

Modern Slavery Statement



2022

VER Limited (ACN 609 868 000) in its capacity as Responsible Entity of:
Waypoint REIT Trust (ARSN 613 146 464)
Waypoint REIT Limited (ACN 612 986 517)
Approved by the Board and effective 22 June 2023



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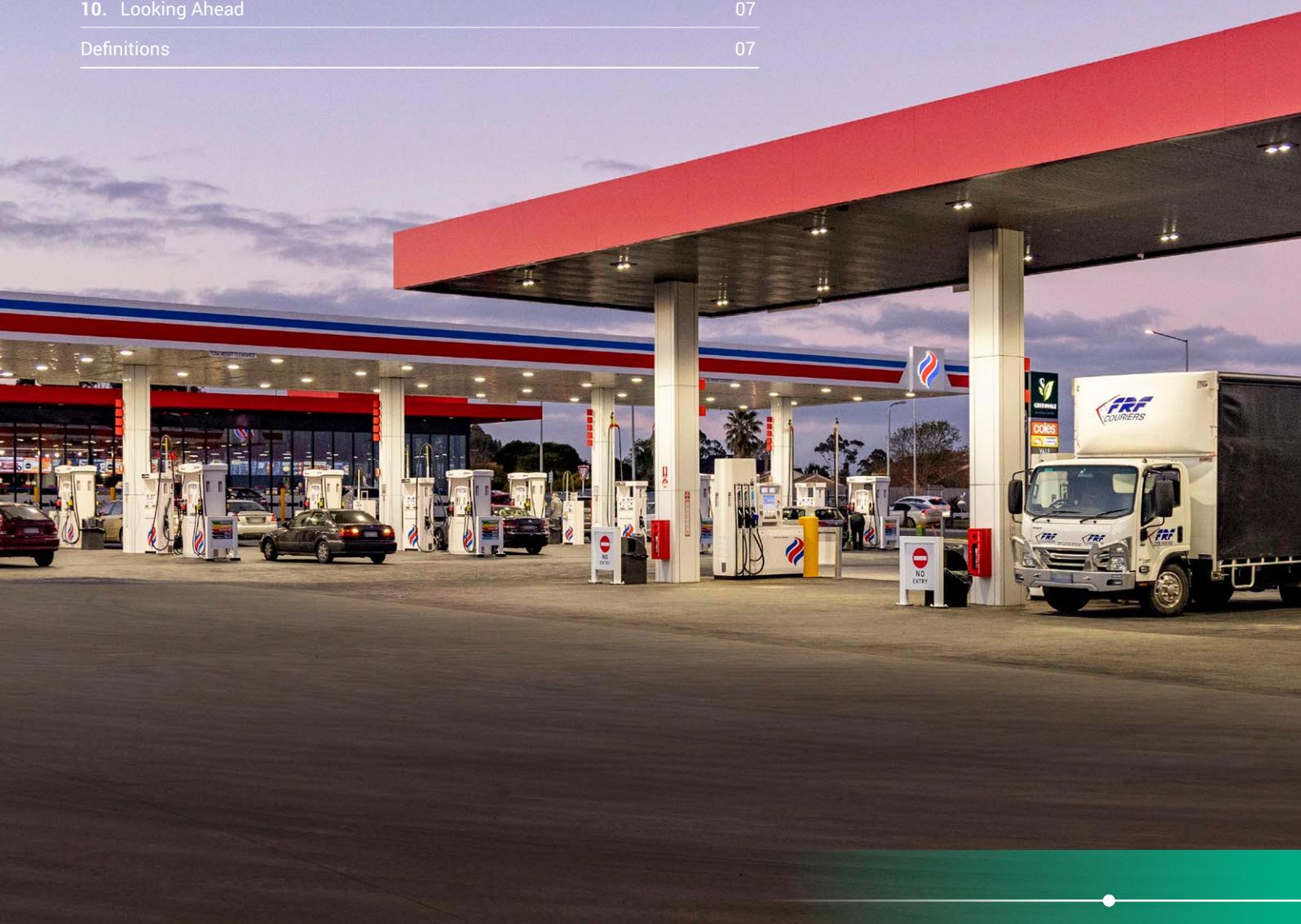


Image: Liberty Greenvale (VIC)

Cover image: Shell Coles Express Coomera (QLD)

MODERN SLAVERY STATEMENT

This Modern Slavery Statement (**Statement**) is prepared in accordance with the *Modern Slavery Act 2018 (Act)* for the financial year 1 January 2022 to 31 December 2022 (**FY22**).

This Statement is a joint Statement made on behalf of Waypoint REIT Limited ACN 612 986 517 (**Company**), VER Limited ACN 609 868 000 (**Responsible Entity**), for Waypoint REIT Trust ARSN 613 146 464 (**Trust**) and VER Custodian Pty Limited ACN 612 669 520 as trustee for VER Trust ABN 81 160 590 308 (together referred to as **Waypoint REIT** or the **Group**).

Each of the listed reporting entities has approved the preparation and publication of a joint Statement on their behalf, being

this Statement. The registered office of all reporting entities covered by this joint Statement is at Level 15, 720 Bourke Street, Docklands, Melbourne, VIC 3008.

This is our third annual Modern Slavery Statement, published in accordance with the Act. It details key activities in our FY22 program of work specific to the prevention of modern slavery in our business operations and supply chain. This Statement has been developed in consultation with senior management.

The identified risks and controls in place or actions taken apply to each of the above named entities.

1. Our Commitment

Waypoint REIT is committed to:

- operating our business in a way that is ethical, responsible and sustainable in the long term and in alignment with our values, strategy and the expectations of our employees, the communities in which we operate, and our external stakeholders;
- respecting and supporting the human rights of our employees where all individuals are treated with respect and dignity, can contribute fully, and have equal opportunities and flexible work arrangements; and
- ensuring it is a responsible and sustainable business and it supports the United Nations Sustainable Development Goals (**UN SDGs**) most relevant to the organisation. Our work to prevent modern slavery in our business operations and supply chain aligns to UN SDGs including 3 (good health and wellbeing), 5 (gender equality) and 16 (peace, justice and strong institutions).

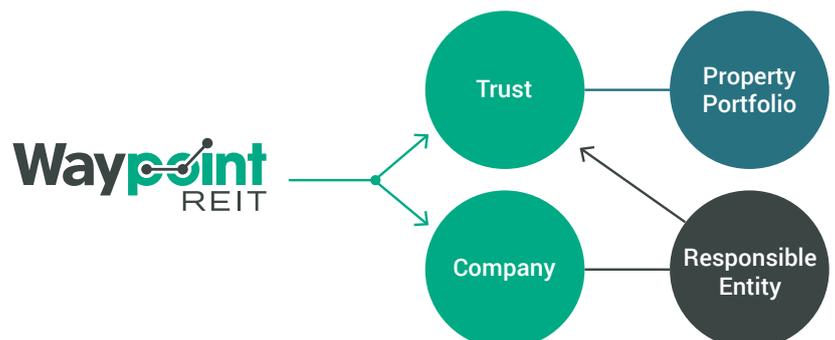
2. About Waypoint REIT

The Group is Australia's largest listed REIT owning solely fuel and convenience retail properties; it has a high-quality portfolio of strategically located sites across all Australian states and mainland territories. The Group's properties are typically subject to long-term leases with contracted rental escalations to tenants with strong financial credit profiles.

Waypoint REIT is a stapled entity comprising the Company and Trust. Each stapled security in Waypoint REIT comprises a share in the Company stapled to a unit in the Trust and trades on the Australian Securities Exchange (**ASX**) as a single security. The Company and Responsible Entity have separate Boards of Directors; however, the Company and Responsible Entity undertake a coordinated approach to the corporate governance of Waypoint REIT, including an integrated corporate governance framework, incorporating the management of modern slavery risks. Unless otherwise stated, references to Board in this document are references to the Board of the Company and the Board of the Responsible Entity. Each other company in the Group is a wholly owned subsidiary of the Company.

Structure

Waypoint REIT's ownership and corporate structure are summarised adjacent:



Background

Waypoint REIT listed on the ASX in August 2016, under the name Viva Energy REIT. Waypoint REIT's property portfolio at the time of listing comprised 425 fuel and convenience retail properties strategically located across all Australian states and mainland territories.

This initial property portfolio was acquired from Viva Energy Australia (VEA) through sale and lease back. VEA is one of Australia's leading energy companies with a 110-year history of operations in Australia, and supplies approximately one-quarter of Australia's downstream petroleum market, and has sole rights to the Shell brand for the sale of retail fuels in Australia.

As at 31 December 2022, the property portfolio comprises 402 sites with a weighted average lease expiry of 9.0 years, occupancy rate of 99.9% and 96% of total rental income generated from VEA.

3. Our Supply Chain

Due to the nature of Waypoint REIT's business and the limited operational interventions required of Waypoint REIT as a landlord of properties with predominantly triple net lease¹ terms in place, Waypoint REIT has a relatively small number of direct suppliers (fewer than 100). As the Group only operates in Australia, the majority of its tier 1 suppliers are also Australian. Waypoint REIT works closely with its key suppliers to ensure they adhere to high levels of professional and ethical standards.

In FY22, the Group procured \$8.5 million of goods and services, providing a diverse range of products and services that are grouped into the categories shown below:

Corporate Operations

\$5.4m annual spend

- Fewer than 80 suppliers – mostly Australian.
- Service providers include, among others: audit firms, law firms, registry managers, IT providers, specialist advisers, insurance brokers, environment specialists, ratings agencies, office/occupancy costs and tax experts.
- We develop long-term relationships with trusted suppliers that have proven to be reliable and professional business partners.

Property Management

\$2.7m annual spend

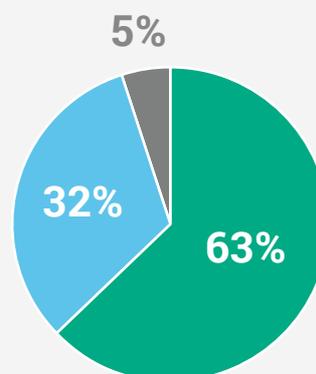
- The majority of the properties owned by Waypoint REIT are occupied by VEA. Operational control of these properties is retained by VEA. VEA is responsible for its own workforce and is responsible for the procurement of the daily maintenance services that keep the premises clean, safe and secure.
- Under a limited number of double net leases (representing 10% of Waypoint REIT's income), Waypoint REIT is responsible for the maintenance of the sites, which it outsources to a reputable third-party facilities management company. These service providers include, among others: facilities maintenance services, technical reviews/reports of assets, auction and real estate sales services and environmental consultancy. This category also includes amounts paid to councils and other organisations in relation to rates and taxes.
- Property assets located in Australia.

Development

\$0.4m annual spend

- Funding fund-through developments under contracts with a developer.

Annual Spend Categories



- Corporate Operations
- Property Management
- Development

1. Tenant is responsible for all outgoings related to the property including all repairs and maintenance (including structural repair and maintenance), rates, taxes, insurance and other direct property costs.

4. Modern Slavery Governance Framework

Board

The Board is responsible for overseeing Waypoint REIT's response to modern slavery risks and for the approval of this Modern Slavery Statement. The Board is comprised of the Managing Director and Chief Executive Officer (CEO) and four Non-Executive Independent Directors².

Audit and Risk Management Committee (ARMC) and Remuneration Committee

The ARMC reviews and recommends Waypoint REIT's Risk Management Framework, response to modern slavery risks and material strategic risks to the Board for approval, and reviews and monitors the implementation of policies and procedures for identifying, assessing, monitoring and managing risks. The Remuneration Committee reviews remuneration practices for employees and Directors.

Environmental, Social and Governance (ESG) Working Group

Waypoint REIT Operations

- Responsible for developing and implementing Waypoint REIT's approach for identifying and managing modern slavery risks in its own workforce.
- Waypoint REIT employs a small team of eight employees across functions including property management, finance, compliance and legal. All direct employees are paid in excess of the Australian minimum wage and are based in Australia.
- Waypoint REIT's team members are responsible for asset and property management, acquisitions, disposals, development and all of the corporate and compliance functions of an ASX-listed entity operating in the financial services sector under an Australian Financial Services Licence (AFSL).
- As the securities in Waypoint REIT are ASX-listed, the financial services provided by management are limited to general advisory only (i.e. by way of general announcements released on the ASX platform for access by all securityholders) and no individual private client advisory or asset management services are provided.

Waypoint REIT Supply Chain

- The ESG Working Group meets quarterly and is responsible for developing and implementing Waypoint REIT's approach for identifying, assessing and managing the risk of modern slavery in its operations and supply chain, monitoring progress against our modern slavery commitments (including managing reporting obligations) and identifying any emerging risks.
- The ESG Working Group reports directly to the Board.
- The ESG Working Group includes cross-functional representatives: the Chief Financial Officer, General Counsel, General Manager Property and the Financial Controller.

General Counsel

Responsible for receiving, investigating and leading the resolution of grievances relating to modern slavery in Waypoint REIT's operations and supply chain (including anonymous disclosures made in accordance with Waypoint REIT's Whistleblower Policy).

The General Counsel reports to the Managing Director and CEO and separately to the Waypoint REIT Board.

2. An additional Non-Executive Independent Director, Susan MacDonald, was appointed on 1 May 2022.

Waypoint REIT has an established set of standards, policies and due diligence procedures to help guide how we treat our employees and contingent workers (consultants, contractors and managed services), and how we work with our tenants, suppliers and communities in which we operate. These documents reflect Waypoint REIT's approach to respecting human rights, our ethics and values, and guide our decision-making across our business operations and supply chain. We continually review and develop our policies with input from in-house experts and external stakeholders.

Key supporting policies and guidelines include but are not limited to:

- **Corporate Governance Statement:** Details our approach to achieving and demonstrating high standards of corporate governance and accountability for our actions.
- **Human Rights Policy:** States our commitment and approach to respecting human rights and to managing our operations and investments in line with the UN SDGs and the Act.
- **Supplier Code of Conduct:** Sets out the rules and standards to which we expect each of our suppliers to adhere to. This Code includes avoiding, not causing or contributing to, adverse human rights impacts. This Code is issued to new and existing key suppliers.
- **Code of Conduct:** Further reiterates how we expect all our people including Directors, senior management, employees and third parties acting on our behalf to conduct themselves, providing a framework to guide our actions, support our culture, promote our values, encourage appropriate behaviour and build trust in each other. This includes making continuous efforts to ensure that our supply chain is free from modern slavery and human trafficking.
- **Anti-Bribery and Corruption and Anti-Terrorism Financing Policy:** Our robust anti-bribery and corruption and counter-terrorist financing regime is designed to help prevent the commission of financial crime and the movement of money that has been derived from crime (including crimes relating to modern slavery). This applies to all our consultants, contractors, Directors and employees, as well as associated third parties such as suppliers, and sets out rules with regard to minimising risks of bribery and corruption. This includes a third-party on-boarding process and the undertaking of third-party due diligence measures.
- **Diversity Policy:** We recognise and value the differences that make each of us unique. We are passionate that all people should feel empowered and be respected.
- **Work, Health and Safety (WH&S) Framework:** Outlines our commitment to operating harm-free environments through maintaining high work, health and safety standards and performance across our activities.
- **Whistleblower Policy:** The purpose of this program is to encourage people to raise concerns in relation to improper conduct (including any instance or suspicion of modern slavery) as soon as possible and for them to be protected if they do in accordance with our Whistleblower Policy. The confidential reporting service is managed by an independent third party, Stopline, and accessibility is tested by Waypoint REIT annually. Stopline is provided for use by employees, ex-employees, past and present contractors and suppliers, and close family members and dependants of these groups. All complaints are investigated in a fair and objective manner, including the involvement of external parties where appropriate.

Most of these policies are available in the Corporate Governance section of Waypoint REIT's website at www.waypointreit.com.au/investors.

5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations

Waypoint REIT, via an internal risk mapping exercise, has assessed the risk of modern slavery in Waypoint REIT operations as negligible to none. Our employees are skilled professionals operating exclusively in Australia. There is no direct exposure to child labour, forced labour, or any other modern slavery key risk areas.

Waypoint REIT's approach to human rights in its operations focuses on confirming individuals' rights to work in Australia and maintaining a safe, healthy and inclusive workplace.

Given the small size of the team, the Board has the unique opportunity to interact with the majority of employees directly in some capacity during the year. In addition, all team members have direct access to the Managing Director and CEO and any issues or concerns individuals may have can be discussed directly with the Managing Director and CEO. Team member safety and wellbeing is of the highest importance at Waypoint REIT.

During FY22, the following steps have been taken to address modern slavery:

- Continued to build an inclusive and diverse workplace that is free from discrimination, bullying and harassment, and that offers equal opportunity in career advancement.
- Provided flexible work practices enabling all employees to enjoy the right to family, recreation and work-life balance as per Waypoint REIT's **Flexible Working Policy** and **Parental Leave Policy**. Flexible working from home practices is the 'new normal' throughout 2022 following the more stringent COVID-19 restrictions of prior years. Team members have flexibility to structure their work commitments around their personal and family commitments resulting in a high workforce job satisfaction and retention rate.
- Continued promoting employee health and wellbeing by providing employees with the opportunity for an annual health check and Employee Assistance Program, which may be accessed when required. A **Health and Wellbeing Policy** provides all employees with the opportunity to undertake annual health checks. Benefits are applied to all permanent employees (full time and part time). In addition, we conducted WHS&E training with all employees. Employees of Waypoint REIT had no work-related injuries in 2022.
- Updated our **WH&S Governance Framework** and undertook a psychological risk assessment and established a psychological risk register. Waypoint REIT did not receive any environmental infringements or notices from environmental regulators in 2022.
- All employees completed mandatory compliance training, including a tailored modern slavery awareness e-learning module, Code of Conduct, Anti-Bribery and Corruption and Anti-Terrorism Financing Policy, Diversity Policy, Human Rights Policy and Whistleblower Policy to raise awareness among employees and support them to identify instances of where it can occur, the types of vulnerable people it impacts and how to report modern slavery risks in our direct operations and supply chain.

- Reviewed and updated modern slavery considerations previously embedded as part of the annual policy review for the Code of Conduct, Anti-Bribery and Corruption and Anti-Terrorism Financing Policy, Human Rights Policy and Whistleblower Policy, and appropriately enhanced remediation processes that support those policies.
- Made charitable contributions under the **Charitable Giving Policy**.

All Waypoint REIT employees earn wages above Australian legal minimum requirements, are based in Australia and are free to associate and enter into collective bargaining agreements. None of Waypoint REIT's employees are employed under collective bargaining agreements.

Refer to the Remuneration Report in the 2022 Annual Report for further details www.waypointreit.com.au/investors.

6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain

Based on our internal risk mapping exercise conducted, we consider people in our supply chain to be at higher risk of modern slavery practices than our direct employees, and are aware of the following risk factors across our supply chain:

- use of low-skilled, contract and/or migrant labour;
- subcontracting and use of third-party labour hire agencies;
- the procurement of some imported construction materials, supplies or building equipment (where modern slavery may have been involved in their manufacture);
- outsourcing of operations by suppliers to countries with weak or opaque commitments to human rights; and
- cost competitiveness of suppliers tendering for construction projects.

Materiality Guidelines

Based on this understanding of modern slavery risk factors, our supply chain risk assessment established the following materiality guidelines:

- companies operating in high-risk industries; and
- companies with a spend threshold deemed significant; and/or
- any 'red-flags' identified from a review of the supplier's modern slavery statement.

Our top 12 suppliers³ represent 61% of our annual supply chain spend. Of those 12 suppliers:

- nine were professional advisory services located in Australia – deemed low risk for modern slavery risks based on location and industry, however we conducted a review of eight Modern Slavery Statements and no concerns were identified; and
- of the remaining three suppliers, two were selected as higher risk and were subject to additional investigations including annual modern slavery questionnaires and engagement to ensure that the selected suppliers were aware of Waypoint REIT's Code of Conduct, Human Rights Policy and Supplier Code of Conduct.

3. Excludes councils and other organisations paid in relation to rates and taxes.

During FY22, we updated our procurement policies and protocols to help identify, prevent and mitigate modern slavery risk factors during the supplier selection process, which includes a structured approval processes and documentation. In FY22, 100% of all suppliers selected or contracted were subject to due diligence screening, the screening process includes a desk-top assessment around ESG matters and country and sector specific risks. In addition, all key suppliers are subject to annual compliance health checks.

In FY22, the Supplier Code of Conduct was modified to include a specific prohibition around instances of child labour in accordance with the International Labour Organisation's (ILO) Minimum Age Convention, forced or compulsory labour in accordance with the ILO Forced Labour Convention or other forms of modern slavery.

The majority of the properties owned by Waypoint REIT are occupied by VEA and operational control of these properties is retained by VEA. VEA is responsible for its own workforce and is responsible for the procurement of the daily maintenance services that keep the premises clean, safe and secure. In FY22, as VEA is a key stakeholder we reviewed the VEA's published Modern Slavery Statement in conjunction with our own understanding of VEA's operations, which showed a level of diligence that provided confidence in the key stakeholder's management of modern slavery risks.

We did not identify any modern slavery practices either in our operations or in our supply chain during FY22. However, our focus in FY22 was predominantly at the tier 1 level. We acknowledge that there is potential for modern slavery practices to be occurring further down in some sectors of our supply chain that typically carry higher risks of labour exploitation and that further analysis is required to assess this risk.

7. Incident Management and Remediation

We recognise our responsibility to provide or participate in the remediation of any identified human rights impact, including modern slavery, that we have directly caused or contributed towards.

If an aspect of the supply chain is misaligned to our expectations and remedial action does not bring the supply arrangement into alignment within a set timeframe, our intent would be to implement a transition plan to move away from that supplier.

Waypoint REIT has a Whistleblower Policy that includes safe, equitable and transparent grievance mechanisms available to stakeholders. Waypoint REIT's Whistleblower Policy was updated in FY22 and is an important part of promoting a culture that encourages speaking up in order to help identify issues before they escalate. Waypoint REIT also has a **Complaints Handling Policy** and program to facilitate any incident and remediation.

All grievances, incidents and concerns are required to be reported to the Board – there were no reports received during FY22. We acknowledge that this does not necessarily mean that modern slavery issues do not exist in our business and will continue to assess the effectiveness of our mechanisms for raising concerns.

8. Consultation with Subsidiary Entities

This Statement is reviewed by the ESG Working Group for content, the ARMC for internal controls, and ultimately approved by the Board. Our ESG Working Group was formed in December 2020 and met quarterly in FY22 to cover a range of themes, including to review modern slavery and human rights initiatives and identify opportunities for continued improvement in the way we operate and procure, within our own operations and supply chain.

During the reporting period this Statement covers, the ESG Working Group engaged and consulted with all companies owned by Waypoint REIT in the development of this Statement (VER Finco Pty Ltd and Waypoint Operations Pty Ltd). The ESG Working Group discussed details of the *Modern Slavery Act 2018*'s reporting requirements for the development of this Statement, information regarding modern slavery initiatives and identified opportunities for continued improvement in the way we operate, and procured and provided the ARMC and Board with relevant materials and updates. Given the entities are all 100% owned entities, a joint approach to modern slavery is implemented via the ESG Working Group.

9. Assessing Effectiveness

We are committed to measuring and monitoring our performance to improve the effectiveness of our modern slavery program, and in turn our position on human rights.

We assessed the effectiveness of our actions taken to address modern slavery risks in FY22 by tracking our progress of actions and outcomes, which included:

- annual review and continuous improvements to our governance documents;
- regularly reviewing our modern slavery approach conducted within the ESG Working Group, reporting to the ARMC and Board on our internal framework including policies and programs;
- elevation of our internal knowledge and understanding of the Modern Slavery Act and associated risks and tracking level of awareness of employees;
- continuing to benchmark our progress against industry peers;
- identifying all of our direct suppliers annually;
- including modern slavery provisions in relevant contracts;
- regular engagement with key suppliers and monitoring the number of high-risk suppliers, the corrective action plans implemented, and actions completed; and
- monitoring frequency and trends of whistleblowing channel and reporting any incidents to the Board.

Insights gathered from these measures inform our modern slavery strategy and the scope of work for the ESG Working Group. As we progress our continuous improvement program of work into FY23, we will mature our metrics in the areas of governance, due diligence and remediation, and education and awareness to track the effectiveness of our actions.



Image: Coles Express Brandon Park (VIC)

10. Looking Ahead

Our priorities for FY23 and beyond are:

Governance

- Review our policies and frameworks that address modern slavery on an annual basis, or more frequently as required. These reviews are overseen by the ESG Working Group, and ultimately the Board, to ensure that the reviews capture any amendments required to maintain the effectiveness of the relevant policies and frameworks.
- Review the Risk Management Framework in light of any new modern slavery risks identified.
- Review our Supplier Code of Conduct.
- Inclusion of human rights provisions into any new or revised supplier contracts.

Due diligence and remediation

- Ongoing engagement with our facilities managers on modern slavery issues, including confirmation that measures and initiatives are in place to mitigate the risk of modern slavery practices.
- Continue to regularly assess and identify the number of high-risk suppliers.
- Continue to implement an expectation for all key suppliers subject to the provisions of the Act, to provide a copy of their modern slavery statements annually.
- Continue risk assessment of our operations and supply chain including reviewing risks beyond tier 1.
- Continue to assess and monitor the risks in our operations and supply chain using our systems and tools outlined above.
- Continue to embed our responsible supply terms and conditions into new supplier contracts where reasonably practical to do so.
- Continue to review purchasing practices towards suppliers to ensure alignment with our Supplier Code of Conduct and to avoid potential conflicts with ESG requirements.

Education and awareness

- Continue to deliver training programs on modern slavery awareness and human rights and prevention to all Waypoint REIT Directors and employees and track level of awareness of employees.
- Continue to communicate our zero tolerance of modern slavery to all key suppliers, contractors and business partners at the outset of our business relationship with them and reinforce as appropriate thereafter.
- Continue to promote the Waypoint REIT grievance reporting service.
- Continue to review our key governance and procurement practices.
- Build on our risk assessment process and regularly review our Risk Management Framework as required.
- Update our WH&S Governance Framework as required.

This Statement is made pursuant to section 13(1) of the *Modern Slavery Act (Commonwealth) 2018*.

The Board of Waypoint REIT, the Responsible Entity and each Group Company has approved this Statement on behalf of itself and the other reporting entities covered by the Statement and has authorised it to be signed by Managing Director and CEO Hadyn Stephens.



Hadyn Stephens
Managing Director and CEO

Definitions

For the purpose of this Modern Slavery Statement, the following definitions apply:

Act means the *Modern Slavery Act 2018*.

AFSL means an Australian Financial Services Licence issued by ASIC under section 913B of the Corporations Act.

ASX means the Australian Securities Exchange Limited.

Board means the Board of the Company and the Board of the Responsible Entity.

Company means Waypoint REIT Limited ACN 612 986 517.

Employee means an employee of Waypoint REIT Limited or any of its wholly owned subsidiaries and includes full-time, part-time and fixed-term employees.

ESG means environmental, social and governance.

FY means Waypoint REIT financial year, being year end 31 December.

General Counsel means the General Counsel of the Company.

Responsible Entity means VER Limited (ACN 609 868 000), as responsible entity for the Trust.

Securityholder means a registered holder of securities in Waypoint REIT.

Trust means the Waypoint REIT Trust ARSN 613 146 464.

UN SDGs means United Nations Sustainable Development Goals.

Viva Energy Australia or **VEA**: means Viva Energy Australia Pty Ltd (ABN 46 004 610 459) (a wholly owned subsidiary of Viva Energy Group Limited ABN 74 626 661 032).

Waypoint REIT is a stapled entity comprising one share in Waypoint REIT Limited (ABN 35 612 986 517) and one unit in the Waypoint REIT Trust (ARSN 613 146 464).

