Trust being an externally managed entity and the recommendations are therefore not applicable, are:

1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 2.1, 2.2, 2.4, 2.5, 2.6, 8.1, 8.2, 8.3, 9.1 and 9.2



OVERVIEW

The Trust is externally managed by the Responsible Entity. It is a managed investment scheme structured as a unit trust, which has been registered with ASIC. The Responsible Entity has entered into a Management Agreement with Auctus Pty Ltd (ABN 11 633 063 804; AFSL 517 083) ("AFSL Holder") and Auctus Asset Management Pty Ltd (ABN 30 610 804 263), "Manager" authorising the Manager to provide investment and other services to the Trust, pursuant to the terms of the Management Agreement.



The Directors of the Responsible Entity are:

Philip D Gentry – Executive Director (Chairman)

BSc, MBA and Stanford Executive Program, GAICD, A Fin

- Executive Director (Appointed January 2016)
- Chief Financial Officer and Chief Operating Officer of the EQT Group

Philip is the chair of Equity Trustees. In addition to his role as a director of several subsidiary companies in the EQT Group, he is a member of the EQT Group's executive leadership team and is responsible for EQT Group's operational functions in finance, technology, operations, and strategy.

Philip has more than 25 years' experience in leadership positions within financial services, property, agribusiness, logistics, international trade and commodity management. He has previously held positions including Chief Financial Officer of Grocon, Managing Director of Agrium Asia Pacific, Chief Financial Officer of AWB and a number of leadership positions at ANZ Bank in the areas of corporate banking, strategic development, international trade finance and investor relations.

Russell W Beasley – Executive Director

Dip Fin Mkts, SA Fin

- Executive Director (Appointed September 2020)
- Executive General Manager, Corporate Trustee Services - Australia

Russell has overall responsibility for the operational compliance of all Responsible Entity and Corporate Trustee relationships within Australia. He joined Equity Trustees as Senior Relationship and Product Manager in February 2005. Subsequent appointments within Equity Trustees have included National Manager, Corporate Fiduciary Services and Head of Fund Services Australia. Russell also acted in the capacity of Chief Risk Officer for Equity Trustees for a period of 9 months from June 2018 to February 2019.



Russell has more than 40 years' experience in the financial services industry, holding senior positions within funds management and retail banking. Previous roles include: Communication Manager, MLC Investment Management; Portfolio Manager, National Australia Funds Management; Senior Manager Operations, County Investment Management; and various retail banking appointments within National Australia Bank.

Michael (Mick) J. O'Brien – Executive Director

CFA, GAICD

- Executive Director (Appointed July 2018)
- Managing Director of the EQT Group

Mick has broad wealth management experience in superannuation, investment management, insurance and advice, spanning over 30 years in both retail and institutional markets. Mick was formerly CEO and director of Invesco Australia Limited, director of Templeton Global Growth Fund Limited, director of Alliance Capital Management Australia and Chief Investment Officer of AXA Australia and New Zealand where he was also a director of AXA's Responsible Entities and Regulated Superannuation Entities.

In operating the Trust, the Responsible Entity has a fiduciary duty to act in good faith and in the best interests of the Unitholders of the Trust. The Responsible Entity's duties and obligations arise from the Constitution of the Trust, the Trust's compliance plan, and duties under the Corporations Act 2001 (the Act).

Ms Mary O'Connor – Executive Director

BCom (Hons), MPracAcc, CFA, MAICD

- Executive Director (Appointed 24 May 2022)
- Head of Corporate Development of the EQT Group

Mary is an experienced finance professional with over 15 years' experience in mergers and acquisitions across a range of sectors. With skills in strategy, transaction planning and execution, due diligence, project management, valuation, and financial analysis, Mary has extensive experience in the review of financial statements, financial analysis, financial due diligence, financial modelling and forecasting. Mary joined Equity Trustees in 2017 as Head of Corporate Development, with her role involving strategy, mergers & acquisitions and oversight of group internal audit and fund performance reporting functions. Mary was previously a mergers and acquisition and corporate adviser at Lion Capital, Deutsche Bank and Lazard.

Equity Trustees Roles and Responsibility The Responsible Entity Board Charter, available at usq-reit.com, sets out the responsibilities of the Board, which include:

- Setting the ethical tone and standards of Equity Trustees Limited at the highest levels and encouraging a culture that promotes responsible decision-making;
- Satisfying itself that appropriate internal audit arrangements are in place and operating effectively;
- Maintaining compliance with the ASX Listing Rules associated with listed investment trusts and its continuous disclosure obligations;
- Monitoring the effectiveness of the Responsible Entity's compliance, risk and governance frameworks;
- Ensuring the Responsible Entity has adequate systems and internal controls.

The Responsible Entity Board is supported by the Responsible Entity Compliance Committee and Audit Committee which meets regularly to oversee the Trust's compliance and the Responsible Entity's legislative, trustee and listing rules obligations.

The Committees' responsibilities are set out in their respective Charters, available at usq-reit.com, and include:



THE EQT, EQT RES AND EQUITY TRUSTEES WEALTH SERVICES LIMITED (ETWSL) BOARDS ARE ASSISTED IN THEIR DUTIES BY THE FOLLOWING COMMITTEES...

RESPONSIBLE ENTITY COMPLIANCE COMMITTEE

The Committee's duties include:

- Monitoring the managed investment scheme's compliance plans.
- Making improvement recommendations where appropriate.
- Reporting any breaches (actual or suspect), including reporting to ASIC if the Committee is of the view that the Responsible Entity has not taken (or does not propose to take) appropriate action to deal with a reported breach.

The Committee has a majority of independent members.

AUDIT COMMITTEE

The Committee's duties include:

- Approving, where authorised by the Boards, the financial reports of funds, trusts and charities.
- Receiving, testing and seeking confirmation that robust financial controls are in place to safeguard the integrity of said financial reports.
- Approving the appointment of fund, trust and charity external auditors, audit fees and audit scope, and ensuring compliance with the Group's Auditor Independence Policy.
- Reviewing updates to the Accounting Standards and the appropriateness of proposed changes to the companies' accounting policies.

Committee member profiles are set out at: usq-reit.com

RECOMMENDATION 1.1

The Trust will be managed under the supervision and direction of the Responsible Entity Board. The primary function of the Responsible Entity Board is to ensure that the Trust is managed in the best interests of Unitholders.

Although the Responsible Entity Board retains overall responsibility for the management of the Trust, under the Management Agreement the Responsible Entity has engaged the Manager to provide, or procure the provision of all necessary services and resources to the Responsible Entity to enable it to carry out its obligations in respect of the Trust. Key terms in the Management Agreement are summarised in the PDS.

All matters, unless specifically reserved for the Responsible Entity Board, necessary for the day-to day management of the Trust are delegated to the Manager.

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

THE BOARD CHARTER IS AVAILABLE AT USQ-REIT.COM.RECOMMENDATION 2.3

Independence of directors

The Directors of the Responsible Entity are not considered to be independent directors, as each director is employed in an executive capacity by the EQT Group.

Instead, independent oversight is built into the structure of the relationship between the Responsible Entity and the Manager. The Manager conducts the day-to-day investment and other services and the Responsible Entity provides the independent oversight.

The Responsible Entity Board believes the directors' independence of judgement is not compromised because of their executive capacity, as together they collectively have the appropriate balance of specialist skills, knowledge, and experience to enable the Board to discharge its duties and responsibilities effectively in relation to the Trust and independent oversight of the Manager.

Further, the Board utilises the support of the Responsible Entity Compliance Committee comprised of a majority of external (independent) members to assist the Board to oversee the Trust's compliance and the Responsible Entity's legislative, trustee and listing obligations.



The Responsible Entity Compliance Committee's Charter is available on the Trust's website usq-reit.com

In summary, the Responsible Entity Compliance Committee's key remit is:

- To review and make recommendations to the Board in relation to the Responsible Entity's compliance with the Act and its license obligations;
- Assess the adequacy of the Trust's compliance plan and monitor compliance against it; and
- Confirm that the Trust has engaged at all times an auditor and that the auditor has been given access to the books of the Trust

The relevant qualifications and experience of the members of the Responsible Entity Compliance Committee are available on the Trust's website usq-reit.com.

RECOMMENDATION 3.1

Values

The EQT Group, including the Responsible Entity, considers that its values, culture and conduct are of the highest importance. These are described in detail in the EQT Group Corporate Governance Statement, available at www.eqt.com.au.

RECOMMENDATION 3.2

Code of conduct

The Responsible Entity has adopted the EQT Group Code of Conduct and Ethics which sets out the standards of ethical behaviour expected from its Directors, officers, employees and contractors involved in the management and operation of the Trust. Material breaches of the Code of Conduct and Ethics, are reported to the Board of the Responsible Entity and are also reported to the EQT Group Board or its committees.

The EQT Group Code of Conduct and Ethics and the Responsible Entity's Listed Investment Trusts Trading Policy are available on the Trust's website usq-reit.com.

RECOMMENDATION 3.3

Whistleblower Policy

The Responsible Entity has adopted the EQT Group Whistleblower Policy that fosters a working environment encouraging openness, integrity and accountability throughout the organisation. Material breaches of this policy and material incidents reported under the EQT Group Whistleblower Policy are reported to the EQT Group Board and/or Board Committees. All such breaches are reported to the EQT Group Board or its committees.

The EQT Group Whistleblower Policy is available on the Trust's website usq-reit.com.

RECOMMENDATION 3.4

Anti-Bribery and Corruption Policy

The Responsible Entity has adopted the EQT Group Anti-Bribery and Corruption Policy. Material breaches of the Anti-Bribery and Corruption Policy, relevant to the operations of the Trust, are reported to the Board of the Responsible Entity. All such breaches are reported to the EQT Group Board or its committees.

EQT Group Anti-Bribery and Corruption Policy is available on the Trust's website usq-reit.com.



RECOMMENDATION 4.1

Audit Committee

The Responsible Entity has established an Audit Committee to oversee the integrity of the Trust's financial reporting, the appointment and independence of the Trust's auditor, internal financial controls, and financial procedures and policies. The Audit Committee comprises six members of which one is an independent member.

The Chair of the Audit Committee is also the Chair of the Responsible Entity Board. This differs from Recommendation 4.1, as independent oversight is built into the structure of the relationship between the Responsible Entity and the Manager. The Manager conducts the day to day services and the Responsible Entity provides the independent oversight.

The members of the Responsible Entity's Audit Committee collectively have the necessary financial and accounting qualifications and experience in the funds management, trustee services business, and/or ASX listed environment to be able to execute their duties such that their independence of judgement is not compromised. The Audit Committee's remit is broader than its oversight of the Trust.

The Audit Committee's Charter is available on the Trust's website usq-reit.com. In summary, the Audit Committee's remit is:

- To consider matters raised by the Responsible Entity Compliance Committee and Disclosure Committee, including incidents and breaches, and particularly where the matter may or does have an impact on financial reporting processes, internal financial control systems, and the financial position of a fund;
- To escalate material issues and risks to the Board;
- To review and recommend to the Board the adoption of the annual and half yearly financial statements, and the Annual Report as it relates to the financial statements, of the Responsible Entity's listed investment trusts;
- To receive, test and seek confirmation that a robust system and financial controls are in place to safeguard the integrity of financial reports;
- To consider internal controls, including the Companies' policies and procedures to assess, monitor and manage financial risks and other business risks;
- To review changes to the Accounting Standards and their potential impact on the financial report;
- To receive and consider the auditor reports and auditor independence reports;
- To review the performance and independence of the auditors and monitor the progress of audits; and
- To ensure the auditors meet with the Board

The relevant qualifications and experience of the members of the Audit Committee are available on the Trust's website.

RECOMMENDATION 4.2 - DECLARATION RE FINANCIAL RECORDS

The Responsible Entity has established processes to ensure the financial statements of the Trust are reviewed and approved by the Board each financial year. This includes a process to obtain from senior management of the Responsible Entity (pursuant to section 295A(1) of the Corporations Act 2001 (Cth)) a declaration that, in their opinion, the financial records of the Trust 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 Trust and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

RECOMMENDATION 4.3 – PERIODIC CORPORATE REPORTING

Any periodic corporate reports that are not audited, such as the Director's Report and this Corporate Governance Statement, are subject to extensive review prior to release to market.



The review includes, fact checking and interrogation by the Responsible Entity's management team as well as Responsible Entity Board or its Committees and other stakeholders where relevant.

RECOMMENDATION 5.1, 5.2 & 5.3

Continuous Disclosure

The Responsible Entity is committed to ensuring:

- All investors have equal and timely access to material information; and
- Our announcements are accurate, balanced and objective.

The Responsible Entity has a Continuous Disclosure Policy available on the Trust's website usq-reit.com which sets out our processes for complying with our continuous disclosure obligations under ASX Listing Rule 3.1. This sets out the roles and responsibilities of authorised persons and our processes to review and authorise market announcements.

The Responsible Entity may utilise its Disclosure Committee to assist in meeting the ASX Listing Rules continuous disclosure obligations.

To ensure the Responsible Entity Board has timely visibility of the nature and quality of information disclosed to the market (and its frequency) the Responsible Entity's Directors receive copies of the Fund's market announcements immediately after they are made.

The Continuous Disclosure Policy and Disclosure Committee Charter are available on the Trust's website usq-reit.com.

RECOMMENDATION 6.1

Provision of information to, and communication with, investors

The Responsible Entity provides investors with comprehensive and timely access to information about itself, the Trust and the governance of the Trust on a dedicated corporate governance information section on the Trust's website usq-reit.com.

The website also includes information such as that which is required to be lodged on the ASX Platform, policies, charters, and distribution information. The Trust's Annual Report and financial statements are available on the Trust's website usq-reit.com.

The Responsible Entity has adopted a Unitholder Communications Policy which sets out measures it utilises to ensure communication with Unitholders is effective, frequent, clear and accessible. A copy of the policy is available on the Trust's website usq-reit.com

RECOMMENDATION 6.2

Investor Relations

The Responsible Entity facilitates two-way communication with Unitholders by ensuring that communications, ASX announcements and updates issued by the Responsible Entity through the ASX, the media or on the Trust's website have a visible email address and phone number for inquiries. This is separate to the two-way communications available with the Trust's registry. The Unitholder Communications Policy is available on the Trust's website usq-reit.com.

A tailored investor relations program has been developed for the Trust to facilitate effective communication with prospective investors, stakeholders, Unitholders, the Responsible Entity and the Manager.



RECOMMENDATION 6.3 & 6.4

The Trust is a managed investment scheme. It is not required to hold an annual general meeting. However, should an investor general meeting be required, the Responsible Entity has established processes to facilitate the general meeting. The requirements are as reported in the Trust's compliance plan.

Resolutions at Unitholder meetings are decided by a poll, rather than a show of hands, to ensure full transparency.

RECOMMENDATION 6.5

Option for electronic communication

Unitholders have the option to receive communications from, and send communications to, the Responsible Entity and the Trust's registry, electronically.

RECOMMENDATION 7.1, 7.2, 7.3 & 7.4

Management of Risk

The Responsible Entity does not have a separate risk committee. Instead, the Responsible Entity Board undertakes the role of oversight of the Trust's risk management framework.

The Procedures the Board employs for overseeing the entity's risk management framework, as it relates to the Trust, include:

- Receiving and reviewing breach reports, incident reports, and complaints reports in relation to the Trust;
- Receiving internal audit reports and assessing the necessity for any changes to the EQT Holdings Limited's Group risk profile and risk strategy as it applies to the Trust and Responsible Entity;
- Ensuring the Trust's risk management framework's three lines of defence are functioning effectively;
- Utilising the Responsible Entity Compliance Committee to provide additional oversight of risk; and
- Reviewing the minutes of, and any matters escalated by, the Disclosure Committee, Responsible Entity Compliance Committee and Audit Committee.

The Responsible Entity's Board has reviewed the Trust's risk management framework during the reporting period to ensure it continues to be effective and has been designed to assist the Responsible Entity to identify, assess, monitor and manage risks.

The Responsible Entity has an internal audit function. The Responsible Entity Board, the Responsible Entity Compliance Committee and the management of the Responsible Entity regularly liaises with the EQT Group internal audit and reviews audit processes and reports.

The Trust's Investment Manager considers labour standards and environmental, social or ethical considerations in the selection, retention or realisation of investments relating to the Trust as described in the Trust's Product Disclosure Statement.

RECOMMENDATION 8.1, 8.2 & 8.3

Remuneration of Investment Manager

The Trust is an externally managed entity and accordingly, Recommendations 8.1 to 8.3 (inclusive) are not applicable. However, as part of the Responsible Entity's good governance practices, the following is provided for completeness.



Summaries of management fees payable to the Manager which provides property management, leasing, marketing and day-to-day management services to the Trust are contained in Sections 11 and 12 of the PDS.

In addition, Section 12.1.9 sets out the fees payable to the Responsible Entity under the Constitution. A summary of the Constitution is at Section 13 of the PDS. The PDS is available on the Trust's website at: usq-reit.com.