

# Corporate Governance Statement 2020

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)



Overview	03
Principle 1 – Lay Solid Foundations for Management and Oversight	04
Principle 2 – Structure the Board to be Effective and Add Value	10
Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly	12
Principle 4 – Safeguard the Integrity of Corporate Reports	14
Principle 5 – Make Timely and Balanced Disclosure	15
Principle 6 – Respect the Rights of Securityholders	15
Principle 7 – Recognise and Manage Risk	16
Principle 8 – Remunerate Fairly and Responsibly	18
Definitions	19





# Overview

Waypoint REIT is a stapled entity comprised of Waypoint REIT Limited (ACN 612 986 517) (**Company**) and the Waypoint REIT Trust (ARSN 613 146 464) (**Trust**). VER Limited (AFSL 483795 ACN 609 868 000) (**Responsible Entity**), a wholly owned subsidiary of the Company, is the Responsible Entity of the 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. Unless otherwise stated, references to Board in this document are references to the Board of the Company and the Board of the Responsible Entity.

The Board has overall responsibility for the corporate governance of Waypoint REIT and its controlled entities and has adopted a suite of corporate governance policies to assist with the proper discharge of that function. Waypoint REIT's corporate governance arrangements were consistent with the ASX Corporate Governance Council's Principles and Recommendations, 4th Edition (**Recommendations**) during

the full year ended 31 December 2020 and any departure from these Recommendations is set out below.

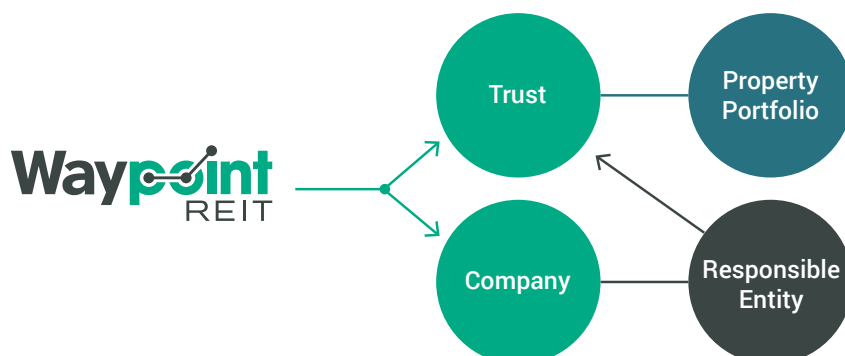
## Internalisation of management

Waypoint REIT was managed by VER Manager Pty Limited (**Manager**), a subsidiary of Viva Energy Australia Pty Limited (**Viva Energy Australia**), up until 30 September 2020. The Manager managed Waypoint REIT on a day-to-day basis and provided strategic, operational and administrative services to Waypoint REIT in accordance with a contractual agreement between the Manager and Waypoint REIT (**Management Agreement**). Under this arrangement, Waypoint REIT did not have direct employees and the senior management responsible for managing Waypoint REIT were employees of Viva Energy Australia.

On 14 May 2020, Waypoint REIT and Viva Energy Australia agreed terms to internalise the management function of Waypoint REIT (**Internalisation**) in light of Viva Energy Australia's divestment of its 35.5% security holding in Waypoint REIT. Under this agreement, Viva Energy Australia provided notice to terminate the Management Agreement and all permanent employees of the Manager transferred to Waypoint REIT on materially the same terms with effect from 1 October 2020.

This Corporate Governance Statement was approved by the Board and is current as at 25 March 2021.

Waypoint REIT's ownership and corporate structure is summarised below.



## Overview continued

### Corporate governance framework

The Board considers risk management fundamental to maintaining efficient and effective operations and generating and protecting securityholder value. Accordingly, the management and oversight of risk are ongoing processes integral to the management and corporate governance of Waypoint REIT's business. The Board believes

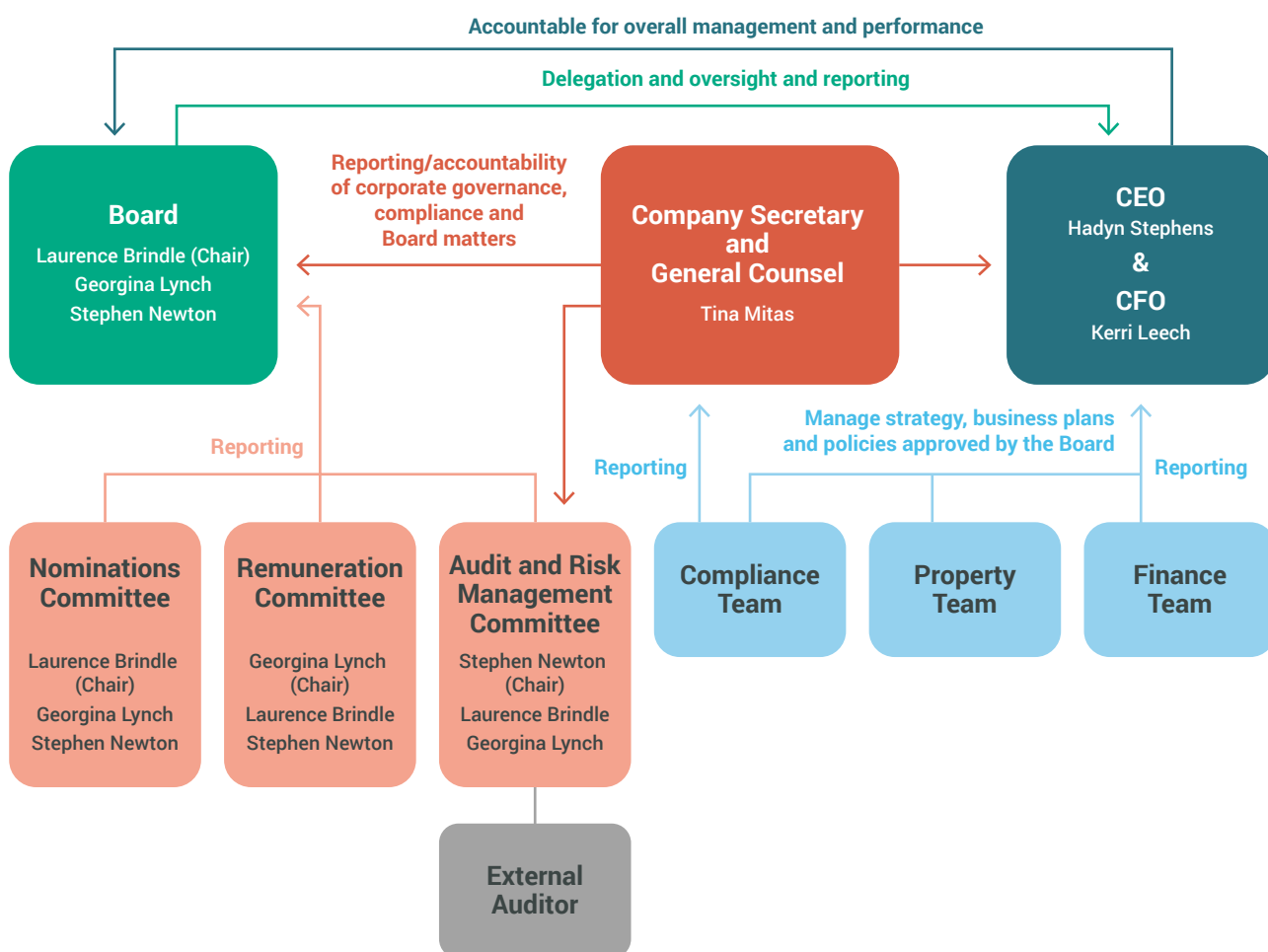
that best practice corporate governance standards support sustainable performance by Waypoint REIT over time.

As at 25 March 2021, the Board comprised of three Non-Executive Directors. An overview of the qualifications, experience and special responsibilities of each Director is set out on page 6 of the 2020 Annual Report.

Waypoint REIT's governance framework is summarised in the diagram below.

Waypoint REIT has adopted a number of corporate governance policies referred to in this Corporate Governance Statement, and these are published on the Company's website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

### As at 31 December 2020 – Governance framework



# Principle 1 – Lay Solid Foundations for Management and Oversight

## Roles and responsibilities of the Board

The Board has adopted a Board Charter (**Board Charter**). The Board Charter provides the framework for the operation of the Board and sets out the functions and responsibilities of the Board, including those matters expressly reserved to the Board and those matters that are delegated to senior management. A copy of the Charter is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

The Board Charter underwent a detailed review after the Internalisation with the revised Board Charter being adopted in 2020.

The Board is responsible for defining the purpose of, setting the strategic direction of, and overseeing the governance of Waypoint REIT. The Charter sets out matters which the Board specifically reserves for itself which includes approving Waypoint REIT's strategies, budgets and business plans and overseeing senior management in its implementation of the budget, business plan and strategic objectives of Waypoint REIT.

## Roles and responsibilities of the Board Committees

The Board has delegated certain responsibilities to an Audit and Risk Management Committee (**ARMC**), a Remuneration Committee and a Nominations Committee (**Committees**). Each Committee's roles and responsibilities and membership requirements are set out in its Charter, which are available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

The Remuneration Committee and Nominations Committee were established with effect from the completion of the Internalisation. The Committees are comprised of the independent, Non-Executive Directors of the Company.

The scope of the responsibilities delegated to the Committees is specified in the respective Committee Charters, which the Board reviews annually. The Remuneration and Nominations Committee Charters were established in October 2020 and the ARMC Charter was reviewed during 2020, including against the Recommendations.

As a result of the sell down of Viva Energy Australia's stake in the Company in February 2020 and the resulting Internalisation, an independent Board Committee was established to manage the potential conflict of interest with the nominee Directors of Viva Energy Australia, Lachlan Pfeiffer and Jevan Bouzo. This Independent Board Committee managed, among other matters, the negotiation of the internalisation arrangement with Viva Energy Australia.

Details of the number of Committee meetings held and each Director's attendance at those meetings are set out in the table below. Each Committee reports and makes recommendations to the Board for its consideration as appropriate.

Director	Position	Independent (yes/ no)	Gender (male/ female)	Board tenure (years) <sup>1</sup>	Board	ARMC	Waypoint REIT Limited		VER Limited		IBC		ARMC		Nom		Rem	
							H	A	H	A	H	A	H	A	H	A	H	A
Laurence Brindle	Chair, Non-Executive Director	Y	M	4	Chair	Member	16	16	16	16	6	6	6	6	1	1	3	3
Georgina Lynch	Non-Executive Director	Y	F	4	Member	Member	16	16	16	16	6	6	6	6	1	1	3	3
Stephen Newton	Non-Executive Director	Y	M	4	Member	Chair	16	16	16	16	6	6	6	6	1	1	3	3
Jevan Bouzo <sup>2</sup>	Non-Executive Director	N	M	1	Member	Member	8	8	8	8	0	0	1	1	0	0	0	0
Lachlan Pfeiffer <sup>3</sup>	Non-Executive Director	N	M	3	Member	Member	8	8	8	8	0	0	1	1	0	0	0	0

H = Held, A = Attended.

IBC = Independent Board Committee, ARMC = Audit and Risk Management Committee, Nom = Nominations Committee, Rem = Remuneration Committee

1. Tenure calculated as of the 2020 Annual General Meeting.

2. Jevan Bouzo was appointed as a Director on 14 May 2019 and resigned effective 14 May 2020.

3. Lachlan Pfeiffer was appointed as a Director on 28 March 2017 and resigned effective 14 May 2020.

# Principle 1 – Lay Solid Foundations for Management and Oversight continued

A summary of the key responsibilities and membership of each Committee is set out in the table below.

Membership	Key responsibilities
<b>Audit and Risk Management Committee (ARMC)</b>	
Stephen Newton (Chair) Laurence Brindle Georgina Lynch	<p>The ARMC recommends to the Board on matters relating to:</p> <ul style="list-style-type: none"> <li>• the quality and integrity of the accounting, auditing and financial statements and reporting;</li> <li>• independence of external auditors;</li> <li>• effectiveness of the Risk Management Framework (including compliance framework); and</li> <li>• compliance with laws, regulations and requirements of the Australian Financial Services Licence (AFSL) held by the Responsible Entity.</li> </ul>
<b>Remuneration Committee</b>	
Georgina Lynch (Chair) Laurence Brindle Stephen Newton	<p>The Remuneration Committee recommends to the Board on matters relating to:</p> <ul style="list-style-type: none"> <li>• remuneration practices and packaging and incentive framework and any disclosures of KMP remuneration;</li> <li>• performance evaluation and succession plans of senior management;</li> <li>• measurable gender diversity objectives; and</li> <li>• remuneration and other benefits to be paid to Non-Executive Directors.</li> </ul>
<b>Nominations Committee</b>	
Laurence Brindle (Chair) Georgina Lynch Stephen Newton	<p>The Nominations Committee recommends to the Board on matters relating to:</p> <ul style="list-style-type: none"> <li>• optimal Board composition and structure;</li> <li>• performance evaluation and succession planning process of the Board, Board Chair, each Board Committee and each individual Director; and</li> <li>• the induction process for new Directors and continuing professional development programs for existing Directors.</li> </ul>

## Delegation to senior management

### Pre-Internalisation (from 1 January 2020 to 30 September 2020)

The Manager was appointed under the Management Agreement to provide strategic, operational and administrative services. In doing so, the Manager was required to act in good faith and in a manner consistent with what it reasonably considers to be in the best interests of Waypoint REIT and the holders of stapled securities. During this time, the Board delegated the day-to-day management of Waypoint REIT's business and operations to the Manager subject to certain authority limits set out in the Memorandum of Authority Policy (an internal policy approved by the Board).

### Post-Internalisation (from 1 October 2020 to 31 December 2020)

The Internalisation was effective from 1 October 2020 and all nine permanent employees of the Manager transferred to Waypoint REIT, including Hadyn Stephens, CEO and Kerri Leech, CFO.

All senior management (including the CEO) are employed under an employment agreement that sets out the terms of employment including duties, responsibilities, rights and remuneration entitlements and sets out the circumstances in which the employment may be terminated by either Waypoint REIT or the employee, including details of notice periods.

The Board has delegated to the CEO, Hadyn Stephens, and the senior management team the authority to manage the day-to-day affairs of the Company and the assets of the Trust and the authority to manage Waypoint REIT affairs in relation to all matters, other than those responsibilities reserved by the Board to itself, included in the Charter.

The senior management team comprises the CEO and senior management, who report directly to the CEO.

Specific limits on the authority delegated to the CEO and the senior management team are set out in the Memorandum of Authority Policy (as noted above). The Board adopted a revised Memorandum of Authority Policy in 2020 in light of the Internalisation.

The CEO and senior management regularly attend Board and Committee meetings to report on and discuss key issues. The Directors have the opportunity, where required, to challenge the CEO and senior management and hold the senior management to account in relation to particular issues that may arise.

The separation of responsibilities between the Board and senior management is clearly understood and respected.

## Nomination and appointment

The Nominations Committee oversees matters related to the composition of the Board, including the arrangements for the selection and appointment of new Directors. When considering new Directors for the Board, the Nominations Committee identifies and recommends to the Board candidates for Board membership as follows:

- assesses nominations of new Directors against a range of criteria including the candidate's background, experience, gender, professional skills, capacity to commit to the role, personal qualities and whether their skills and experience will complement the existing Board;
- identifies candidates with appropriate skills, experience, expertise and diversity in order to discharge its mandate effectively and to maintain the necessary mix of expertise on the Board, with guidance from external consultants, where necessary; and
- engages external consultants to conduct appropriate reference checks (including , experience, education, criminal record and bankruptcy history) before the Board makes an offer to a preferred candidate.

Newly appointed Directors must stand for appointment at the subsequent Annual General Meeting (AGM). The Notice of Meeting for the AGM provides securityholders with material information about each Director standing for election or re-election, including details of their relevant qualifications and experience and the skills they bring to the Board, independence, any material directorships and whether the Board supports the election or re-election of the Director.

When considering an appointment of senior management (including CEO), Waypoint REIT carries out appropriate reference checks (including due diligence in respect of the candidate's, experience, education, criminal record and bankruptcy history) before Waypoint REIT makes an offer of employment to the candidate.

## Building Director capability

Newly appointed Directors receive a formal letter of appointment that sets out their duties, responsibilities, rights and remuneration entitlements, together with an induction pack, which contains detailed information to allow the new Director to gain an understanding of:

- Waypoint REIT, its operations and governance systems;
- the rights, duties and responsibilities of Directors;
- Waypoint REIT's financial, strategic and operational risk management position;
- the role of each Board Committee;
- the roles and responsibilities of senior management;
- requirement to disclose Directors' interests and any matters which could affect the Directors' independence;
- the requirement to comply with Company policies and procedures, including but not limited to Waypoint REIT's Code of Conduct, Anti-Bribery and Anti-Terrorism Financing Policy, Securities Trading Policy, Disclosure Policy, Privacy Policy and IT Framework;
- requirement to notify, or seek approval before accepting, any new role that could impact upon the time commitment expected of the Director or give rise to a conflict of interest;
- when independent professional advice may be sought;
- indemnity and insurance arrangements; and
- the right of access to corporate information.

In addition, new Directors also undertake an induction program that includes a series of meetings with senior management to give new Directors a deep understanding of the structure, business operations, governance, history, culture, strategic direction and material risks of Waypoint REIT.

Directors also undertake a program of ongoing Director education, including presentations on a range of topics generally relevant to Waypoint REIT's business activities, including compliance training and presentations by external industry and subject matter specialists. In 2020, the Board had a formal compliance session on modern slavery and continuous disclosure. The Board was also provided with the opportunity to have discussions with external presenters, including corporate advisers on prevailing economic conditions, market remuneration practices and insurance.

Directors are expected to be adequately informed in respect of relevant industry and regulatory issues and changes. Directors are actively encouraged to raise any training requirements with the Company Secretary, that they consider necessary for their continued professional development.

Directors are also provided with timely briefings on all material developments in laws, regulations and accounting standards periodically at Board and ARMC meetings.

Training sessions are scheduled around meeting dates of the Board to develop and maintain skills and knowledge, see page 8 for details on Board performance.



# Principle 1 – Lay Solid Foundations for Management and Oversight continued

## Company Secretary

The Board is responsible for the appointment of Waypoint REIT's Company Secretary.

Waypoint REIT's General Counsel and Company Secretary, Tina Mitas, acts as secretary to the Board and each Board Committee, attending all meetings of the Board and Board Committees. Tina Mitas fulfils other management responsibilities in addition to Company Secretarial duties in her role as General Counsel. The formal reporting line of Tina Mitas is to the CEO and the Chair of the Board, Laurence Brindle.

The Company Secretary is accountable to the Board through the Chair on all corporate governance matters and all matters to do with the proper functioning of the Board.

## Performance evaluation of the Board, Board Committees and individual Directors

The performance of the Board, their Committees and the individual Directors are reviewed annually. The process for review of the performance of the Board and individual Directors is determined by the Board with the assistance from the Nominations Committee. The Committees undertake a self-evaluation in accordance with their Charters and present these assessments to the Board.

The Board, the ARMC and individual Director reviews were undertaken internally in 2020. The results of the reviews were discussed at a subsequent Board meeting and the Board and ARMC were satisfied that they had been effective in performing their responsibilities under their Charters. The Remuneration Committee and Nominations Committee were established on 1 October 2020 and therefore did not conduct reviews in 2020. The Board also determined that the structure of the Board and the Committees was appropriate for the size and operation of Waypoint REIT.

## Performance evaluation of senior management

Senior management were employed by Viva Energy Australia up until 30 September 2020 and provided services to Waypoint REIT via the Manager. From 1 October, senior management were employed by Waypoint REIT directly.

The performance of senior management is reviewed annually against their agreed key performance indicators. The annual performance review of senior management for Waypoint REIT for 2020 was conducted following the end of 2020. The key performance indicators and annual performance assessment applicable to the KMP of Waypoint REIT are detailed in the 2020 Remuneration Report.

## Diversity Policy

Waypoint REIT's Diversity Policy describes Waypoint REIT's approach to diversity and the importance of diversity in contributing to innovative thinking and overall success and commitment to fostering and maintaining an inclusive workplace that respects individuals. The Diversity Policy is available on the Waypoint REIT website and its scope extends beyond gender and includes, but is not limited to, issues of age, language, ethnicity, religious beliefs or cultural background, sexual orientation or preference and family responsibilities. Waypoint REIT has adopted a methodology to establish measurable objectives for achieving gender diversity and, on an annual basis, to review these objectives and Waypoint REIT's progress in achieving them.

[www.waypointreit.com.au/investors](https://www.waypointreit.com.au/investors)

The Board will endeavour to ensure:

- it's corporate culture at all levels supports diversity in the workplace, whilst maintaining a commitment to a high performance culture;
- that recruitment and selection practices at all levels are appropriately structured, so that a diverse range of candidates are considered and that there are no conscious or unconscious biases that might discriminate against certain types of candidates;
- that consideration is given to programs and processes that will assist in the development of a broader and more diverse pool of skilled and experienced employees;
- support for an individual's domestic responsibilities (including the adoption of flexible work practices that will assist them to meet those responsibilities); and
- the Board establishes objectives on an annual basis to identify ways in which the achievement of gender diversity at Waypoint REIT is measured, and in relation to other aspects of the Diversity Policy.

The Remuneration Committee recommends measurable objectives for achieving gender diversity to the Board for adoption each year and reports to the Board, at least annually, on the progress in achieving those objectives.

Set out below is a summary of Waypoint REIT's gender diversity objectives for 2020 and progress made in achieving those objectives.

FY2020 diversity objective	Outcome
1. Ensure the current female Board representation does not decrease.	Achieved – As at the date of this statement, one woman and two men were on the Board.
2. Ensure female representation on the Board and senior management team does not decrease and to increase female representation to 50% as and when opportunities arise.	Achieved – As at the date of this statement, 43% of Waypoint REIT's Board and senior management team are female.
3. Maintain 50% of the employees as female.	Achieved – As at the date of this statement, 55% of Waypoint REIT's workforce are female.





For 2020, the proportion of women employed by Waypoint REIT (as compared to 2019) and targets for 2021 are summarised in the table below.

Diversity objective	FY2019 outcomes	FY2020 targets	FY2020 outcomes	FY2021 diversity targets
Female Board representation	20%	Ensure the current female Board representation does not decrease.	33%	33%
Female representation on the Board and senior management team <sup>1</sup>	33%	Ensure female representation on the Board and senior management team does not decrease and to increase female representation to 50% as and when opportunities arise.	43%	50% as and when opportunities arise
Female employees	55%		55%	50%

1. The senior management team comprises the CEO and his direct reports. In 2020, there were three senior executives reporting to the CEO.

The gender diversity objectives for 2021 adopted by the Board are to:

- ensure the current proportion of female representation on the Board does not decrease;
- ensure female representation on the Board and senior management does not decrease, and to endeavour to increase female representation to 50% as and when opportunities arise; and
- maintain 50% representation of employees as females.

Waypoint REIT's progress in achieving these objectives will be reported in the 2021 Corporate Governance Statement.

The Board takes into consideration the requirements of its Diversity Policy when considering new appointments to the Board. Waypoint REIT is committed to Board renewal and will actively seek well qualified female candidates through a diverse interview panel whenever a Board vacancy becomes available.

# Principle 2 – Structure the Board to be Effective and Add Value

## Board composition

### Nomination and appointment

The Nominations Committee oversees matters relating to the composition of the Board, including arrangements for the selection and appointment of new Directors. The Nominations Committee follows processes to address Board succession and to ensure the Board has the appropriate balance of skills, knowledge, time availability, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. The Nominations Committee Charter outlines the Committee's roles and responsibilities and membership requirements. A copy of the Nominations Committee Charter is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

See Nomination and Appointment on page 7, for processes engaged in respect of appointment of Directors. There is a formal induction process for new Directors focusing on the governance framework of the Company; see Building Director Capability on page 7 for further details.

### Skills and experience

Waypoint REIT seeks to maintain a Board of Directors with a broad range of industry, financial and customer related experience relevant to overseeing Australia's largest listed REIT, owning solely fuel and convenience retail properties.

The Nominations Committee regularly reviews the skills, knowledge and experience represented on the Board against the skills and experience needed to deliver Waypoint REIT's strategy. The Board uses a skills matrix as part of its Board review process to assist with the review. The experience and skills of Directors in the key areas below are recorded in the matrix to identify any gaps or weaknesses in the Board's collective skillset to be addressed when filling any Board vacancies or by recruitment of additional Directors.

The Board Skills Matrix was updated in 2020 following an analysis of the skills and experience of each Director and an assessment of the current and future strategic direction for Waypoint REIT. The Board Skills Matrix demonstrates the number of current Directors with a 'developed' level of capability, meaning that a Director has a level of capability in a particular area that can be leveraged by the Board drawing upon the Director's prior experience. The Board considers its current members to have an appropriate mix of skills that enable the Board to discharge its responsibilities and deliver Waypoint REIT's strategic objectives.

The Directors' Report in the 2020 Annual Report contains details of the Directors' skills, experience and qualifications, the status of each Director as a Non- Executive and the Committees on which each Director sits.

### Board Skills Matrix

Category	Representation on the Board
ASX listed stapled entities	3/3
Capital and debt raising	3/3
Commercial property	3/3
Commercial and material transactions	3/3
Financial services	2/3
Governance, compliance and regulation	3/3
Investment management	3/3
Legal	2/3
Managed investment schemes (listed and unlisted)	3/3
People leadership	3/3
Risk management	3/3
Strategy and growth	3/3
Sustainability and environmental	3/3
Workplace health and safety	3/3
Cyber*	0/3

\* Whilst no one on the Board has specific cyber experience, the Board leverages knowledge of senior management and external consultants. Cyber-attacks are becoming increasingly sophisticated and a material data breach could have an adverse financial or reputational impact. To help mitigate this risk, Waypoint REIT uses the services of third party technology experts, provides regular staff training and performs pre-implementation and annual reviews of key 'software as a service' providers.



## Independence

In accordance with the Board Charter and the ASX Principles Recommendations, the majority of the Board are independent.

The independence of Directors is assessed regularly by the Board in a manner consistent with Box 2.3 of the ASX Principles. Materiality is assessed on a case-by-case basis by reference to each Director's individual circumstances rather than by applying general materiality thresholds. In making this assessment, the Board assesses if the Directors are free of any interest, position, association or relationship that might influence, or might reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Waypoint REIT and its securityholders.

Independent judgement is maintained by allowing Directors to seek independent professional advice at Waypoint REIT's expense on matters arising in the course of their Board and Committee duties, after obtaining the Board Chair's approval.

Directors are also required to declare any conflict of interest prior to consideration of matters at the meetings of the Board. The Board can form an Independent Board Committee if and when required to deal with any actual or perceived conflict of interest. See page 5 for the details on the Independent Board Committee formed in 2020. Further, it is usual for the Non-Executive Directors to confer, without senior management being present, at the start of each scheduled Board meeting.

As at the date of this statement, there were no relationships or associations of the kind referred to in Box 2.3 of the ASX Principles in relation to Waypoint REIT's Non-Executive Directors. The Board considers Laurence Brindle (Chair), Stephen Newton and Georgina Lynch to be Independent Directors of the Board. Details of the Board's Independent Directors can also be found in the 2020 Annual Report.

Details of the length of service for each of the Board's Independent Directors can be found on page 5.

## Responsibilities of the Chair

Under the Company's Constitution, the Board elects a Chair from amongst the Non-Executive Directors. The role of the Chair and the CEO are not exercised by the same individual. It is also a requirement of the Board Charter that the Chair be independent.

The key responsibilities of the Chair include:

- leading the Board in reviewing and discussing all Board matters;
- facilitating effective contribution of all Directors;
- promoting constructive and respectful relations between Directors and between the Board and senior management;
- representing the views of the Board to the public;
- presiding over meetings of the Board and general meetings of securityholders;
- coordinating the agenda, information packages and related events for Board meetings with senior management;
- approving Board agendas and ensuring that adequate time is available for discussion of all agenda items;
- leading the Board in monitoring and evaluating the performance of senior management; and
- being the principal communication channel between senior management.



# Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly

## Waypoint REIT purpose and values

During 2020, Waypoint REIT undertook a comprehensive review of its purpose and values to design a framework that depicts the Company's culture, guides decision-making and supports our communication.

Waypoint REIT's purpose is being *"focused on delivering long-term sustainable returns for our investors"*

Waypoint REIT's purpose provides Waypoint REIT and its Directors, employees and contractors with the foundations for actions and together with Waypoint REIT's values, guides Waypoint REIT's decision-making.

Waypoint REIT's purpose and four core values (**Values**) are set out below, which are disclosed in Waypoint REIT's Code of Conduct, which is published on the Company's website at [www.waypointreit.com.au/investors](https://www.waypointreit.com.au/investors).

These Values underpin Waypoint REIT's operations. The Board and senior management are guided by these core values when making decisions, including in relation to its corporate governance policies and practices.

Senior management is responsible for instilling Waypoint REIT's Values. The Board regularly engages with senior management to ensure that Waypoint REIT's core Values align with the culture of the business.

## Focused on delivering long-term sustainable returns for our investors

### Excellence

Doing our best, and always looking for ways to do better



### Respect

For our people, community, environment, customers and investors



### Trust

Building and maintaining long-term relationships through our actions



### Integrity

Operating in an ethical manner that is transparent and honest





## Code of Conduct

The Code of Conduct provides guidance on the responsibilities of Waypoint REIT, the Directors, senior management, employees and any third party acting on its behalf. High ethical standards flow from the concept of Waypoint REIT being 'responsible' for its actions.

There is no right way to do the wrong thing. Doing business in an ethical manner and in accordance with Waypoint REIT's values is vital to Waypoint REIT's success. Applying Waypoint REIT's Code of Conduct ensures Waypoint REIT maintains a high ethical standard in all business dealings, which reinforces one of its key assets, Waypoint REIT's reputation.

Training on the Code of Conduct is part of the induction process for new Directors and employees. It is also a requirement that Directors and employees complete a refresher training on the Code of Conduct on an annual basis.

There were no breaches of the Code of Conduct during 2020. The Code of Conduct was reviewed and a revised Code of Conduct was adopted by the Board in 2020.

## Whistleblower Policy

Waypoint REIT's Whistleblower Policy is an important part of promoting a culture that encourages speaking up. The policy highlights Waypoint REIT's commitment to actively encourage and support reporting of suspected illegal, unethical or otherwise improper actions concerning Waypoint REIT and its associated entities without repercussions to the reporter. Any information reported is dealt with in a confidential and secure manner. The policy articulates how Waypoint REIT will respond to and investigate reports of misconduct and outlines the protections available to those who make a whistleblower report. An independent, confidential, toll free hotline operates to enable personnel

to anonymously report issues to Waypoint REIT, including breaches of the Waypoint REIT Code of Conduct. Reports of breaches can also be made via email and through an associated website.

During 2020, as part of the annual policy review, Waypoint REIT reviewed its Whistleblower Policy, and the Board adopted a revised version.

Training on the Whistleblower Policy is part of the induction process for new Directors and employees. It is also a requirement that Directors and employees complete online refresher training about the Whistleblower Policy on a biennial basis.

## Anti-Bribery and Corruption and Anti-Terrorism Financing Policy

During 2020, as part of an annual policy review, Waypoint REIT reviewed its anti-bribery and corruption processes. The policy provides that Waypoint REIT does not tolerate any activities that cause, support, or conceal corruption or bribery in any form.

## Securities Trading Policy

The Board has also adopted a Securities Trading Policy that summarises the law relating to insider trading and sets out certain restrictions that apply to Directors and employees of Waypoint REIT and its subsidiaries in their ability to deal in Waypoint REIT's securities. Appropriate closed periods are in place during which Directors and employees are not permitted to trade.

Material breaches of the above policies or legal and regulatory requirements are reported by senior management to the Board and/or ARMC, together with details of the actions taken, or proposed to be taken, in response and monitored until the relevant breach is considered closed.

The Code of Conduct, Whistleblower Policy, Anti-Bribery and Corruption and Anti-Terrorism Financing Policy and Securities Dealing Policy are all available at Corporate Governance section of Waypoint REIT's website at [www.waypointreit.com.au/investors](https://www.waypointreit.com.au/investors).

## Modern Slavery

Modern slavery is a common umbrella term used to describe a range of extreme labour rights abuses, including slavery, servitude, human trafficking and forced or compulsory labour. Procuring goods ethically is not only a socially responsible business practice, it is now a regulatory requirement in Australia, following the enacting of the Commonwealth's *Modern Slavery Act 2018*. In 2020, we reviewed our own labour practices and initiated a review of our supply chain and all Directors and senior management personnel attended a modern slavery training session delivered by a third party provider. In 2020, the Board adopted a Human Rights Policy which is available on the Waypoint REIT website. We will publish our **Modern Slavery Statement** on or before 30 June 2021 in accordance with our legislative obligations.

# Principle 4 – Safeguard the Integrity of Corporate Reports

## Audit and Risk Management Committee

The Board has an ARMC, which is comprised of Independent Non-Executive Directors of Waypoint REIT. The ARMC is chaired by an Independent Non-Executive Director who is not the Chair of the Board. The ARMC assists the Board with processes to independently verify and safeguard the integrity of Waypoint REIT's corporate financial reporting. Responsibilities delegated to the ARMC are specified in the ARMC Charter, which is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

The ARMC composition, number of meetings held and attendance by members during the 2020 reporting period are outlined on page 5. Qualifications and experience of members of the ARMC can be found in the 2020 Annual Report.

At each scheduled Board meeting, the Board receives reports from senior management about Waypoint REIT's financial condition and operational results.

The ARMC reviews and discusses with senior management and the external auditors the half-yearly and annual financial reports, including the disclosures made in those reports and recommends to the Board whether the financial reports should be approved. A quarterly compliance report is also provided to the ARMC, which includes confirmation of compliance with AFSL conditions, breach register, review of material external service providers and other compliance matters.

## CEO and CFO assurance

The ARMC Charter provides that each person who performs a Chief Executive Officer (**CEO**) function or a Chief Financial Officer (**CFO**) function (each as defined in the Corporations Act) of Waypoint REIT is to provide to the Board declarations in accordance with section 295A of the Corporations Act.

Before the Board approves the financial statements for a financial period, the CEO and CFO of Waypoint REIT are to provide such declarations to the Board that, in their opinion, the financial records of Waypoint REIT have been properly maintained and that the financial statements comply with the accounting standards and give a true and fair view of the financial position and performance of Waypoint REIT. They also provide confirmation that these opinions have been formed on the basis of a sound system of risk management and effective internal controls.

Where Waypoint REIT's external auditor is not required to review periodic corporate reports, Waypoint REIT conducts an internal verification exercise to ensure that such reports are materially accurate, balanced and provide investors with appropriate information to make informed investment decisions. Material statements in these documents are verified by senior management prior to approval for release to the market. Such verification material is available to the Board for inspection if required.

## External auditor

The Company has appointed PwC as its external auditor. PwC's lead audit partner was available at the AGM held in May 2020 to answer questions relevant to the external audit of the Company's 2019 financial statements. PwC is invited to all ARMC meetings and meets with the Committee without management present twice a year.

## Principle 5 – Make Timely and Balanced Disclosure

### Disclosure Policy

Waypoint REIT is committed to providing securityholders with comprehensive, timely and equal access to information about its activities to enable them to make informed investment decisions. Waypoint REIT has adopted a Disclosure Policy, which incorporates a framework as set out in Chapter 3 of the ASX Listing Rules and ASX Listing Rules Guidance Note 8 and is reviewed by the ARMC on an annual basis.

The Disclosure Policy covers, among other things, the composition, roles and responsibilities of the Disclosure Committee, and the internal reporting processes and procedures to support the disclosure process. A copy of the policy is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

During 2020, the Company Secretary reported to the Board at least quarterly on matters that were either notified

or not notified to the ASX. In 2020, Directors received copies of all announcements immediately after notification to the ASX. Additionally, copies of new and substantive investor or analyst presentations are lodged with the ASX ahead of the presentation.

All ASX announcements are available on Waypoint REIT's investor website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

## Principle 6 – Respect the Rights of Securityholders

### Securityholder engagement

Fundamental to Waypoint REIT's investor relations program is the management of its continuous disclosure obligations, which facilitates all securityholders having access to important company information.

In addition to lodging this information with the ASX, Waypoint REIT uses its website to make information available to securityholders about the Company and its activities. The Investor Centre on Waypoint REIT's website contains a wide range of information relevant to securityholders including copies of past Annual Reports and ASX announcements. Waypoint REIT's investor website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

Waypoint REIT's Investor Relations Policy provides for an investor relations program, which actively encourages two-way communication with investors. The program seeks to keep securityholders informed about Waypoint REIT's activities and to listen to issues and concerns raised by securityholders. The Investor Relations Policy is available on Waypoint REIT's website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

The AGM of the Company (which is held concurrently with a General Meeting of the Trust) represents a key opportunity for securityholders to meet the Board and ask questions of the Directors. Securityholders who are not able to attend the AGM in person may appoint proxies to represent them at the meeting. Securityholders are also invited to submit questions before the meeting. This helps the Company understand securityholder issues and concerns and address key areas of securityholder feedback. The Chair also encourages securityholders at the AGM to ask questions and make comments about Waypoint REIT's operations and the performance of the Board and senior management.

Given the government restrictions due to COVID-19, securityholders could not attend the 2020 AGM in person. The meeting was held via webcast in May 2020 and all resolutions were decided by a poll. Securityholders were encouraged to submit questions prior to the meeting, which were answered by the Chair during the meeting.

Waypoint REIT's Share Registry is managed and maintained by Link Market Services Limited, who also acted as returning officer at the AGM. Following completion of the AGM, the outcome of voting on items of

business during the meeting was released to the ASX and posted to Waypoint REIT's website.

Analyst/media briefings in relation to financial results and other significant events can be heard by teleconference and recorded copies are made available on Waypoint REIT's investor website.

Securityholders can access their shareholding details or make enquiries about their current shareholding electronically by quoting their Securityholder Reference Number (SRN) or Holder Identification Number (HIN), via the Link Market Services investor centre or by emailing [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au).

### Electronic communications

As part of Waypoint REIT's ESG strategy, Waypoint REIT encourages securityholders to receive communications, including dividend statements and announcements by email, and may also communicate with Waypoint REIT and the Share Registry electronically in an effort to reduce waste. Securityholders who receive communications by post can log in at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) to elect to receive communications electronically.

# Principle 7 – Recognise and Manage Risk

## Roles of the Board and ARMC

Ultimate responsibility for risk oversight and risk management rests with the Board and risk management issues are considered at Board meetings.

The ARMC, among other things, reviews and recommends Waypoint REIT's Risk Management Framework 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 risk.

The ARMC is comprised of all Independent Non-Executive Directors of Waypoint REIT. The ARMC is chaired by an Independent Non-Executive Director and the scope of responsibilities delegated to the ARMC is specified in the ARMC Charter, which is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](http://www.waypointreit.com.au/investors).

The number of meetings held and attendance by Directors during the reporting period can be found in the 2020 Annual Report and are outlined on page 5.

Qualifications and experience of Directors on the ARMC can also be found in the 2020 Annual Report.

## Risk Management Framework

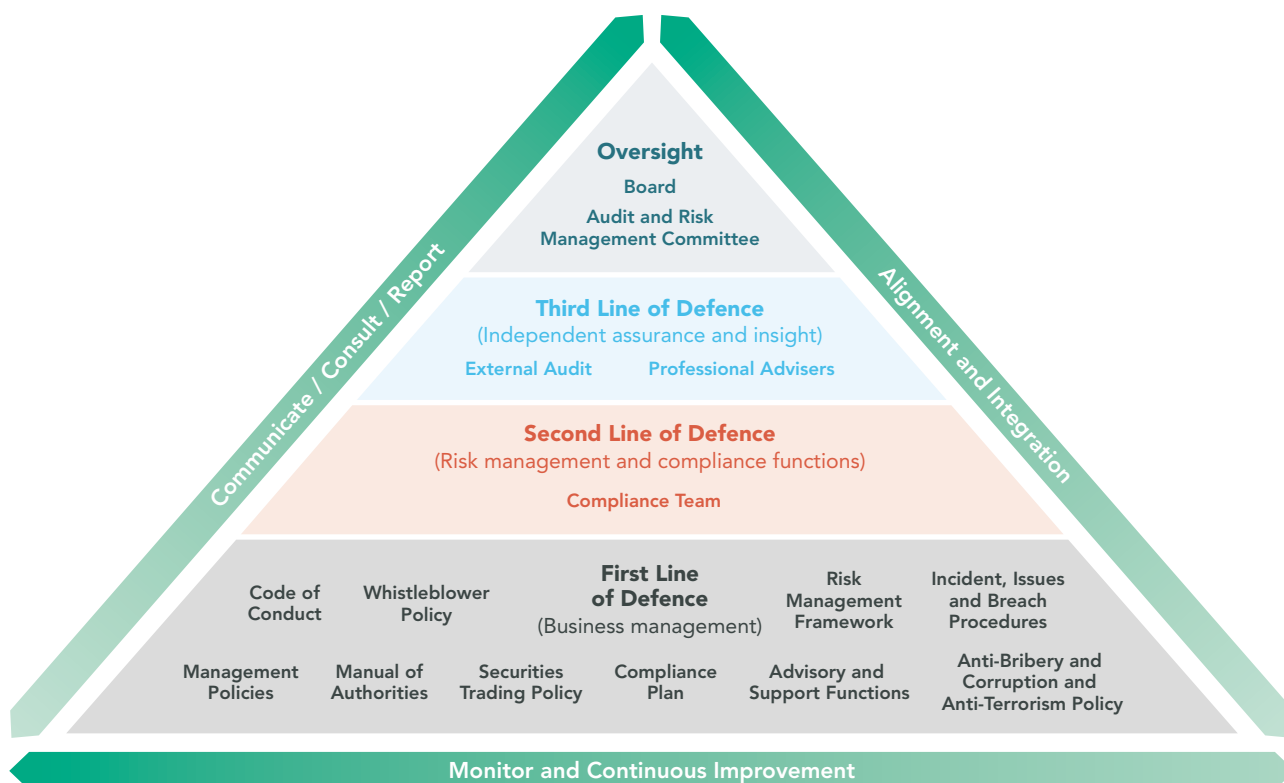
The Board has established a Risk Management Framework, which adopts the risk management process described in the Australian/New Zealand Standard (AS/NZS ISO 31000:2009 Risk management – Principles and guidelines) and applies in addition to Waypoint REIT's other policies.

The Board has ultimate responsibility for overseeing the Framework and monitoring compliance with Waypoint REIT's agreed risk appetite.

The Risk Management Framework requires a detailed annual risk review which seeks to define all major risks that could prevent or impact Waypoint REIT from meeting its objectives. This review was undertaken during 2020 by the ARMC and the Board, and the structure was amended to include new risks associated with the internalisation of management, including human resources, employee safety and working practices as well as cyber security.

The Board is satisfied that the Risk Management Framework and associated policies and procedures remain relevant to Waypoint REIT and the Board.

Waypoint REIT's Risk Management model is based on the 'three lines of defence' and is illustrated in the diagram below.





## Internal audit

Waypoint REIT does not have a dedicated internal audit function due to the relatively small number of employees and the nature and scale of operations. Waypoint REIT, however, considers risk management fundamental to maintaining efficient and effective operations and generating and protecting securityholder value.

Accordingly, the management and oversight of risk is an ongoing process integral to the management and corporate governance of Waypoint REIT's business.

The Board has regard to its risk appetite statement when making decisions. Waypoint REIT has adopted a Statement of Risk Appetite, which is reviewed annually. In 2020, the Risk Appetite Statement was reviewed and updated by senior management and the Board to reflect the impact of Internalisation.

The ARMC provides that responsibility for evaluating the effectiveness of risk management and internal control processes is shared across the Board, the ARMC and senior management.

The Board Charter similarly provides that the Board is responsible for overseeing the establishment of and approving Waypoint REIT's risk management strategy, policies, procedures and systems.

## Compliance Plan

As a registered managed investment scheme, the Responsible Entity has a Compliance Plan that is reviewed every year to ensure that the way in which the Responsible Entity operates protects the rights and interests of securityholders and that business risks are identified and properly managed.

In particular, the Compliance Plan establishes processes for:

- instilling and reinforcing a culture of acting lawfully, ethically and responsibly;
- identifying and reporting breaches of, or non compliance with, the Corporations Act, the Compliance Plan, the constitution of the Trust and the Responsible Entity's AFSL;
- complying with the AFSL conditions and ASX Listing Rules;
- protecting Trust property, and ensuring proper acquisition and disposal practices are followed;
- completing regular valuations of Trust property;
- ensuring adequacy of capital and liquidity and the timely collection of Trust income;
- the maintenance of financial and other records to facilitate preparation of audited/reviewed financial reports;
- ensuring proper and timely distributions to securityholders;
- complying with the Trust's investment objectives;
- managing investment risk;
- managing potential conflicts of interest with the various related parties of the Trust;
- holding and maintaining adequate insurance cover;
- ensuring that borrowing occurs only within permitted limits and ensuring that borrowing terms are complied with; and
- handling complaints relating to the Trust.

PwC, the external auditor of the Compliance Plan, has completed its annual audit for the year ended 31 December 2020. No material breaches of the plan were identified as a result of this audit.

## Exposure to environmental, sustainability and governance (ESG) risks

In 2020, our annual strategy review included a comprehensive review of ESG matters. The Board has adopted an ESG strategy focusing on the most material ESG topics facing Waypoint REIT today. The key focus areas covered in this sustainability report reflect the outputs of this materiality assessment. All of these focus areas are also considered as part of Waypoint REIT's broader risk management framework, and as appropriate, reflected in our risk appetite statement.

To date, Waypoint REIT has identified four key focus areas:

1. Ethical conduct and Transparency;
2. Our People;
3. Climate change and Energy; and
4. Safety and Environment.

These key focus areas are aligned to six of the United Nation's 17 Sustainable Development Goals (**UN SDGs**). The UN SDGs underpin the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, which provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. It provides an urgent call for action by all countries – developed and developing – in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.<sup>1</sup>

For each focus area, we have separately identified work streams which are in our direct control from those which we work collectively on with our tenants. Please refer to our Sustainability Report included in the 2020 Annual Report for further information.

1. <https://sdgs.un.org/goals>.

## Principle 8 – Remunerate Fairly and Responsibly

The Board has established a Remuneration Committee, which is comprised of Independent Non-Executive Directors of Waypoint REIT. The Remuneration Committee is chaired by an Independent Non-Executive Director who is not the Chair of the Board. The Remuneration Committee reviews and makes recommendations to the Board around remuneration practices and incentive framework, employment related policies, performance, superannuation arrangements, remuneration and succession plans for key staff. Responsibilities delegated to the Remuneration Committee are specified in the Remuneration Committee Charter, which is available on the Waypoint REIT website at [www.waypointreit.com.au/investors](https://www.waypointreit.com.au/investors).

The Board adopted a remuneration framework that recognises the need to motivate, attract and retain employees to deliver sustainable business performance.

A comprehensive process to evaluate the performance of the CEO and the entire Waypoint REIT team is conducted on an annual basis. Performance expectations for the CEO are established by the Board, through the Remuneration Committee.

The annual performance reviews are based on achievement of key performance indicators, including both Company-wide and personal measures, that are pre-agreed between senior management and employees, with input from the Waypoint REIT Board.

Waypoint REIT also introduced an equity-based remuneration scheme and an element of deferred remuneration in 2021 to encourage alignment of interests with securityholders and employee retention.

The details of the Remuneration Policy and practices for Non-Executive Directors and for executive KMP for the 2020 financial year are outlined in the Remuneration Report, which forms part of the Directors' Report of Waypoint REIT's 2020 Annual Report.

# Definitions

For the purpose of this Corporate Governance Statement, the following definitions apply:

---

**AFSL** means an Australian financial services licence issued by ASIC under section 913B of the Corporations Act.

---

**AGM** means Annual General Meeting.

---

**ASX** means the Australia Securities Exchange Limited.

---

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

---

**Chair** means the Chair of the Board.

---

**Company** means Waypoint REIT Limited ACN 612 986 517.

---

**Corporations Act** means the *Corporations Act 2001* (Cth).

---

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

---

**General Counsel** means the General Counsel of the Company.

---

**Internalisation** means Agreement with Viva Energy Australia to internalise the management function of Waypoint REIT.

---

**KMP** means Key Management Personnel.

---

**Management Agreement** means the agreement between the Responsible Entity, the Company, Viva Energy Australia Group, the Sub Trustee, Finco and the Manager.

---

**Manager** means VER Manager Pty Limited ACN 613 163 385.

---

**Recommendations** means ASX Corporate Governance Council's Principles and Recommendations, 4th Edition.

---

**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** 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 or WPR:** 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)

---

