

Growthpoint Properties Australia

Growthpoint Properties Australia Trust  
ARSN 120 121 002  
Growthpoint Properties Australia Limited  
ABN 33 124 093 901 AFSL 316409

# FY21

## corporate governance statement

25 August 2021

space to thrive.

**GROWTHPOINT**  
PROPERTIES



# 2021 Corporate Governance Statement.

## Company overview.

Growthpoint Properties Australia (**Growthpoint** or the **Group**) comprises Growthpoint Properties Australia Limited (the **Company**), Growthpoint Properties Australia Trust (the **Trust**) and each of their controlled entities. The Company and the Trust are stapled together and trade jointly on the Australian Securities Exchange (**ASX**) under the code GOZ. The Company is the responsible entity of the Trust.

For information on Growthpoint's business and operations, please refer to the Group's Annual Report for the financial year ended 30 June 2021 (the **Reporting Period** or **FY21**) which forms part of Growthpoint's reporting suite.

The Board of the Company (the **Board**) is pleased to present the Group's Corporate Governance Statement for the Reporting Period.

This statement was approved by the Board on 25 August 2021.

## Our governance approach.

Growthpoint is committed to ensuring that its procedures and practices reflect a high standard of corporate governance. The Group's governance framework aims to ensure accountability, transparency and effective risk management, and reinforce a culture of acting ethically, responsibly and in the best interests of Securityholders.

During the Reporting Period, Growthpoint's governance framework was largely consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) (the **ASX Principles**). Growthpoint followed all of the recommendations in the ASX Principles during the Reporting Period, other than recommendations 2.1(a)(1) and (2), 2.4 and 8.1(a)(1) and (2). The reasons for these departures from the ASX Principles are noted in sections 2.1, 2.4 and 8.1 of this statement.

## ASX Principles.

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### Principle 1 – Lay solid foundations for management and oversight

#### 1.1 Roles and responsibilities of the Board and management

The role of the Board is to demonstrate leadership, provide strategic direction to, and oversee the management of, the Group.

The respective roles and responsibilities of the Board and management, including those matters expressly reserved to the Board and those delegated to management, are set out in the Board Charter, which is available on Growthpoint's website at: <https://growthpoint.com.au/corporate-governance>. The key responsibilities of the Board include:

- **Strategy:** setting the Group's strategic direction and objectives and overseeing management's implementation of the strategic objectives and performance generally;
- **Material business initiatives:** 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:** appointing, approving the remuneration and incentives of, and planning the succession of the Managing Director and the other members of the executive management team (**EMT**) and approving the Group's remuneration framework;

- **Board:** approving appointments to, reviewing the skills required on, and planning the succession of, the Board and determining the remuneration of the Non-executive Directors;
- **Governance:** overseeing the Group's governance framework, including key policies and documents, and process for making timely and balanced disclosure of material information;
- **Audit, risk and compliance:** overseeing the Group's risk and compliance management framework, internal audit function, internal control framework, compliance with legal and regulatory requirements and the integrity of the Group's accounting and corporate reporting systems; and
- **Financial:** overseeing the operational and financial position and performance of the Group and approving the Group's annual report, distributions to Securityholders, market guidance, annual budget, major capital expenditure, funding strategy, borrowing limits and Treasury Management Policy.

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. In carrying out their responsibilities, the EMT is to have due regard to the Group's values, risk management framework, budget and policies approved by the Board.

The Board has approved a Delegations of Authority Policy, which specifies the authority delegated to the EMT and other employees to make certain decisions on behalf of the Group in the course of their day to day roles and the implementation of the Group's strategy.

The EMT is also responsible for providing the Board with accurate, timely and transparent information to enable the Board to perform its role and responsibilities effectively.

## 1.2 Appointment and re-election of Directors

The Nomination, Remuneration and HR Committee oversees the recruitment and appointment of directors. Details of this Committee are set out in section 2.1.

Appropriate checks are undertaken before a new candidate is recommended to the Board for appointment. These include checks as to the candidate's experience, educational qualifications, character, criminal record and bankruptcy history. In addition, background checks are also undertaken in relation to senior executives before they are appointed.

The Company provides all Securityholders who are entitled to attend and vote at the Annual General Meeting (**AGM**) with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director including:

- relevant qualifications, experience, other material directorships and the skills each Director brings to the Board;
- a statement by the Board as to whether it supports the election or re-election of the candidate and a summary of the reasons why; and
- eligibility for election or re-election based on the election rules of the Company's Constitution.

## 1.3 Written agreements with Directors

All Non-executive Directors have entered into letters of appointments personally with the Company governing their appointment which include:

- expectations in relation to the attendance of Board and Committee meetings and time commitment;
- procedures in relation to potential and actual conflicts of interests and the requirement to disclose any matter that could affect their independence;
- ability to access independent advice (at the Group's expense); and
- ongoing confidentiality obligations.

The Managing Director and all other EMT members have entered into formal employment agreements personally, which set out the terms of their employment.

## 1.4 Role of the Company Secretary

The Company Secretary is directly accountable to the Board (via the Chairman) in relation to corporate governance and the proper functioning of the Board and each Committee. The Company Secretary is responsible for ensuring the smooth running of the Board and its Committees, advising the Board on governance matters and overseeing and maintaining the Group's corporate governance framework. All Directors have access to the Company Secretary.

## 1.5 Diversity

Growthpoint is committed to promoting diversity and inclusion at all levels of its business, which is reflected in the Group's values, including the values of respect and inclusion. A diverse and inclusive workplace contributes to Growthpoint's business success by assisting the Group to attract, motivate and retain a diverse workforce, understand and build relationships with Securityholders, tenants, suppliers and other key stakeholders and foster creativity and innovation.

During the Reporting Period, Growthpoint continued to make progress across its business in support of its two diversity objectives set out in its Diversity Policy, being to:

1. monitor, maintain and achieve the measurable gender diversity targets set by Growthpoint's Board, subject to business circumstances, recruitment opportunities arising and our desire to appoint the best candidate; and
2. promote and support a diverse and inclusive culture where employees are respected and feel that they can be authentic.

In accordance with the Group's Diversity Policy, the Board, on recommendation of the Nomination, Remuneration and HR Committee, set new measurable gender diversity targets that apply from 1 July 2020 to 30 June 2023. The table below summarises the Group's new gender diversity targets and the progress made towards achieving those targets in the Reporting Period.

### Gender diversity targets during the Reporting Period

### Progress made during the Reporting Period

- |  |  |
|--|--|
| <b>1. To have at least 30% of directors of each gender on the Board by 30 June 2023 where reasonably possible, having regard to business circumstances, vacancies arising, the Group's desire to appoint the best candidate and the need to maintain an appropriate mix of skills, experience and expertise on the Board.</b>  | As at 30 June 2021, 25% of directors on the Board are female. The gender composition of the Board remains unchanged following the departure of Maxine Brenner on 30 November 2020, and the appointment of Deborah Page with effect from 1 March 2021. Achievement of the 30% target will be considered as part of our overall succession planning. |
| <b>2. To maintain at least one female in the EMT and to consider at least one female candidate for any new appointments to the EMT where reasonably possible, having regard to business circumstances, recruitment opportunities arising, the Group's desire to appoint the best candidate and the need to maintain an appropriate mix of skills, experience and expertise on the EMT.</b> | There has been a female member of the EMT since April 2018. There were no new appointments to the EMT during the Reporting Period.   |

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**3. To maintain at least 40% of employees of each gender in the Group's workforce generally.**

As at 30 June 2021, our employees<sup>1</sup> comprised 51.5% men and 48.5% women, sitting well above our target. There were 5 new employees<sup>2</sup> who commenced employment with the Group during the Reporting Period of which 2 were female (40%). In addition, 44.5% of our senior managers<sup>3</sup> were female.

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Growthpoint will report on continued progress of these objectives in its future Corporate Governance Statements.

Growthpoint's diversity statistics as at 30 June 2021 for its Board, EMT, senior managers, professional and support staff are set out on pages 36 to 38 of the Group's FY21 Sustainability Report.

Growthpoint also made good progress against its second diversity objective during the Reporting Period:

| <b>Diversity objective</b>  | <b>Progress made during the Reporting Period</b>   |
|---|--|
| <b>Promote and support a diverse and inclusive culture where employees are respected and feel that they can be authentic.</b> | <p>Maintained high employee engagement and alignment scores in top quartile of the benchmark group in the Group's annual employee engagement survey, including 86% of employees indicating that they are proud to be working at Growthpoint and believe that Growthpoint respects individuals and values their differences.</p> <p>Annual compulsory training for all employees on our Code of Conduct and workplace behaviour, facilitated by the People &amp; Culture Manager and an external law firm.</p> <p>Continued to support flexible workplace arrangements and generous paid parental leave benefits.</p> <p>All recruitment and promotions were based on merit, performance and capability and fair employment practices.</p> <p>Benchmarked salary of all positions against similar positions in market. Salary bands created to enable fair and equitable decision making.</p> <p>Staff conference facilitated by a leadership consultant which encouraged all employees' participation on the future of the business.</p> |

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Growthpoint's Diversity Policy is available at: <https://growthpoint.com.au/corporate-governance>.

## 1.6 Board performance reviews

The Nomination, Remuneration and HR Committee oversees the Board performance evaluation programme. The evaluation process is to be undertaken periodically and considers the performance of the Board, its Committees, the Chairman and individual Directors.

The review generally involves questionnaires, individual Director interviews and feedback. The results of the review are presented to the Board and issues that emerge from the review are discussed by the Board and actions identified.

The Board performance evaluation that would typically have commenced by the date of this statement has been deferred until later this calendar year to give Mrs Deborah Page, as a newly appointed director, an opportunity to observe the Board's operations.

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<sup>1</sup> Excludes casual employees.

<sup>2</sup> Excludes casual employees.

<sup>3</sup> Employees that report to an EMT member, excluding assistants

## 1.7 Senior executive performance reviews

The Group has a process for periodically evaluating the performance of the Managing Director and other members of the EMT. The Managing Director's performance is reviewed annually by the Nomination, Remuneration and HR Committee. The performance of the other EMT members is reviewed annually by the Managing Director with feedback from the Board.

Details of the performance criteria against which the Managing Director and other EMT members were assessed for FY21 are set out on page 43 of the FY21 Remuneration Report that forms part of the Group's Annual Report (**FY21 Remuneration Report**).

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## Principle 2 – Structure the Board to be effective and add value

### 2.1 Nomination, Remuneration and HR Committee

The Board has established a Nomination, Remuneration and HR Committee, which comprises four members, all of whom are Non-executive Directors and two of which are independent Directors.

The Chair of the Committee, Mr Norbert Sasse, and Committee member, Mr Francois Marais, are respectively the Group CEO and the independent Chairman of the Group's major Securityholder, Growthpoint Properties Limited, and are therefore not deemed to be independent Directors.

The Board has determined that the appointment of these Directors to the Committee is appropriate having regard to the following:

- the reason for Messrs Sasse and Marais not being deemed to be independent (due to their roles with Growthpoint Properties Limited) is unlikely to have any adverse impact, from Securityholders' perspective, on their roles in recommending and determining remuneration;
- it is in the interests of Growthpoint Properties Limited to ensure that the Group's executives are remunerated appropriately and in a manner that maximises Securityholder value, which aligns with the interests of Securityholders generally; and
- half of the Committee comprises independent Directors, including the independent Chairman of the Board.

The Committee operates under a Charter approved by the Board, which is available on Growthpoint's website at: <https://growthpoint.com.au/corporate-governance>.

The Committee's key responsibilities in terms of nomination include reviewing and making recommendations to the Board in relation to:

- the skills, performance and succession of the Board;
- appropriate candidates for appointment and re-election to the Board;
- the training and development of Directors to ensure that Directors have access to appropriate training and development opportunities that support the work of the Board; and
- the succession of the Managing Director.

No member of the Committee participates in the review of their own performance or nomination for re-election.

The Committee also has responsibilities in relation to remuneration, which are outlined in section 8.1 of this statement.

The Committee has access to employees and information, can investigate any activity within the terms of its Charter and may seek legal or other professional advice.

The Committee met seven times during the Reporting Period and each Committee member attended every meeting. Please refer to pages 32, 33 and 58 of the Group's FY21 Annual Report for further details of the Committee members, including their relevant experience, other directorships and attendance at Committee meetings.

## 2.2 Board skills matrix

The Board has adopted a skills matrix to ensure that its Directors have an appropriate mix of skills, experience and expertise to enable the Board to discharge its responsibilities.

Being a property company, the Board has expressed a particular desire to ensure it comprises a sufficient number of directors with Australian commercial property knowledge and experience. The Board is eager to ensure that where Board members are replaced, the Board's property experience is not diminished.

The following table outlines the current mix of skills represented on the Board. The Board has a strong and diverse collective skill set and experience across a range of subject matters and considers that the current mix of skills is appropriate for the Group.

| Skills category                    | Description of the required skill  | No. of directors |
|------------------------------------|--|------------------|
| <b>Real estate/property</b>        | <ul style="list-style-type: none"> <li>Property experience and knowledge of the Australian commercial property market in one or more of the following areas: property acquisitions/investments and disposals, property valuations, asset or property management, leasing and development; or</li> <li>Current or former executive role in a REIT or a large real estate organisation.</li> </ul> | 6/8              |
| <b>Funds Management</b>            | <ul style="list-style-type: none"> <li>Experience in, and knowledge of, the management of third party funds.</li> </ul>  | 6/8              |
| <b>M&amp;A and Capital Markets</b> | <ul style="list-style-type: none"> <li>Experience with M&amp;A transactions and capital management strategies including capital partnerships, capital raisings and debt financings; or</li> <li>Current or former role in investment banking or corporate advisory.</li> </ul>   | 7/8              |
| <b>Financial Acumen</b>            | <ul style="list-style-type: none"> <li>Experience in auditing or accounting, as a CFO of a listed company or equivalent or in a senior role in the finance industry or relevant qualifications; or</li> <li>Experience in financial reporting, corporate finance or debt management or a having good understanding of financial drivers/funding.</li> </ul>                                      | 6/8              |
| <b>Strategic Planning</b>          | <ul style="list-style-type: none"> <li>Experience in developing and successfully implementing strategic plans and objectives to achieve the goals of an organisation.</li> </ul>   | 8/8              |
| <b>Listed</b>                      | <ul style="list-style-type: none"> <li>Experience at a board or executive level with a listed organisation(s) in Australia or international equivalent, and an understanding of the Australian listed entity regulatory regime and the responsibilities of officers.</li> </ul>  | 8/8              |
| <b>Risk, Legal and Governance</b>  | <ul style="list-style-type: none"> <li>Experience in managing key areas of risk to an organisation, monitoring risk management frameworks or managing the legal and regulatory affairs of an organisation; and</li> <li>Experience in governance structures and standards of a listed company or a large organisation.</li> </ul>  | 8/8              |
| <b>Remuneration and people</b>     | <ul style="list-style-type: none"> <li>Experience in relation to remuneration frameworks and setting management performance goals, managing people and influencing a positive organisational culture.</li> </ul>   | 8/8              |

## 2.3 Director independence and tenure

The Board's Charter requires that the independence of each Non-executive Director is assessed by the Board prior to appointment and then annually. 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 Principles.

The Directors, their appointment date and those assessed by the Board as independent are as follows:

- Mr Estienne De Klerk – 5 August 2009
- Mr Grant Jackson – 5 August 2009, Independent Non-executive Director
- Mr Francois Marais – 5 August 2009
- Mr Norbert Sasse – 5 August 2009
- Mr Timothy Collyer – 12 July 2010
- Mr Geoffrey Tomlinson – 1 September 2013, Independent Non-executive Chairman
- Mrs Josephine Sukkar AM – 1 October 2017, Independent Non-executive Director
- Mrs Deborah Page AM – 1 March 2021, Independent Non-executive Director

Mr Grant Jackson joined the Group as an independent Non-executive Director in 2009 and was last re-elected at the Group's 2020 AGM. As indicated at the 2020 AGM, he intends for this to be his last term on the Board. The Board will use the balance of his three-year term to find a suitable replacement for Mr Jackson to facilitate an orderly succession.

The Board is satisfied that the length of his service as a Director will not interfere, or will not reasonably be seen to interfere, with his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Group and its Securityholders. In reaching this conclusion, the Board considers that Mr Jackson has retained independence of thought, character and judgement throughout his time on the Board.

## 2.4 Independent Directors

The Board currently comprises seven Non-executive Directors and one Executive Director. As noted in section 2.3 of this statement above, four of the Non-executive Directors are considered independent.

Of the three Non-executive Directors who are deemed not independent, Mr Francois Marais is the independent Chairman of the Board, Mr Norbert Sasse is the Group CEO and Mr Estienne de Klerk is the CEO (South Africa) of the Group's major Securityholder, Growthpoint Properties Limited. While not having a majority of independent Directors, the Board has determined that the appointment of these Directors is appropriate having regard to the following:

- the Board consists of four independent Directors, including the independent Chairman of the Board, which, although falling short of a majority, brings a sufficient level of objectivity to Board decisions;
- the reason for Messrs Marais, Sasse and de Klerk not being deemed independent (due to their roles with Growthpoint Properties Limited) is unlikely to have an adverse impact, from Securityholders' perspective, on their roles as directors governing the Group on behalf of all Securityholders; and
- it is in the interests of Growthpoint Properties Limited to ensure that the Group is being governed in a manner that maximises Securityholder value, which aligns with the interests of all Securityholders generally.

## 2.5 Chairman independence

The Chairman, Mr Geoffrey Tomlinson, is an independent Director and the role of chief executive officer is fulfilled by the Managing Director, Mr Timothy Collyer.

## 2.6 Induction and professional development of Directors

Any new Director appointed to the Board is provided with an induction, primarily in relation to the Group's structure, key policies and governance documents, compliance and risk management framework and business operations. Meetings with key senior executives to gain an understanding of the Group's business operations, history, culture and key risks are also arranged.

The Nomination, Remuneration and HR Committee is responsible for periodically reviewing the professional development needs of Directors to ensure that the Board maintains the skills and knowledge required to perform its role effectively. In the Reporting Period, the Board received presentations and updates in areas relevant to the Group's business operations and on material developments in laws and regulations and the industry generally.

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## Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

### 3.1 Values

Growthpoint has adopted the following set of values, which were developed by the Group's employees in June 2019. Growthpoint's values, in addition to its policies and Code of Conduct, assist in guiding appropriate workplace culture and behaviour.



Respect



Success



Inclusion



Integrity



Fun

### 3.2 Code of Conduct

Growthpoint is committed to the highest level of integrity and ethical standards in all of its business practices and has in place a Code of Conduct (**Code**) which outlines the standards of conduct and professional behaviour expected of all Directors, senior executives and employees (including temporary employees and contractors) of the Group.

The key values underpinning the Code are as follows:

- our actions must be governed by the highest standards of integrity and fairness;
- our decisions must be made in accordance with the spirit and letter of applicable law; and
- our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of Securityholders, employees and other stakeholders.

The Code also reinforces the requirement for compliance with the Group's policies, including in relation to conflicts of interest, privacy, anti-discrimination and equal employment opportunity, continuous disclosure and securities trading, and all applicable laws and regulations. Employees received a refresher training session on the Code during the Reporting Period.

Any material breaches of the Code will be reported to the Nomination, Remuneration and HR Committee, along with any steps taken to address the breach. Any significant incidents will also be reported to the Board.

The Code is available on Growthpoint's website at: <https://growthpoint.com.au/corporate-governance>.

### 3.3 Whistleblower Policy

Growthpoint encourages its employees, Directors, suppliers and other eligible whistleblowers to report any misconduct, fraud or inappropriate behaviour in the workplace without fear of detriment or reprisal. Growthpoint offers eligible whistleblowers internal and external reporting channels including through an externally hosted service where reports may be made anonymously.

Growthpoint has a Whistleblower Policy which is available on our website at: <https://growthpoint.com.au/corporate-governance>.

The Audit, Risk and Compliance Committee will be informed of any incidents reported under the policy. Any material incidents will also be reported to the Board.

### 3.4 Anti-Bribery and Corruption Policy

Growthpoint does not tolerate any form of fraud, bribery or corruption by its employees and officers.

Growthpoint has an Anti-Bribery and Corruption Policy which is available on our website at:

<https://growthpoint.com.au/corporate-governance>.

The Audit, Risk and Compliance Committee will be informed of any breaches of this policy. Any material breaches will also be reported to the Board.

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## Principle 4 – Safeguard the integrity of corporate reports

### 4.1 Audit, Risk and Compliance Committee

The Board has established an Audit, Risk and Compliance Committee, which comprises four members, all of whom are Non-executive Directors and the majority of whom are independent Directors.

The Chair of the Committee, Mrs Deborah Page, is an independent Director and is not the Chairman of the Board. All Committee members are financially literate. The Committee also has members with relevant financial or accounting experience and a significant understanding of the Group's business. Please refer to pages 32 and 33 of the Group's FY21 Annual Report for more details in relation to the qualifications and experience of the Committee's members.

The Board has adopted a formal Charter for the Committee, which is available on the Group's website at:

<https://growthpoint.com.au/corporate-governance>.

The Committee is responsible for monitoring:

- the financial statements, financial reports, annual report and half year report for the Group;
- the external auditor's role, remuneration, independence and performance; and
- the effectiveness and performance of the Group's internal controls.

The Committee also has responsibilities in terms of risk management, which are outlined in section 7.1 of this statement.

The Committee:

- has access to employees, officers and the external auditors without management being present;
- can investigate any activity within the terms of its Charter; and
- may seek the advice of the external auditors and legal advisers of the Group and engage independent advisers with the prior approval of the Board or the Chairman.

The Committee meets quarterly and each member attended every Committee meeting held in FY21. Please refer to page 58 of the FY21 Remuneration Report for further details.

### 4.2 Managing Director and Chief Financial Officer Declarations

Prior to the approval of the Group's financial statements for the half year and full year reporting periods, the Board receives from each of the Managing Director (being the person who performs the chief executive function) and the Chief Financial Officer a declaration in accordance with section 295A of the *Corporations Act 2001* (Cth) (the **Act**) and the ASX Principles.

### 4.3 Verification of periodic corporate reports

All periodic corporate reports that are not subject to audit or external auditor review, including the Group's annual and half year reports (excluding financial reports), quarterly investor updates, annual results

presentations, property compendiums, sustainability reports and this Corporate Governance Statement, are subject to verification by employees with responsibility for the relevant subject area.

All documents released to the ASX are subject to:

- final review by the relevant EMT members; and
- the approval of the designated EMT members or the Board in accordance with the Group's Continuous Disclosure Policy.

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## Principle 5 – Make timely and balanced disclosure

### 5.1 Continuous Disclosure Policy

Growthpoint is committed to ensuring that its Securityholders and market participants have access to material information concerning the operations of the Group, and that its market announcements are timely, accurate, balanced and expressed in an objective manner that allows investors to assess the impact of the information when making investment decisions.

During the Reporting Period, Growthpoint adopted a revised Continuous Disclosure Policy, which outlines the roles and responsibilities of Growthpoint's directors, officers and employees in complying with the Group's continuous disclosure obligations under the Act and the ASX Listing Rules. Employees received training on continuous disclosure obligations and the revised policy during the Reporting Period.

Growthpoint has formed a Continuous Disclosure Committee, comprising the EMT members, which consider operational matters, material transactions and business initiatives and to identify upcoming ASX announcements and media releases. The responsibilities of the Committee include:

- monitoring Growthpoint's business activities and ensuring there are appropriate reporting channels in place to bring market sensitive information to the Committee's attention;
- reviewing potentially market sensitive information and determining whether it is required to be disclosed to the ASX;
- coordinating the form of disclosure and ensuring that announcements are properly verified and approved in accordance with the policy; and
- reporting and making recommendations to the Board with respect to continuous disclosure.

The revised Continuous Disclosure Policy is available on Growthpoint's website at:

<https://growthpoint.com.au/corporate-governance>.

### 5.2 Material market announcements

The Directors receive copies of all market announcements from the ASX at the time the announcements are released to ensure that the Board has timely visibility of the nature and quality of the information being disclosed and the frequency of such disclosures.

### 5.3 New and substantive investor or analyst presentations

Any new and substantive investor or analyst presentations are released to the ASX ahead of the presentations to ensure equality of information among investors, unless the presentation contains materially the same information as a presentation previously released to the ASX and no new market sensitive information is disclosed.

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## Principle 6 – Respect the rights of Securityholders

### 6.1 Growthpoint's website

Growthpoint is committed to providing Securityholders and other stakeholders with accessible and up to date information about the Group and its governance.

The Group's key corporate governance documents, including the Company and Trust's constitutions, the charters of the Board and its Committees and the Group's key policies, are available on the corporate governance page of Growthpoint's website at: <https://growthpoint.com.au/corporate-governance>.

Growthpoint's website also contains:

- information of each of its Directors and EMT;
- the Group's corporate structure and values;
- details of the Group's property portfolio and sustainability reports and achievements; and
- an investor centre which provides access to the Group's results, reports, presentations, events calendar, distributions and tax information, ASX announcements, security price performance against the ASX200 and ASX200 A-REIT index, analyst coverage details, frequently asked questions and a summary of the Group's history.

### 6.2 Investor relations program

Growthpoint's Investor Relations Manager coordinates an investor relations program to facilitate effective two-way communication with investors. The program includes:

- Growthpoint's AGM in November each year, which all Securityholders are encouraged to attend;
- an annual report published in August, a half year report published in February and quarterly investor updates, all of which are available on Growthpoint's website;
- a market briefing by management every six months following the release of the Group's annual and half year financial results. The market briefings are webcast live and management is available to answer questions raised by analysts and investors. Shortly after the briefing, the webcast is available on Growthpoint's website for replay;
- engagement with proxy advisers, including organisations that represent the Group's retail Securityholders; and
- investor presentations and meetings with investors across Australia and overseas. During the COVID-19 pandemic, the Group hosted virtual meetings with investors where appropriate or government restrictions on travel were in place.

Securityholders may also direct their enquiries, concerns or complaints to [investor.relations@growthpoint.com.au](mailto:investor.relations@growthpoint.com.au). Emails to this address are monitored by Growthpoint's investor relations team.

### 6.3 Participation at Securityholder meetings

Securityholders are entitled to participate in Growthpoint's AGM, which provides an opportunity for Securityholders to ask questions of, and express views to, the Board and management about the Group.

During the Reporting Period, due to the COVID-19 pandemic, the Group held its 2020 AGM virtually via an online meeting platform. To enable Securityholders to participate in the meeting, Securityholders could listen to a live webcast of the meeting, ask questions and submit their vote online in real time. Due to the ongoing impact of the COVID-19 pandemic, the form of Securityholder participation for the Group's 2021 AGM will be dependent on the government restrictions and legislation in place around the time of the AGM.

Securityholders may provide questions they would like addressed at the AGM via email prior to the meeting, with details of how to submit questions provided in the AGM notice of meeting.

The Group's external auditor is invited to attend all AGMs and is available to answer questions on the Group's financial statements and the conduct of the audit.

Securityholders who are not able to participate in the AGM in person may appoint proxies to represent them at the meeting. The AGM is recorded and available for viewing at any time on Growthpoint's website.

The Chairman's and Managing Director's addresses and the AGM presentation materials are released to the ASX ahead of the AGM and uploaded to the Group's website. Voting results on matters considered at the AGM are released to the ASX after the AGM and uploaded to the Group's website.

## 6.4 Resolutions by poll

All substantive resolutions at the AGM are decided by a poll rather than by a show of hands.

## 6.5 Electronic communications

Securityholders are encouraged to receive electronic communications from Growthpoint's security registry, including notices of AGMs and annual reports, to assist with Growthpoint's commitment to sustainability, as well as being more cost effective. Securityholders also have the option to send communications to Growthpoint and its security registry electronically.

Growthpoint's security register is managed by Computershare. Securityholders may update their communication preferences electronically on the Computershare website. Hard copy communications sent to Securityholders by Computershare include a website address that allows investors to submit online enquiries or update their details electronically. The contact page on the Group's website provides email addresses for contacting the Group and Computershare.

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# Principle 7 – Recognise and manage risk

## 7.1 Audit, Risk and Compliance Committee

As outlined in section 4.1 of this statement, the Board has established an Audit, Risk and Compliance Committee to assist with oversight of the Group's risk management framework. See section 4.1 for details of the Committee members and their attendance at Committee meetings during the Reporting Period.

The Committee's responsibilities in relation to risk management include:

- overseeing and reviewing the Group's risk management framework and internal control systems;
- monitoring the implementation by management of appropriate and adequate risk management controls and reporting systems; and
- overseeing reporting by management to the Board as to whether the Group's material risks are being effectively monitored and mitigated.

## 7.2 Risk Management Framework

Growthpoint recognises the importance of risk management across its entire business landscape and how a structured and cohesive approach to risk identification, assessment and management is a fundamental foundation of good corporate governance.

Growthpoint does not seek to eliminate all risk as this would remove opportunities as well as upside risk. Instead, Growthpoint seeks to effectively manage risk required to achieve its strategic objectives.

The Group's risk management framework includes an overarching Risk Management Framework Policy, which governs the Group's approach to identifying and managing risks and the roles and responsibilities within Growthpoint. This policy has procedures for considering, identifying and assessing relevant contemporary and emerging risks. The policy is reviewed annually to ensure that it continues to be sound and effective to identify and manage the Group's risks and was reviewed in the Reporting Period.

The Board and the Audit, Risk and Compliance Committee approve the Group's risk policies, strategies and framework. Management is responsible for the implementation of the Group's system of risk management and controls. Management reports to the Audit, Risk and Compliance Committee on a quarterly basis, and the Board on a semi-annual basis, regarding the Group's key risks and the effectiveness of the controls in place to manage those risks.

During the Reporting Period, the Board, with the assistance of the Audit, Risk and Compliance Committee, reviewed the Group's risk management framework and determined that it continues to be sound and the Group is operating with due regard to the risk appetite set by the Board from time to time in relation to specific initiatives or matters or through specific policies.

### 7.3 Internal audit function

Growthpoint has adopted an internal audit function comprising an internal resource and an external service provider, Deloitte, that was appointed by the Audit, Risk and Compliance Committee.

The internal audit function reports operationally to the Chief Operating Officer and functionally to the Audit, Risk and Compliance Committee.

The Partner-in-Charge from Deloitte has direct access to the Managing Director and the Chair of the Audit, Risk and Compliance Committee.

The Audit, Risk and Compliance Committee has approved a three-year internal audit plan which commenced in 2020.

The role of the internal audit function is to provide assurance to the Audit, Risk and Compliance Committee as to the effectiveness of the Group's processes for managing particular areas of risk and compliance. Internal audit recommendations made to the Audit, Risk and Compliance Committee are then addressed and implemented by management as appropriate.

### 7.4 Material exposure to environmental or social risks

As outlined in section 7.2 of this statement, the Group has in place a risk management framework which provides a structured and consistent approach in identifying and managing the Group's key risks.

As part of the semi-annual assessment of the Group's key risks and regular monitoring for any new emerging material risks, management considers whether the Group has any material exposure to environmental or social risks.

Please refer to pages 28 to 31 of the Group's FY21 Annual Report for the Group's material business risks and how it is managing those risks.

As noted in the FY21 Annual Report, climate change related risk is considered as part of the risk reviews undertaken by Growthpoint but is not considered to be a material risk that the Group faces. Modern slavery risk in the Group's supply chain has also been considered and overall is not considered to be material given the nature of the Group's business.

Please also refer to the Group's:

- FY21 Sustainability Report for details on Growthpoint's approach to sustainability and an update on the Group's progress in achieving its sustainability goals; and
- 2021 TCFD Statement for an overview of Growthpoint's approach to managing the risks and opportunities of climate change in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (**TCFD**).

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## Principle 8 – Remunerate fairly and responsibly

### 8.1 Nomination, Remuneration and HR Committee

As outlined in section 2.1 of this statement, the Board has established a Nomination, Remuneration and HR Committee to assist the Board in discharging its responsibilities in relation to human resources and remuneration matters. See section 2.1 for details of the Committee members and their attendance at Committee meetings during the Reporting Period.

The Committee's responsibilities include reviewing and making recommendations to the Board as required in relation to the:

- remuneration of Directors;
- remuneration packages awarded to the Managing Director and other key management personnel (including incentives and their performance);
- Managing Director's recommendations for the remuneration of the Group's other employees; and
- introduction of, and amendments to, any employee share plan established by the Group.

The Committee also oversees Growthpoint's remuneration framework, policies and practices generally.

### 8.2 Remuneration framework and policies

Growthpoint's remuneration framework is based on attracting and retaining suitably qualified and experienced Board members and employees in each respective role and tailored to encourage overall performance which is in the best interests of all Securityholders.

The FY21 Remuneration Report on pages 36 to 58 of the Group's FY21 Annual Report outlines the Group's remuneration framework, policies and practices (including the Minimum Securityholding Requirement) that were in place during the Reporting Period, and details the remuneration paid to Directors and executive Key Management Personnel for the Reporting Period.

### 8.3 Equity based remuneration scheme

The Group has in place an Employee Securities Plan (**Plan**) for all employees and the Managing Director. The Plan is designed to link employees' remuneration with the Group's long-term strategic objectives and financial performance.

Under the Group's Securities Trading Policy, officers and employees eligible to be granted securities as part of their remuneration are prohibited from entering into a transaction that effectively operates to hedge or limit the economic risk of securities allocated under the Plan during the period those securities remain unvested or subject to other restrictions under the terms of the Plan.

The Group's Securities Trading Policy is available on Growthpoint's website at:

<https://growthpoint.com.au/corporate-governance>.

## **FY21 Corporate Governance Statement**

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