



## **GROWTHPOINT PROPERTIES AUSTRALIA LIMITED**

ACN 124 093 901

being the responsible entity for the  
Growthpoint Properties Australia Trust ARSN 120 121 002

# Sustainability and Stakeholder Policy

Adopted by the Board of directors, Growthpoint  
Properties Australia Limited, at a meeting of the  
Board held on 16 February 2017



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## 1. Policy Application

Growthpoint Properties Australia (“**Growthpoint**”) recognises the need to:

- consider the environmental impact of its activities and seek to reduce resource consumption;
- ensure it is seeking to provide sustainable financial growth for its securityholders; and
- engage regularly with its stakeholders.

Growthpoint aims to:

- act at all times in accordance with the highest possible ethical standards;
- be a sustainable business;
- provide investors with a tradeable security producing consistent returns;
- consider the needs of its stakeholders to the fullest extent as is practicable as part of its decisions; and
- ensure sustainability and stakeholder engagement are an integral part of its operations.

This policy outlines Growthpoint’s sustainability and stakeholder commitments and describes how it aims to implement these commitments. This policy and its application are at the sole discretion of Growthpoint. This policy does not impose any mandatory requirements on Growthpoint nor provide any party with any rights (contractual or otherwise) in relation to Growthpoint. Growthpoint may cancel or amend this policy at any time without notice.

## 2. Purpose of this policy

This policy seeks to:

- publicly communicate Growthpoint’s sustainability and stakeholder engagement commitments;
- enhance Growthpoint’s operations and decision-making processes;
- ensure Growthpoint regularly considers its stakeholders and keeps them informed;
- enhance Growthpoint’s reputation; and
- improve relationships with its stakeholders and the community.

The commitments detailed within this policy is applicable for all of Growthpoint’s stakeholders including (but not limited to) Growthpoint’s:

- security holders and other providers of capital;
- employees and officers;
- tenants;
- suppliers and service providers;
- Governments and regulatory authorities including the ASX.

## 3. Sustainability

### 3.1 General Commitment

Growthpoint aspires be a positive contributor to the physical environments in which it invests and operates in. To facilitate this, Growthpoint will seek to operate in an environmentally friendly manner to sustainably increase its securityholder’s wealth.

*Implementation Actions:*

- Continuously develop the sustainability skills of employees through education and communication on sustainability issues.
- Embed sustainability considerations into its processes including capital works, procurement and employment to ensure the long-term impact has been appropriately considered.
- Implement sustainability initiatives for the benefit of the environment, investors, stakeholders and communities.
- Work collaboratively with service providers and tenants to facilitate sustainable measures wherever practicable.



- Publicly report our sustainability progress in our annual report, sustainability report and via external submissions (for example, GRESB and CDP).
- Regularly monitor, evaluate and improve sustainability measures.

### **3.2 Environmental**

Growthpoint acknowledges the impact of climate change and is committed to reducing its environmental impact.

#### *Implementation Actions:*

- Reduce Growthpoint's carbon emissions.
- Identify climate change risks and respond by developing initiatives and countermeasures.
- Manage waste and resource use efficiently.
- Reduce electricity, gas, water and other resource consumption.
- Encourage and support stakeholders and tenants to respond to climate change, reduce waste and manage resource consumption.
- Engage in external reporting and benchmarking schemes such as GRESB and CDP.
- Conduct sustainability audits to identify opportunities and initiatives.
- Incorporate environmental initiatives and targets into the business.

### **3.3 Social**

Growthpoint is committed to providing a safe, healthy, rewarding and supportive culture and work environment in which its people have the opportunity to reach their full potential.

#### *Implementation Actions:*

- Providing an environment where employees have ultimate job satisfaction while understanding and enjoying their business role.
- Develop and maintain a culture that respects employees as individuals and their contribution to Growthpoint based on the merits of that contribution regardless of their age, gender, experience, background or seniority.
- Ensure all Growthpoint employees understand and uphold the Code of Conduct (refer to the Code of Conduct for more details).
- Encourage all employees to undertake continuing professional development to increase productivity and enhance understanding of Growthpoint and its business as well as the economy and the property industry (refer to the CPD Policy Guidelines and the Education Assistance Policy for more details).
- Ensure employees are able to balance their work with other parts of their lives including family and personal commitments, external interests and personal well-being.
- Provide employees with opportunities to undertake volunteering and workplace giving.
- To the extent practicable and having regard to privacy, resolve employee issues in a fair, open and constructive way.
- Develop highly skilled and inspirational leaders.
- Offer competitive and fair rewards and promotions linked to performance.
- Continue to improve and maintain the diversity of employees at all levels of the business (refer to the Diversity Policy for more details).
- Health and well-being measures such as health checks, flu vaccinations, fresh fruit and physical activities.

### **3.4 Governance**

Growthpoint seeks to achieve best practice in corporate governance with a strong compliance, risk management and governance culture relied upon appropriate supporting controls in place.

#### *Implementation Actions:*

- Ensure all actions taken directors and employees have proper delegation from the Board regular training and monitoring (refer to Delegations of Authority Policy).



- Provide compliance induction to all new employees including an overview of all key policies and procedures.
- Ensure comprehensive compliance and risk framework is maintained and is independently audited (refer to Risk Management Policy for more details).
- Ongoing development of internal audit function to continually improve and test governance.
- Integrate risk assessments and mitigation practices into all levels of Growthpoint's operations.
- Monthly reporting to the Managing Director and the Board (via the Board report) on all key compliance and risk matters.
- Quarterly reporting of all compliance measures, breaches identified and complaints received to the Audit, Risk and Compliance Committee.
- Monthly monitoring of all insurance claims and reporting to the Managing Director.
- Quarterly monitoring of compliance requirements of Growthpoint's lending facilities, risk management framework and requirements under the Compliance Plan.
- Regular consideration of ways to enhance investor communications.
- Appropriate due diligence processes undertaken for all major business decisions including asset acquisitions, business acquisitions, divestments, appointment of service providers, capital works, employment of staff, appointment of directors and external communications.
- Ensure directors and employees trade Growthpoint's securities in accordance with laws and best practice recommendations (refer to the Securities Trading Policy).

### **3.5 Work Health and Safety**

Growthpoint is committed to providing a healthy and safe working environment for all staff.

#### *Implementation Actions:*

- Provide compliance induction for all new employees and contractors which includes health and safety matters.
- Providing regular basic first aid training for all employees and more advanced training for those that request it.
- Maintain a register of workplace injuries and regularly (not less than monthly) monitor the register to consider if changes to policies and procedures should be made.
- Provide a free annual health check for all employees.
- Promote a non-smoking culture.
- Promote a culture of business conduct which is transparent, honest, ethical and free of any kind of harassment or discrimination (refer to Anti Discrimination & Equal Employment Opportunity Policy).
- Take a zero tolerance approach to bribery and corruption (refer to Anti Money Laundering & Counter Terrorism Policy and Anti-Bribery, Corruption and Whistleblowing Policy for more details).
- Conduct an annual anonymous staff survey with the results considered by the executive management team and the Board (or a sub-committee of the Board).
- Encourage employees to report any wrongdoing, inappropriate or illegal behaviour internally or, where internal reporting is not appropriate, to an external whistleblower service provider anonymously and without fear of reprisal (refer to Anti-Bribery, Corruption and Whistleblowing Policy for more details).
- Ensure employees maintain a balance between work and personal life (refer to Flexibility Policy for more details).

## **4. Stakeholders**

### **4.1 Community**

Growthpoint seeks to be a good corporate citizen and recognises that it operates in and affects a number of communities. Growthpoint will seek to support communities in which it operates, provide a level of support to those in need (as considered appropriate for Growthpoint) and minimise the harm or impact its operations may cause.



*Implementation Actions:*

- Donating to charitable causes directly and by providing employees with workplace giving opportunities.
- Providing volunteering opportunities for employees.
- Encouraging and supporting employee involvement in community groups, charities and events which promote well-being including through offering workplace flexibility to enable participation (refer to Leave Policy for more details).

## **4.2 Tenants**

As Growthpoint's primary source of income, tenants form a key pillar of its business. When Growthpoint's tenants do well, so does Growthpoint.

*Implementation Actions:*

- Working with tenants, to the extent practicable, to achieve mutually beneficial outcomes.
- Ensuring Growthpoint's management meet with tenants as required to discuss any concerns they may have.
- Making tenants preferred providers of products and services to Growthpoint to the extent practicable.
- Regularly upgrading properties to provide tenants and their employees comfortable and aesthetically pleasing working environments.
- Providing attentive property management.
- Regular meetings with larger tenants or with tenants who have upcoming lease expires.

## **4.3 Securityholders**

In addition to Growthpoint's mission of providing stable and growing returns to securityholders, it seeks to provide open, transparent and timely reporting through a range of mediums tailored to different types of securityholders.

*Implementation Actions:*

- Ensuring securityholders are able to ask questions via email, phone and in person and receive, to the extent practicable, fulsome and timely responses.
- Making webcasts and/or recordings of general meetings and results presentations available so that all securityholders can view these at a time and location of their choosing.
- Regularly updating Growthpoint's website with fulsome details of Growthpoint's operations and assets.
- Undertaking ESG reporting in accordance with nationally or internationally recognised standards such the Global Reporting Initiative and the Australasian Reporting Awards.
- Participating in voluntary disclosure regimes such as GRESB.
- Providing regular investor updates.

## **4.4 Suppliers and Service Providers**

Growthpoint seeks to engage responsible suppliers and service providers who comply with the spirit and intent of Growthpoint's Code of Conduct and help Growthpoint achieve its objectives.

*Implementation Actions:*

- Engagement of key suppliers requires prior approval from the Managing Director.
- Ensuring contracts match Growthpoint's Code of Conduct and meet Growthpoint's minimum standards including in relation to diversity and environmental protection.
- Seeking suppliers who share Growthpoint's commitments to people, communities and the environment.
- Regular engagement with key suppliers.



- Ensuring that each key supplier has their contract reviewed not less than annually through a formal process approved by Growthpoint's Managing Director.
- Including Growthpoint's Code of Conduct and environmental requirements as part of request for tender proposals.

#### **4.5 Government and Authorities**

Growthpoint seeks to comply with all applicable laws and regulations.

*Implementation Actions:*

- Development of a compliance culture at Growthpoint.
- On-going training for officers and employees in relation to legal and regulatory obligations.
- Expansive compliance regime covering all aspects of Growthpoint's business to help ensure compliance with laws and regulations and identify actual or potential breaches.
- Meeting with government representatives and authorities to discuss concerns.
- Participation in industry, policy and governmental working groups to improve policies and regulations such ASX working groups.
- Open and regular contact with relevant regulators such as the ASX.
- Developed policies and procedures to aid and promote compliance.

#### **5. Distribution and Review**

The policy requires regular monitoring to ensure that business activities are conducted accordingly. Every employee should actively seek and acquire updated information, to further benefit sustainability processes at Growthpoint.

Growthpoint will enact this policy through the Executive Management Team and an internal Sustainability Unit which will ensure that:

- The Sustainability and Stakeholder Policy and its implications shall be factored into Growthpoint's risk and opportunity assessments processes.
- Key roles and responsibilities relating to sustainability shall be explicit in annual performance agreements of relevant Growthpoint personnel. The management of sustainability performance by relevant Growthpoint personnel should be linked (in part) to the annual remuneration and bonus systems.
- Key roles and responsibilities relating to sustainability shall be explicit in contractual agreements with key suppliers, service providers and similar.

This policy will be reviewed in light of legislation, organisational changes and developments in sustainability best practice.