

Board Charter

Growthpoint Properties Australia

Growthpoint Properties Australia Limited ACN 124 093 901
Growthpoint Properties Australia Trust ARSN 120 121 002

29 May 2020

GROWTHPOINT
PROPERTIES



1. Introduction

Growthpoint Properties Australia Limited ACN 124 093 901 (**Company**) is the responsible entity of the Growthpoint Properties Australia Trust ARSN 120 121 002 (**Trust**). The units in the Trust are stapled to the ordinary shares in the Company and trade jointly on the Australian Securities Exchange (**ASX**) as Growthpoint Properties Australia stapled securities (ASX: GOZ).

This charter governs the role, responsibilities, membership and operation of the board of the Company (**Board**), both in its personal capacity and in its capacity as responsible entity of the Trust.

2. The Board's role and responsibilities

The role of the Board is to demonstrate leadership and provide strategic direction to the Company and the Trust (**Growthpoint** or the **Group**) and oversee the management of the Group.

The key responsibilities of the Board include:

Strategy

- a) setting Growthpoint's purpose and strategic direction and objectives;
- b) overseeing management's implementation of the strategic objectives and performance generally;

Material or strategic business initiatives

- c) approving material or strategic business initiatives including in relation to acquisitions, divestments, asset management, developments and other transactions or material business contracts in excess of authority levels delegated to management;

People and remuneration

- d) appointing and removing the Managing Director and the other members of the executive management team (**EMT**) and planning for executive succession;
- e) approving the remuneration and incentives of the Managing Director and EMT;
- f) approving Growthpoint's remuneration framework and policy and overseeing its alignment with the Group's purpose, values, strategic objectives and risk management framework;
- g) approving the Group's Diversity Policy and setting measurable objectives for achieving gender diversity;

Board

- h) approving appointments to the Board and planning the succession of the Board;
- i) reviewing the skills matrix of the Board to ensure that the Board has the skills required to competently discharge its duties;
- j) determining the remuneration of Non-executive Directors;

Corporate governance

- k) approving and overseeing the effectiveness of the Group's corporate governance framework, including key policies and documents;
- l) overseeing management in instilling and reinforcing the Group's values, Code of Conduct and desired culture;
- m) overseeing the Group's process for making timely and balanced disclosure of material information to the market in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules;

- n) receiving and considering reports of any material breach of a Group policy or conduct that is materially inconsistent with the Group's values and Code of Conduct;
- o) establishing and evaluating the membership of Board committees;
- p) where required, challenging and holding the EMT to account;

Audit, risk and compliance

- q) approving and overseeing the Growthpoint's risk management framework for both financial and non-financial risks;
- r) overseeing the internal audit function and the internal control framework;
- s) overseeing the integrity of Growthpoint's accounting and corporate reporting systems, including appointing, reviewing and overseeing the independence of the external auditors;
- t) overseeing compliance with other legal and regulatory requirements for the Group and the Group's compliance management framework, including approving the compliance plan for the Trust;

Financial

- u) overseeing the operational and financial position and performance of the Group;
- v) approving Growthpoint's Annual Report, financial statements and associated results releases;
- w) approving distributions to securityholders and market guidance;
- x) approving Growthpoint's annual budget and major capital expenditure;
- y) making determinations regarding the capital structure of the Group; and
- z) approving Growthpoint's funding strategy, borrowing limits and Treasury Management Policy.

3. Board Committees

- a) The Board has established the following standing Board committees to assist in the discharge of its responsibilities:
 - i) Audit, Risk and Compliance Committee; and
 - ii) Nomination, Remuneration and HR Committee.
- b) Each of these Board committees will have a charter approved by the Board governing the responsibilities, composition and operation of the committee. The role of the committees is to advise and make recommendations to the Board, unless otherwise stated or delegated in the committee's charter or as authorised by the Board.
- c) The Board may also establish and delegate specific functions to sub-committees of the Board from time to time.

4. Executive Management Team

- a) Responsibility for the day-to-day management, implementation of the strategic objectives and administration of the business of the Group is delegated by the Board to the Managing Director and the EMT.
- b) In carrying out its responsibilities, the EMT is to have due regard to the Group's values, risk management framework, budget and policies approved by the Board.
- c) The EMT is responsible for providing the Board with accurate, timely and transparent information to enable the Board to perform its role and responsibilities effectively.

5. Board membership and independence

- a) The Board, together with the Board's Nomination, Remuneration and HR Committee, will determine the size and composition of the Board having regard to the needs of the Group, the Board and its committees and the Company's constitution.
- b) The Board will comprise Directors with an appropriate range of skills, experience and expertise to discharge its responsibilities. A majority of the Board should be Non-executive Directors.
- c) The independence of each Non-executive Director will be assessed by the Board prior to appointment and then annually.
- d) In assessing independence, the Board will have regard to the interests, positions and relationships potentially affecting the independent status of a Director as described in Box 2.3 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

6. Chairman

- a) The Board will appoint one of its members to be the Chairman.
- b) The Chairman is to be an independent, Non-executive Director.
- c) The role of the Chair is to provide leadership to the Board and Growthpoint. The Chairman's responsibilities include:
 - i) leading and overseeing the performance of Board in discharging its responsibilities to Growthpoint;
 - ii) liaising with the Managing Director about matters that are of importance to the Board;
 - iii) facilitating constructive Board discussions;
 - iv) overseeing the processes and procedures in place to evaluate the performance of the Board, its committees and individual Directors;
 - v) ensuring effective communications with security holders; and
 - vi) approving the agendas for Board meetings in conjunction with the Managing Director and Company Secretary and ensuring that adequate time is available for discussion of all agenda items, including strategic issues.

7. Company Secretary

- a) In accordance with the Company's constitution, the Board must appoint a Company Secretary.
- b) The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. All Directors will have access to the Company Secretary.
- c) The Company Secretary's responsibilities include:
 - i) advising the Board on corporate governance matters;
 - ii) monitoring compliance with Board and committee policy and procedures;
 - iii) organising Board agendas and papers;
 - iv) preparing and maintaining a record of minutes of Board meetings; and

- v) assisting with organising and facilitating the induction and professional development of Directors.

8. Board meetings

- a) The Board will meet with such frequency as it determines necessary to carry out its responsibilities. A meeting schedule will be determined annually in advance by the Chairman, in consultation with the Board.
- b) The Board will meet in accordance with the notice, quorum and other provisions set out in the Company's constitution.
- c) Board papers should be made available at least 5 business days prior to a meeting. Late papers may be submitted with the consent of the Chairman.
- d) Directors are required to use reasonable endeavours to attend scheduled meetings and to have read and considered the papers ahead of each meeting.
- e) The Board may invite members of the EMT, other employees of Growthpoint and professional advisors to attend Board meetings from time to time.

9. Director development and Board performance reviews

- a) The Nomination, Remuneration and HR Committee will periodically review the professional development needs of the Directors to ensure that they are equipped with the skills and knowledge required to assist them in performing their role effectively.
- b) The performance of the Board, its standing committees and individual Directors will be reviewed periodically.

10. Access to independent advice and information

- a) The Board collectively, and each individual Director, may seek independent professional advice on any matter relevant to their duties and responsibilities at the Group's expense, subject to prior consultation with the Chair.
- b) Directors are also entitled to access:
 - i) members of the EMT and seek additional information to fulfil their responsibilities; and
 - ii) internal and external auditors without management present.

11. Conflicts of interest

- a) In addition to the Directors' legal obligations regarding material personal interests in the Corporations Act, Directors must disclose to the Board any actual or potential conflicts of interest that relate to the affairs of the Group as soon as practicable after the Director becomes aware of that interest.
- b) A conflicts of interest policy has been approved by the Board to provide guidance to all Directors and employees of Growthpoint in identifying and managing conflicts of interest.

12. Minimum securityholding requirement

With effect from 1 July 2018, each Director is required to maintain a minimum holding of Growthpoint securities by 30 June 2022 or four years from their appointment, whichever is later.

13. Review of Charter

This Charter will be periodically reviewed to ensure that it is operating effectively to meet the needs of the Group.