

Modern Slavery 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)

Approved by the Board and effective 30 June 2021



Modern Slavery Statement 2020

This Modern Slavery Statement (**Statement**) is prepared in accordance with the *Modern Slavery Act 2018 (Act)* for the financial year 1 January 2020 to 31 December 2020 (**FY2020**).

This is an inaugural statement made by Waypoint REIT Limited (**Company**) and Waypoint REIT Trust (**Trust**) for the financial year ended 31 December 2020. As this is our first Statement, it includes references to actions undertaken prior to the FY2020 reporting period, in order to provide historical context for our current position in understanding and managing modern slavery risk.

This Statement is a joint Statement covering the following entities, which are reporting entities under the Act (together referred to as '**Waypoint REIT**' or the '**Group**')

- Waypoint REIT Limited ACN 612 986 517
- VER Limited ACN 609 868 000 as trustee for Waypoint REIT Trust ARSN 613 146 464
- VER Custodian Pty Limited ACN 612 669 520 as trustee for VER Trust ABN 81 160 590 308

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.

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; and
- respecting and supporting 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.

2. About Waypoint REIT

The Group is Australia's largest listed REIT, owning solely fuel and convenience retail properties with 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 listed on the Australian Securities Exchange (**ASX**) in August 2016, under the name Viva Energy REIT, as a stapled security consisting of one share in the Company and one unit in the Trust. 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, with VEA retaining a 40% stake in the newly listed vehicle and providing management services to Waypoint REIT. VEA also held two (of five) seats on the Board. VEA is one of Australia's leading energy companies with a 110-year history of operations in Australia.

Following a strategic review of its investment, VEA sold its remaining 35.5%¹ interest in Waypoint REIT in February 2020. With VEA no longer having a securityholding in Waypoint REIT, an agreement was subsequently reached in May 2020 for the internalisation of the management function under an implementation deed (**Internalisation**). At Waypoint REIT's Annual General Meeting on 14 May 2020, securityholders approved a change of name from Viva Energy REIT to Waypoint REIT and VEA's nominee directors resigned. The Group's ASX ticker was also changed from VVR to WPR on 18 May 2020. All individuals directly involved with the management of the Group accepted offers of employment with Waypoint REIT and the Internalisation was effected on 1 October 2020.

Since August 2016, the property portfolio has increased to 470 sites via the acquisition of additional properties. As at 31 December 2020, occupancy is 99.9%, 97% of income is generated from VEA and the portfolio has a weighted average lease expiry of 10.8 years.

1. Reduced from 40% at listing to 35.5% as a result of equity raisings in which VEA did not participate.

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3. Our Supply Chain

Due to the nature of Waypoint REIT's business and the limited operational interventions required of Waypoint REIT as landlord of properties with predominantly triple net lease² terms in place, Waypoint REIT has a relatively small number of direct suppliers (FY2020: less than 100) compared to many other reporting entities, some of whom have thousands of suppliers. Waypoint REIT works closely with its key suppliers to ensure they adhere to high levels of professional and ethical standards.

In FY2020, Waypoint REIT procured \$37 million of goods and services from suppliers, providing a diverse range of products and services which are grouped into the following categories:

Corporate	<ul style="list-style-type: none">• Reputable service providers are engaged to support our corporate functions. These service providers include among others: management services (prior to Internalisation), audit firms, law firms, registry managers, IT providers, specialist advisers, insurance brokers, environment specialists, tax experts and travel agencies.
Fund-through Development Contracts	<ul style="list-style-type: none">• Funding fund-through developments under contracts with a developer.
Property Operations	<ul style="list-style-type: none">• The majority of the properties owned by Waypoint REIT are occupied by VEA. Operational control of these properties and their operations 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 8.6% 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 (Waypoint REIT's only material tier 1 supplier).

Waypoint REIT only operates in Australia and as a result, the majority of suppliers with which we have a contract relationship are also Australian. We are aware that some companies in our supply chain are domiciled internationally.



2. 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.

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4. Waypoint REIT Modern Slavery Governance Framework

Waypoint REIT 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 external non-executive independent directors.

Audit and Risk Management Committee (ARMC) & 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 risk. The Remuneration Committee reviews remuneration practices for staff and directors.

ESG Working Group

Waypoint REIT Operations

- Responsible for developing and implementing Waypoint REIT's approach for identifying and managing modern slavery risk in its own workforce.
- Waypoint REIT employs a small team of nine 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

- ESG Working Group is responsible for developing and implementing Waypoint REIT's approach for identifying and managing modern slavery risk in its supply chain. The ESG Working Group reports directly to the Board.
- ESG Working Group includes the Chief Financial Officer, General Counsel, General Manager Property and the Group Finance Manager.

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 Chief Executive Officer and separately to the Waypoint REIT Board.

Waypoint REIT has an established set of policies and procedures that govern the way it operates. These are relevant to how Waypoint REIT manages potential human rights related issues with regard to its business operations and supply chain.

These include:

- **Human Rights Policy:** Outlines our commitment and approach to respecting human rights and to managing our operations and investments in line with the United Nations Sustainable Development Goals (UN SDGs) and the Act;
- **Supplier Code of Conduct:** Sets out behaviours we encourage our suppliers and contractors to abide by;
- **Code of Conduct:** Includes our expectation that our direct operations and supply chain are free from modern slavery;
- **Work, Health and Safety Framework:** Outlines our commitment to operating harm-free environments through maintaining high work, health and safety standards and performance across our activities; and
- **Whistleblower Policy:** Outlines circumstances under which a person may raise concerns in relation to improper conduct (including any instance or suspicion of modern slavery), the avenues for doing so, the protections that are available to those who report improper conduct, and the investigation process.

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The Human Rights Policy, Supplier Code of Conduct, Code of Conduct and Whistleblower Policy are all available at 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

The material human rights risks present in Waypoint REIT's direct operations are different to those in its supply chain. Our employees are skilled white-collar professionals operating exclusively in Australia, and therefore are considered low risk regarding child labour, forced labour, or any other modern slavery practices. 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.

Due to the small size of our workforce, all team members have direct access to the Chief Executive Officer and any issues or concerns individuals may have can be discussed directly with the Chief Executive Officer. Team member safety and well-being is of the highest importance at Waypoint REIT.

During FY2020, the following steps have been taken to address modern slavery:

- New corporate purpose and values adopted and embedded in our Code of Conduct. Our purpose of 'delivering long-term sustainable returns for our investors' recognises our proud history of delivering outcomes for our securityholders since listing in 2016. Our purpose provides the foundations for actions and together with our values, guides our decision-making and conduct around our people, community, environment, customers and investors.
- Our Code of Conduct and our newly adopted Human Rights Policy prohibits engaging in activity where it could be complicit to human rights abuse. In the context and spirit of Waypoint REIT's values and Code of Conduct, Waypoint REIT also seeks to work with third parties who abide by these principles and demonstrate good ethical practice as further set out in our newly adopted Supplier Code of Conduct.
- Implemented Charitable Giving and Employee Assistance Programs.
- 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 employees to enjoy the right to family, recreation and work-life balance (both before and during the COVID-19 pandemic). Team members have considerable flexibility to structure their work commitments around their personal and family commitments resulting in a high workforce job satisfaction and retention rate.
- Continued focus on employee health and safety through risk management.
- All employees completed mandatory training on modern slavery to raise awareness among employees and support them to identify and report modern slavery risks in our direct operations and supply chain.

All Waypoint REIT employees earn wages above Australian legal minimum requirements and are free to associate and enter into collective bargaining agreements.

6. Our Team Members and the COVID-19 Pandemic

Due to the COVID-19 pandemic, our team members were asked to work from home and the majority continue to voluntarily operate under a hybrid work model shared between home and the office. Video conferencing technology was used extensively to maintain contact between team members with an increased focus on team member wellbeing and mental health. Team members working from home are provided with the appropriate equipment, including technology, to ensure they can continue to work effectively.



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

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 that Waypoint REIT may contribute to or be directly linked to:

- 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.

Based on this understanding of modern slavery risk factors, our supply chain sustainability risk assessment identified the following categories as focus areas:

- development works; and
- facilities management.

During FY2020, we clarified our expectations for developers and facilities manager through updating template contractual documentation with modern slavery requirements and enhancing the consideration of modern slavery risk factors during the supplier selection process.

These risks are more likely to be found at tier 2 and below supplier levels. The focus for the first reporting year has been on tier 1 suppliers, being those suppliers with whom Waypoint REIT has a direct contractual relationship. Future focus areas will extend to tier 2 suppliers (entities who supply our tier 1 suppliers) and beyond.

All suppliers are expected to comply with Waypoint REIT's Supplier Code of Conduct. This Supplier Code of Conduct was approved by the Board in December 2020 and published on our website. All new tier 1 suppliers will be provided with a copy of our Supplier Code of Conduct and asked to confirm that their practices are compliant with these expectations. In FY2020, we further clarified our expectations for suppliers through:

- commencement of the inclusion of modern slavery provisions in our template contractual documentation with suppliers;
- consideration of modern slavery risk factors during the supplier selection process; and
- our preliminary survey of key suppliers to ascertain their understanding of modern slavery risks.

8. Incident Management

We did not identify any modern slavery practices either in our operations or in our supply chain during FY2020. However, our focus in FY2020 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.

We recognise our responsibility to provide or participate in the remediation of any identified human rights impact that we have directly caused or contributed towards. Waypoint REIT has a Whistleblower Policy which includes safe and transparent grievance mechanisms available to stakeholders. No reports were received from whistleblowers with work-related grievances from within or from outside our operations in FY2020. In the event a concern is raised, or we otherwise become aware that an individual in our supply chain is impacted by modern slavery, we will investigate the matter and take appropriate action. The action we take will be determined by the circumstances of the impact. In all cases, the focus will be on mitigating the risk to the individual impacted and may involve working with the supplier entity to encourage a change of practice or continuous improvement in their practices. All grievances, incidents and concerns are required to be reported to the Board.

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9. Assessing Effectiveness

We assessed effectiveness in FY2020 by tracking our actions and outcomes which included:

- updating or adding to our governance documents;
- building on our internal knowledge and understanding of modern slavery;
- identifying all of our direct suppliers; and
- preliminary engagement with our suppliers and establishing the groundwork that will allow us to better identify, analyse, assess and, if required, report and/or remediate incidences of modern slavery in our supply chains.

Waypoint REIT will continue to develop its response towards the identification and monitoring of modern slavery within our operations and supply chain and monitor the effectiveness of our actions in future statements.

10. Looking Ahead

Our priorities for FY2021 and beyond are:

Continued Engagement with Suppliers	<ul style="list-style-type: none">• 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.• Implement a requirement for all key suppliers subject to the provisions of the Act to provide a copy of their modern slavery statements annually.
Due Diligence	<ul style="list-style-type: none">• A focus on due diligence procedures for high-risk contractors and suppliers directly engaged by Waypoint REIT.
Development of Internal Policies and Training	<ul style="list-style-type: none">• Development and delivery of a staff training program to all Waypoint REIT employees to increase awareness of the risks and instances of modern slavery.• Continue to refine our key governance policies and contracts to mitigate the risks of modern slavery and improve our approach to procurement and supply chain governance.
Governance	<ul style="list-style-type: none">• 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.

This statement is made pursuant to section 13(1) of *Modern Slavery Act (Commonwealth) 2018*. This statement has been approved by the Board of Directors of Waypoint REIT Limited.



Hadyn Stephens
Chief Executive Officer
Waypoint REIT Limited

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Annexure A – 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 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 subsidiary and include full-time, part-time and fixed term employees.

ESG means environmental, social and governance.

General Counsel means the General Counsel of the Company.

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

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**: 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).