

# Modern Slavery Statement 2021

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 23 June 2022



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# Modern Slavery Statement 2021

This Modern Slavery Statement (**Statement**) is prepared in accordance with the *Modern Slavery Act 2018 (Act)* for the financial year 1 January 2021 to 31 December 2021 (**FY21**).

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.

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; and
- 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.

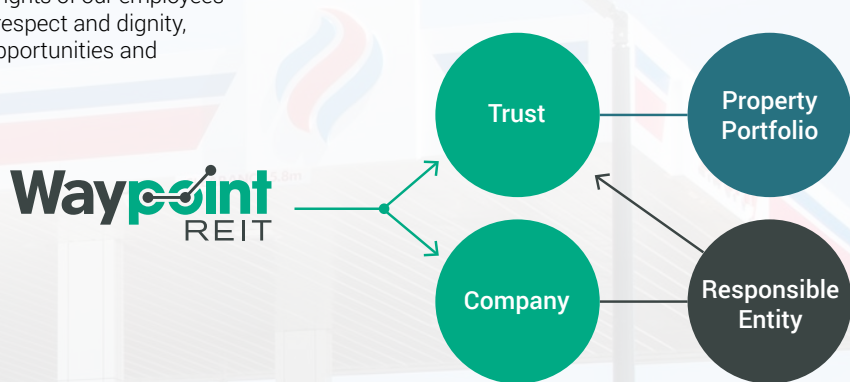
## 2. About Waypoint REIT

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 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 is summarised below:



# Modern Slavery Statement 2021 continued

## 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 2021, the property portfolio comprises 433 sites with a weighted average lease expiry of 10.0 years, occupancy (by income) of 99.9% and 96.6% 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 lease<sup>1</sup> 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 FY21, the Group procured \$12.1 million of goods and services from suppliers, providing a diverse range of products and services that are grouped into the categories shown below:

## Corporate Operations

### \$7.3m annual spend

- Fewer than 100 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

### \$2.6m 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 9.5% 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

### \$2.2m annual spend

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

## Annual Spend Categories



- 60% Corporate Operations
- 22% Property Management
- 18% 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 and four non-executive independent directors<sup>2</sup>.

### 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 risk. The Remuneration Committee reviews remuneration practices for employees and directors.

### Environmental, Social and Governance (ESG)

#### 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, assessing and managing the risk of modern slavery in its supply chain. The ESG Working Group reports directly to the Board.
- ESG Working Group includes cross-functional representatives: 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.

2. An additional non-executive director, Susan MacDonald, was appointed on 1 May 2022.

# Modern Slavery Statement 2021 continued

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, 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.

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 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:** Sets out how we agree to conduct ourselves, 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. The Code applies to all our people including directors, employees and contractors.
- **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 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 to feel safe in doing so. The confidential reporting service is managed by an independent third party, Stopleveline. Stopleveline is provided for use by employees, ex-employees, past and present contractors and suppliers, and close family members and dependants of these groups.

Most of these policies are available in the Corporate Governance section of Waypoint REIT's website at

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

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

Waypoint REIT 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.

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 wellbeing is of the highest importance at Waypoint REIT.

During FY21, 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 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.
- Embedded modern slavery considerations into the Code of Conduct, Anti-Bribery and Corruption and Anti-Terrorism Financing Policy and Whistleblower Policy, and appropriately enhanced remediation processes that support those policies.
  - Reviewed the Code of Conduct and Human Rights Policy.
  - Made charitable contributions under the Charitable Giving Policy.

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





## 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 is 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.

## 6. 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:

- 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 suppliers<sup>3</sup> represent 74.2% of our annual supply chain spend. Of those 12 suppliers:

- eight were professional advisory services located in Australia – deemed low risk for modern slavery risks based on location, industry and review of Modern Slavery Statements; and
- of the remaining four 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.

During FY21, we updated our procurement policies and protocols enhancing the consideration of modern slavery risk factors during the supplier selection process.

We did not identify any modern slavery practices either in our operations or in our supply chain during FY21. However, our focus in FY21 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 that we have directly caused or contributed towards.

Waypoint REIT has a Whistleblower Policy that includes safe and transparent grievance mechanisms available to stakeholders. Waypoint REIT's Whistleblower Policy was updated in FY21 and is an important part of promoting a culture that encourages speaking up.

All grievances, incidents and concerns are required to be reported to the Board – there were no reports received during FY21. Waypoint REIT also has a Complaints Handling Policy and program to facilitate any incident and remediation.

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

# Modern Slavery Statement 2021 continued

## 8. Consultation with Subsidiary Entities

During the reporting period this Statement covers, Waypoint REIT actively 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). We discussed details of the Modern Slavery Act 2018's reporting requirements, information regarding the actions we intend to take to address these requirements and provided them 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 assessed the effectiveness of our actions in respect of modern slavery risks in FY21 by tracking our actions and outcomes, which included:

- updating or adding to our governance documents;
- regular updates to the ARMC on our internal framework including policies and programs that address modern slavery;
- building on our internal knowledge and understanding of modern slavery;
- identifying all of our direct suppliers annually;
- regular engagement with key suppliers; and
- reporting any incidents to the Board.

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 FY22 and beyond are:

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### Continued Engagement with Suppliers

- 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 an expectation for all key suppliers subject to the provisions of the Act, to provide a copy of their modern slavery statements annually.
- Investigate further down the supply chain – work with any supplier identified as 'high risk' for tier 2 modern slavery risks (i.e. suppliers of the tier 1 (direct) suppliers).

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### Due Diligence

- 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.

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### Development of Internal Policies and Training

- Continue to deliver training programs on modern slavery awareness and prevention to all Waypoint REIT employees.
- Continue to review our key governance and procurement practices.
- Build on our risk assessment and update our Risk Management Framework as required.

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### 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 modern slavery risks identified.

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

The Modern Slavery Statement is approved by the Board of Waypoint REIT, the Responsible Entity and each Group Company.



**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 subsidiary and includes full-time, part-time and fixed-term employees.

**ESG** means environmental, social and governance.

**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**: 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**: 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).



