



NOMINATION, REMUNERATION & HR COMMITTEE CHARTER

GROWTHPOINT PROPERTIES AUSTRALIA LIMITED

GROWTHPOINT PROPERTIES AUSTRALIA TRUST

Approved by the Board on: 17 August 2017

1. Introduction

The board of directors (**Board**) of Growthpoint Properties Australia Limited (**Company**) for itself and in its capacity as the responsible entity for the Growthpoint Properties Australia Trust (**Trust**) has constituted a Nomination, Remuneration and HR Committee (**Committee**).

This Charter (as amended by resolutions passed by the Board from time to time) sets out the specific responsibilities delegated or assigned by the Board to the Committee and details the manner in which the Committee will operate.

If the Company is appointed as responsible entity of any managed investments scheme or similar in addition to the Trust, this Charter applies as if references to “the Trust” were also to the other managed investment schemes unless a Board resolution provides otherwise.

2. Purpose

The purpose of the Committee is to:

- a) review the competence, expertise, performance, training, constitution and succession of the Board and individual directors and make any necessary recommendation to the Board;
- b) review the competence, expertise, performance and succession of the Chairman of the Board and make any necessary recommendation to the Board;
- c) identify appropriate individuals to become members and Chairman of the Board and make any necessary recommendation to the Board;
- d) ensure that the Board is comprised of individuals who are best able to discharge the responsibilities of directors, having regard to the law and the highest standards of governance;
- e) review the competence, expertise, performance, training and succession of the most senior executive of the Company (however titled), set appropriate KPI's and make any necessary recommendation to the Board;
- f) assist the Board discharge its responsibility with respect to the remuneration of the Company's directors and executive officers;
- g) ensure the Company attracts, retains and motivates high calibre management and other employees;
- h) assist the Board discharge its responsibility in relation to remuneration approval and reporting matters; and
- i) assist the Board discharge its responsibility in relation to human resources matters.



In carrying out its functions, the Committee will have due regard to the relevant provisions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and to the requirements or guidelines that may be promulgated or disseminated by any authority in any jurisdiction in which the Company's shares or the Trust's units, or those of its parent company, controlling shareholder or similar, are listed on a Stock Exchange, with a view to ensuring that the Company adheres to the highest standards of corporate governance.

3. Appointment

The Committee and its Chairman shall be appointed by the Board and shall serve for such terms as the Board may determine, or until their earlier resignation, death or removal by the Board. The total period of service of any one member should not exceed nine years and membership should be reviewed and re-approved every third year.

4. Membership

The Committee shall consist of not less than 3 members and comprising a majority of independent directors. None of the Company's employees shall be a member of the Committee.

5. Attendance at Meetings

The Company Secretary of the Company shall be the secretary of the Committee, however, if the Company Secretary is an employee of the Company he or she should regularly, and at the specific request of the Committee, absent himself or herself from meetings to ensure the Committee is able to consider relevant matters in the absence of management.

The Committee may invite employees and officers of the Company to attend meetings of the Committee from time to time.

6. Frequency of Meetings

The Committee shall meet with such frequency and at such intervals as it shall determine is necessary to carry out its duties and responsibilities, although meetings should be held not less frequently than four times per year. Notice of all meetings shall be given.

7. Authority

The Committee is authorised by the Board to:

- a) investigate, or cause to be investigated, any activity within its terms of reference;
- b) seek any information that it requires from any employee and all employees are directed to co-operate with any request made by the Committee; and
- c) obtain external legal or other professional advice and such advisors may attend meetings as necessary

8. Proceedings

The Committee may meet by telephone or video conference and may sign resolutions electronically.

Each member of the Committee shall have one vote. Two members, of whom one is an independent director, present shall constitute a quorum. The Committee shall be authorised to take any permitted action only by the affirmative vote of a majority of the Committee members present at any meetings at which a quorum is present or by the unanimous written (including by electronic means) consent of all of the Committee members.



A report on the proceedings of a meeting of the Committee shall be made at the next meeting of the Board. The Chair of the Committee retains the right to escalate/report any issue directly to the Board. The Committee shall maintain copies of minutes of each of its meetings and any resolutions reflecting the actions so authorised or taken by the Committee.

A member of the Committee shall not participate in the review of his or her own performance or the consideration of any recommendation in to the Board in relation to his or her own position.

9. Duties

The duties of the Committee in relation to **nominations** are to:

- a) when it considers appropriate, but in any event each time an existing non executive director retires, assess the collective skills of the Board and determine whether the Board, as a whole, has the skills required to competently discharge its duties;
- b) having regard to:
 - i. the skills required by the Board;
 - ii. the skills represented on the Board;
 - iii. the Board's aim of appointing some women to the Board (subject to suitable candidates being available),

implement a process for the identification of suitable candidates for recommendation to the Board for appointment to the Board which will ordinarily involve a search being undertaken by an appropriately qualified independent third party acting on a brief prepared by the Committee which identifies the skills and other characteristics (which could include location, gender and/or age) sought;

- c) establish, oversee and periodically evaluate the plan for the succession of the Chairman of the Company and make recommendations to the Board in relation to that plan;
- d) make recommendations to the Board on candidates it considers appropriate for appointment to the Board, as Chairman of the Company or as the most senior executive officer of the Company;
- e) inform the Board of the names of the directors who are shortly retiring in accordance with the Company's constitution, make enquiries with the person(s) to determine if they intend to stand for re-election and make recommendations to the Board as to whether the Board should support the re-nomination of the retiring director(s). In making any such recommendations, the Committee will review each retiring director's performance by whatever means it considers appropriate, including using external advisers and assessment of performance by peers and self;
- f) review and make recommendations to the Board in relation to 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
- g) establish, oversee and periodically evaluate a plan for the succession of the most senior executive officer of the Company and make recommendations to the Board in relation to that plan.

The duties of the Committee in relation to **remuneration** are to:

- a) recommend, for adoption by the Board, a remuneration package for the Chairman of the Board and the directors on a not less than annual basis.
- b) recommend, for adoption by the Board, a remuneration package, including bonus incentives and related key performance indicators, for the most senior executive officer and other key management personnel (as that term is defined by relevant accounting standards) of the Company both on appointment and on a not less than annual basis.



- c) review the most senior executive officer's recommendations for the remuneration packages, including bonus incentives and related key performance indicators, or other Company employees both on appointment and on a not less than annual basis.
- d) review the most senior executive officer's recommendations for any bonus payments which are in excess of that delegated to the most senior executive officer under the Company's "Delegations of Authority Policy". The Committee cannot approve payments which exceed the bonus pool approved by the Board without Board approval;
- e) make recommendations to the Board in relation to the introduction of, and amendments to, any employee share plan established by the Company;
- f) keep the Board informed as to any shareholder approvals required in respect of remuneration; and
- g) approve an annual remuneration report which contains information on the Company's remuneration policy, practices, attendance at and frequency of Committee meetings thereby recommending adoption of the report by the Board for inclusion of that report in the Company's annual report.

In carrying out the Committee's remuneration functions, the Committee shall have regard to the following objectives:

- a) provide competitive rewards to attract, motivate and retain highly skilled directors and management;
- b) apply demanding and measurable key performance indicators including financial and non-financial measures of performance;
- c) link rewards to the creation of value for securityholders; and
- d) limit severance payments on termination to pre-established contractual arrangements that do not commit the Company to making unjustified payments in the event of non-performance.

The duties of the Committee in relation to HR are to:

- a) ensure that the Company has appropriate policies and procedures in place in relation to human resource matters including in relation to equal employment opportunities and provide the Board with:
 - i. a regular report in relation to; and
 - ii. if requested by one or more Directors, copies of, any policies and/or procedures which are adopted.
- b) review, and make recommendations to the Board in relation to, any human resources policies reserved to the Board either by a resolution of the Board or the Committee which will include, but not be limited to, the Company's redundancy policy; and
- c) make recommendations to the Board from time to time to assist the Board in complying with its human resources obligations.

In addition, the Committee must review, at least annually, the adequacy of this Charter and the Committee's effectiveness and recommend any necessary changes to the Board.

10. Other

The Committee shall perform such other duties and responsibilities, consistent with this Charter and governing laws, as delegated by the Board.