

30 March 2023

Market Announcements Office
Australian Securities Exchange

Electronic lodgement

2022 Sustainability Report

The attached document has been authorised for release by the Board of Waypoint REIT.

A handwritten signature in black ink, appearing to read "Tina Mitas".

Tina Mitas
Company Secretary

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About Waypoint REIT

Waypoint REIT is Australia's largest listed REIT owning solely service station and convenience retail properties with a high-quality portfolio of properties across all Australian States and mainland Territories. Waypoint REIT's objective is to maximise long-term returns from the portfolio for the benefit of all security holders.

Waypoint REIT is a stapled entity in which one share in Waypoint REIT Limited (ABN 35 612 986 517) is stapled to one unit in the Waypoint REIT Trust (ARSN 613 146 464). This ASX announcement is prepared for information purposes only and is correct at the time of release to the ASX. Factual circumstances may change following the release of this announcement.

Please refer to the Waypoint REIT website for further information waypointreit.com.au

Sustainability Report



2022





Image: Shell Coles Express Alexandria (NSW)

Cover image: Shell Coles Express Coomera (QLD)

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Waypoint REIT is Australia's largest listed REIT owning solely fuel and convenience retail properties; it has a high-quality network across all Australian states and territories.

Waypoint REIT's objective is to maximise long-term returns from the portfolio for the benefit of all securityholders.

Waypoint REIT will provide securityholders with:

- a real estate portfolio that forms part of a market leading national fuel retailing and convenience store network;
- security of income through long-term predominantly, triple net leases to Viva Energy, a high quality tenant;
- an attractive forecast distribution yield;
- contracted revenue growth; and
- a strong corporate governance framework with majority-independent Board of Directors.

Waypoint REIT is a stapled entity comprising one share in Waypoint REIT Limited (ABN 35 612 986 517) and one unit in Waypoint REIT Trust (ARSN 613 146 464). The Responsible Entity of Waypoint REIT Trust is VER Limited ACN 609 868 000, Level 15, 720 Bourke Street, Docklands VIC 3008.

Waypoint REIT Limited and the Responsible Entity undertake a coordinated approach to the corporate governance of Waypoint REIT. Waypoint REIT applies the same corporate governance framework to the wholly owned subsidiaries of Waypoint REIT and its employees. The information contained in this report has been approved by the Board ensuring all material topics are covered and is current as 31 December 2022 or as otherwise stated. This is not investment or financial product advice. Waypoint REIT has not considered the investment objectives, financial circumstances or particular needs of any reader. Except as required by law, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions, or as to the reasonableness of any assumption, contained in this document. This report provides an overview of Waypoint REIT's approach to sustainability (including environmental, social and governance or ESG) matters, and a review of Waypoint REIT's key initiatives and achievements during financial year 2022. It is intended that Waypoint REIT will release its Sustainability Report annually. The report is only available online.

If you have any questions about the contents of this report, please contact tina.mitas@waypointreit.com.au.



APPROACH

We are committed to:

1.

The continuous improvement of the ESG aspects of our business.

2.

Managing, minimising and mitigating (where possible) the ESG-related risks associated with our business.

3.

Engaging and collaborating with our tenants and other stakeholders to influence positive change and drive mutually beneficial ESG outcomes.

4.

Being transparent about progress.

Our approach to sustainability considers the structure of our business and the passive nature of our business model. Waypoint REIT's direct ESG impacts are both relatively modest and localised in their scope, as evidenced by offsetting our Total Scope 1, Scope 2 and Direct Scope 3 emissions in 2022 (through the purchase of Australian Carbon Credit Units) with respect to facilities under Waypoint REIT's operational control.

Our investment focus on leasing sites to fuel and convenience retailers presents specific environmental challenges associated with those sectors. However, they are tempered by our portfolio being predominantly comprised of triple net leases, which restrict our ability to directly address these challenges relative to the role of our tenants.

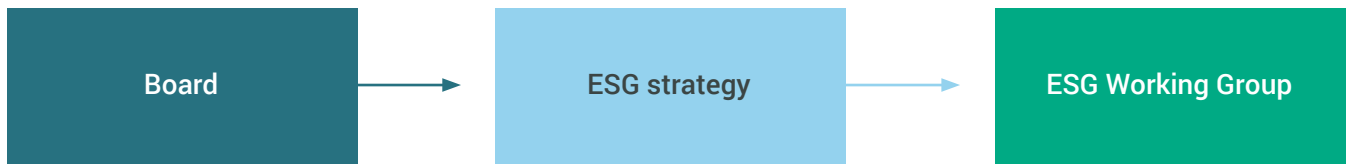
Waypoint REIT supports our tenants to the best of our ability under the lease terms in place to minimise the environmental impact of their operations on our sites.

We are committed to having broader discussions on these challenges with our tenants, particularly given the role our tenants play in the fuel and convenience retail industries, and their impact on greenhouse gas emissions and related issues.

This report covers the financial year ending 31 December 2022. The sustainability data in this report relates specifically to assets and activities within our direct operational control as Waypoint REIT, unless stated otherwise.

GOVERNANCE STRUCTURE

Our ESG governance framework is designed to provide effective direction and oversight for our ESG strategy. The Waypoint REIT Board is ultimately responsible for setting Waypoint REIT’s ESG strategy. The ESG Working Group is responsible for bringing Waypoint REIT’s ESG strategy to life and for actioning ESG goals set by the Board.



2022 Highlights

Waypoint REIT is pleased to confirm we have:

- maintained our carbon neutral target of offsetting Scope 1, Scope 2 and direct Scope 3 emissions under our operational control through the purchase of carbon offsets administered by Tasman Environmental Markets Australia Pty Ltd (TEM)¹;
- enhanced the disclosures in this Sustainability Report in accordance with the Recommendations of the TCFD;
- completed a first pass physical climate risk assessment and climate scenario analysis;
- no recordable health and safety incidents²;
- improved gender diversity on the Board;
- improved Sustainability and S&P CSA ratings;
- 100% compliance for employee training; and
- completed a cyber maturity assessment.

2023 Priorities

Looking to the year ahead, Waypoint REIT intends to continue on our ESG journey and commits to:

- maintain our carbon neutral target of offsetting Scope 1, Scope 2 and direct Scope 3 emissions under our operational control through the purchase of carbon offsets from an accredited provider;
- enhance our ESG disclosures; and
- continue to support tenants to enhance environmental outcomes.

Future State

- Refine scenario testing using results of FY22 climate risk assessment.
- Climate change adaption planning.

1. Australian Carbon Credit Units purchased and surrendered through Tasman Environmental Markets Australia Pty Ltd (TEM) in March 2023.
2. With respect to facilities under Waypoint REIT’s operational control.



Image: Liberty Greenvale (VIC)



Image: Shell Coles Express Windsor (VIC)

OUTPUTS OF ANNUAL MATERIALITY ASSESSMENT – OVERVIEW

The ESG working group conducts an annual materiality assessment of ESG topics. This assessment was conducted by the ESG working group including:

- a desktop review of Waypoint REIT’s ESG risks and opportunities;
- reviewing the topics our peers report on and the ESG frameworks they report against;
- considering physical and transition risks facing our industry and business, and working with external consultants to better understand these issues;
- understanding what topics leading ESG rating agencies deem most material for companies in our industry;
- consultation with our largest tenant Viva Energy about their own sustainability issues and initiatives, and opportunities for collaboration to improve sustainability practices; and
- understanding how leading investor associations view sustainability.








The outcomes of this materiality assessment are used to inform Waypoint REIT’s ESG strategy, with the most material ESG topics facing Waypoint REIT today categorised into focus areas. These focus areas are also considered as part of Waypoint REIT’s

broader Risk Management Framework and are reflected in our risk appetite statement. No changes were made to the focus areas in 2022.

The focus areas are aligned to six of the United Nations’ 17 Sustainable Development Goals (**UN SDGs**). The UN SDGs are non-binding voluntary initiatives. 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 – into 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 forests¹.

We have adopted four focus areas. For each focus area, we have separately identified work streams in our direct control from the ones we work collectively on with our tenants.

An overview of our ESG strategy is set out in the table below.

Focus area	Key matters	Impact	Stakeholders	UN SDGs
Ethical conduct and transparency	Governance Compliance Risk management	Direct	Employees Communities Business partners Securityholders	
Our people	Diversity and inclusion Flexible working Health and wellness Remuneration	Direct	Employees Securityholders	 
Climate change and energy	Climate risks and opportunities Energy efficiency	Direct Direct/Indirect	Tenants Employees Securityholders	 
Safety and environment	Personal and process safety Spill prevention	Direct/Indirect Indirect	Employees Tenants Contractors Communities Government	 

Reporting standards and assurance

We respond to the Task Force on Climate-related Financial Disclosures (**TCFD**) recommendations on page 14 of this report.

The 2022 Sustainability Report has also been prepared with reference to the Global Reporting Initiative (**GRI**) Standards² for the first time to inform the content of this report. Not all the GRI Standards have been addressed or complied with in this report. The GRI Standards define material topics as those that reflect significant economic, environmental and social impacts and/or substantively influence stakeholders’ assessments of the organisation’s sustainability performance in the reporting period. For a list of the disclosures included in this report with reference to the GRI Standards, refer to the GRI Content Index in Appendix D.

PricewaterhouseCoopers (**PwC**) has undertaken a ‘limited assurance’ of selected ESG performance data in accordance with Australian Auditing and Assurance Standards Board ‘ASAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and ASAE 3410 Assurance Engagements on Greenhouse Gas Statements, for the year ended 31 December 2022. A copy of the Limited Assurance Report is attached to this report as Appendix B and sets out the selected ESG performance data subject to assurance by PwC.

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

2. This report has been prepared in accordance with the GRI Standards: Core option for the period 01 January 2022 to 31 December 2022. The following standards were used:

- *GRI 102: General Disclosures 2016*: to report on contextual information about Waypoint REIT and its sustainability reporting practices;
- *GRI 103: Management Approach 2016*: to report Waypoint REIT’s approach for each material topic; and
- *GRI Topic-Specific standards* considered most material to Waypoint REIT and its securityholders.

FOCUS AREAS – IN-DEPTH REVIEW

Further details on each focus area of Waypoint REIT’s ESG strategy are provided below.

Focus Area #1: Ethical conduct and transparency

Values

Waypoint REIT’s four core values (**Values**) are set out below, and highlighted in Waypoint REIT’s Code of Conduct, published on the Waypoint REIT website at

[2022 Corporate Governance Statement](#)

These Values reflect what Waypoint REIT stands for, and the Board and senior management are guided by these core Values when making decisions.

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

Values

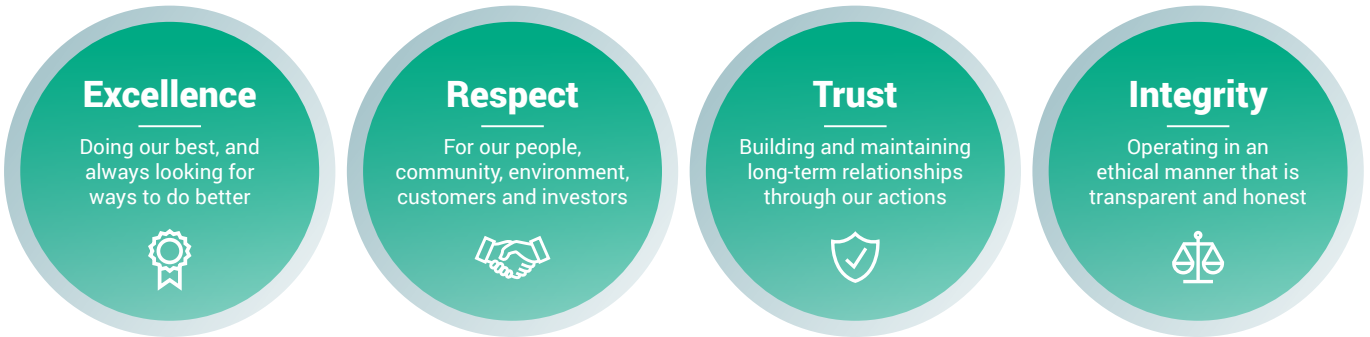


Image: Shell Coles Express Alexandria (NSW)

FOCUS AREAS – IN-DEPTH REVIEW CONTINUED

Commitments

Waypoint REIT is committed to operating our business in a way that is ethical, responsible and transparent through:

- operating in accordance with our Values;
- maintaining strong governance and Risk Management Frameworks;
- endeavouring to support ethical trade in our purchasing practices; and
- contributing to making the communities where Waypoint REIT operates better places to live and do business.

By adopting high standards we aim to achieve commercial success for our investors and earn the respect of our stakeholders, business partners and the communities where we operate.

Transparency

The Board has also adopted the following policies governing ethical conduct and transparency:

- Anti-Bribery and Corruption and Anti-Terrorism Financing Policy
- Charitable Giving Policy
- Code of Conduct
- Complaints Handling Policy
- Conflict of Interest Policy
- Disclosure Policy
- Diversity Policy
- External Auditor Independence Policy
- Human Rights Policy
- Investor Relations Policy
- Privacy Policy
- Related Parties Transactions Policy
- Securities Trading Policy
- Supplier Code of Conduct
- Whistleblower Policy

(collectively referred to as **Key Policies**).

Our **Code of Conduct** outlines how we expect our Directors, senior management, employees and any third party acting on our behalf to behave and conduct themselves in the workplace.

Our **Supplier Code of Conduct** encourages suppliers and contractors to abide by our values and we aim to procure goods and services from those organisations demonstrating good ethical practices.

Our **Human Rights Policy** demonstrates our commitment to managing our operations and investments in line with the United Nations Guiding Principles on Business and Human Rights and the Australian Modern Slavery legislation. This commitment extends to our Directors, employees, contractors, sub-contractors, consultants and our suppliers, whom we expect to comply with applicable laws, regulations and standards when conducting business.

Our **Charitable Giving Policy** is tied to Waypoint REIT's commitment to help make the communities where Waypoint REIT operates better places to live and do business.

We are also subject to several ESG corporate ratings and participate in or respond to information requests or both, where appropriate and feasible based on our resources.

	2021	2022	Y-O-Y ¹ improvement
Sustainalytics Risk Ratings	16.35 Low Risk	15.85 Low Risk	0.50
S&P Global ESG Score	22	43	21

We aim to be fully accountable and transparent with the market around fines, breaches and other business transgression that may occur. A **Whistleblower Policy** and whistleblower hotline support this outcome. Our grievance mechanism is supported by an independent provider. Waypoint REIT had no whistleblower complaints during FY22.

2022 Update

- Waypoint REIT published its Modern Slavery Statement 2021 on 30 June 2022, its second statement in accordance with the requirements of the Commonwealth's *Modern Slavery Act 2018*. Please see our website for a copy of the Modern Slavery Statement. www.waypointreit.com.au.
- Waypoint REIT provided \$5,000 in sponsorships to community organisations and matched donations made by employees to Waypoint REIT's nominated charity partners totalling \$2,230.
- Time and effort were also dedicated during the year towards understanding and improving our external sustainability rankings. Participation in the S&P Global Corporate Sustainability Assessment (**CSA**) was proactively undertaken for the first time in 2022. Improved rankings were also achieved across sustainability aggregator surveyors, including CSA and Sustainalytics compared to the previous year. This was largely driven by Waypoint REIT's improved transparency provided through enhanced disclosures in Waypoint REIT's annual report and on our website.
- Waypoint REIT completed a TCFD gap analysis during 2022 and has aligned our approach to climate change assessment and reporting with the Recommendations of the TCFD. Refer to Focus Area #3: Climate change and energy for further details.
- In 2022 Waypoint REIT also engaged Deloitte to perform a cyber maturity assessment using the National Institute of Standards and Technology (**NIST**) cybersecurity framework (**CSF**). CSF is a commonly used framework that provides guidelines for organisations to manage cybersecurity risk.

1. The ESG ratings disclosed for Waypoint REIT are the historical average ESG risk ratings per year.

Focus Area #2: Our people

Culture and engagement

The Board and the CEO work with senior management to successfully cultivate a team culture focused on performance, governance, risk management and inclusiveness. Culture is reviewed periodically by the Board in conjunction with senior management. Given the small size of the team, the Board has the unique opportunity to interact with the majority of employees directly in some capacity during the year.

Diversity and inclusion

Waypoint REIT's **Diversity Policy** describes our approach to diversity, the importance diversity brings to innovative thinking and overall success including attracting talent, decreases in staff turnover, increased job satisfaction, and better overall staff performance, and our commitment to fostering and maintaining an inclusive workplace that respects individuals. The Diversity Policy is available on the Waypoint REIT website and our scope includes, but is not limited to issues of gender, gender identity, physical appearance, political views, age, race, nationality, ethnic origin or cultural background, relationship status, marital status, family responsibilities, carer's responsibilities, pregnancy or potential pregnancy, religious beliefs or activity, social origin, sexuality or sexual orientation, disability, medical record, and trade union activity.

Waypoint REIT has adopted a methodology to establish measurable objectives for achieving gender diversity and to annually review these objectives and Waypoint REIT's progress in achieving them.

There were no incidents of discrimination and corrective actions taken during FY22.

For 2022, the proportion of women employed by Waypoint REIT (as compared to our Targets) is summarised in the table below.

Diversity objective	FY22 targets	FY22 outcomes	FY22 diversity targets
Female Board representation	Ensure the current female Board representation does not decrease.	40%	33%
Female representation on the Board and senior management team ¹	Ensure female representation on the Board and senior management team does not decrease.	37%	>50%
Female employees	Maintain 50% representation of employees as females.	50%	50%

1. The senior management team comprises Executives as defined in Appendix C of this report. In 2022, there were three senior executives reporting to the Managing Director and CEO.

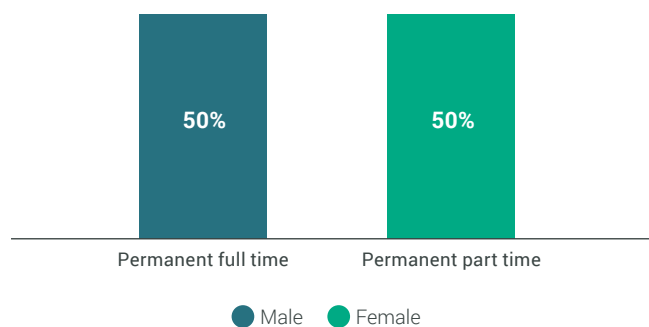
The next table sets out a summary of Waypoint REIT's gender diversity objectives for 2022 and progress made in achieving those objectives.

FY22 diversity objective	Outcome
1 Ensure the current proportion of female Board representation does not decrease.	Achieved – Appointed Susan MacDonald as an Independent Non-Executive Director in 2022. Female Board representation increased from 25% in 2021 to 40% in 2022.
2 Ensure female representation on the Board and senior management team does not decrease, and to endeavour to increase female representation to 50% as and when opportunities arise.	Not Achieved – Female representation on Waypoint REIT's Board and senior management team decreased from 43% in 2021 to 37% in 2022. In 2022, Aditya Asawa replaced Kerri Leech as CFO.
3 Maintain 50% of employees as female.	Achieved – As at the date of this statement, 50% of Waypoint REIT's workforce is female.

Overall, gender representation remains relatively constant, however, while continuing improvement is evident in the Board, there has been a reduction in female representation at the senior management level. Due to the small number of employees, any change has the potential to make a notable movement on diversity outcomes.

Waypoint REIT has a small group of employees and a strong workforce culture and as a result we have extremely low employee turnover. 100% of Waypoint REIT's employees are located in Australia. During FY2022, there was one new female Non-Executive Independent Director appointed. Voluntary employee turnover was 11% (one employee). Involuntary turnover was 11% (one employee) as a result of organisational redesign.

Employment status



Also refer to our Corporate Governance Statement for further information on diversity. www.waypointreit.com.au/investors.

Flexible working and parental leave

Our approach to flexible working and parental leave has been an important part of promoting greater gender balance in our workplace. Flexible working arrangements were adopted for all staff as a result of COVID-19. Waypoint REIT's employees continue to work flexibly during FY22 with regard to work location.

As at the end of FY22, four of Waypoint REIT's eight team members worked on a formal part-time working arrangements. Flexible working from home practices is the 'new-normal' throughout 2022 following the more stringent COVID-19 restrictions of prior years.

Waypoint REIT offers all eligible employees parental leave of up to 14 weeks for the primary carer within the first 24 months of their child's birth or adoption/permanent fostering of a child. Parental leave is also available to eligible permanent employees from the time they start working with us, in order to help provide greater access to paid parental leave and flexible unpaid leave. During FY22, all employees were entitled to parental leave and there were no employees that took parental leave or returned to work in the reporting period after parental leave ended.

Performance, training and development

All permanent employees are entitled to earn an 'at risk' component of remuneration designed to maximise performance in key strategic areas set and measured through a balanced scorecard approach, with key performance indicators (**KPIs**) aligned to the key financial and non-financial value drivers of Waypoint REIT's business agreed between each employee and their manager at the start of the year. The Board believes that having a mix of financial and non-financial KPIs will provide measurable performance criteria strongly linked to year-on-year securityholder returns and encourage the achievement of individual goals consistent with Waypoint REIT's overall strategic objectives.

At the end of each year, the performance of employees is measured against the KPIs as set out in their balanced scorecard, whether they have satisfactorily completed all annual mandatory compliance training and evidence of behaviour in line with Waypoint REIT's corporate values and Risk Management Framework.

Waypoint REIT is also committed to building employee capability via on-the-job training and development opportunities, such as participating in special projects, attending conferences and industry forums, as well as formal classroom and web-based training to ensure their skills remain current.

Waypoint REIT has a **Continuous Learning Policy** entitling all employees up to \$1,000 of employer-paid training plus two paid study days and the opportunity to apply for additional resources to be assessed on a case-by-case basis.

A **Health and Wellbeing Policy** provides all employees with the opportunity to undertake annual health checks. Benefits are applied to all permanent employees (full time and part time).

All Waypoint REIT employees are required to complete ongoing mandatory training modules on key policies and procedures, including but not limited to compliance training and cybersecurity awareness training. The mandatory training requirements are reviewed annually and updated as required to ensure they remain relevant and reflective of current market trends.

All new Directors and employees receive training on the Code of Conduct and complete comprehensive induction training to understand their responsibilities and accountabilities with respect to the Key Policies.

Approximately 26 hours of training (average per FTE) were completed in 2022 vs seven hours of training (average per FTE) in 2021 and 100% of employees completed training in mandatory compliance modules, including a tailored modern slavery awareness e-Learning module, code of conduct, anti-bribery and corruption policies and procedures, which were provided free of charge and during paid working hours. In 2022, the training delivered to all employees also included approximately two hours of WHS&E training (average per FTE) and included topics on health and wellbeing.

Average hours of training per employee (by gender and employee category)

Hours	Executive Leadership Team		Other	
	Male 2022	Female 2022	Male 2022	Female 2022
<10	0	0	0	0
10–20	1	0	2	3
20–30	1	0	0	0
>30	1	2	0	0

Note:

- Total hours of training includes coordinated and structured in-house and outsourced vocational and mandatory compliance training, WHS&E training and cybersecurity training, but excludes other training organised by employees, such as attendance at training courses and conferences.
- Training hours reflects all recorded applicable training for employees.
- Hours of training are calculated using the average per FTE.
- Mandatory compliance training generally includes modern slavery awareness training, continuous disclosure training, and reading and acknowledging all key policies. These include: Waypoint REIT’s Code of Conduct, Anti Bribery and Anti-Terrorism Financing Policy, Complaints Handling Policy, Conflict of Interest Policy, Disclosure Policy, Diversity Policy, Human Rights Policy, Investor Relations Policy, Privacy Policy, Securities Trading Policy, Related Parties Transactions Policy and Whistleblower Policy.

All Directors and employees are required to complete attestations that they have read and acknowledge the obligations of all key policies, with more advanced training provided depending on their role within the organisation.

Waypoint REIT as an Australian Financial Services Licence (AFSL) holder is also required to have a development program for our Responsible Managers. The **Responsible Manager Development Policy** approved by the Board is designed to ensure that our Responsible Managers maintain competence in their particular area of responsibility, thereby complying with our AFSL.

Newly appointed Responsible Managers receive appropriate induction and then relevant training on an ongoing basis. Waypoint REIT provides all Responsible Managers with in-house training and gives representatives the opportunity to attend external training courses and/or seminars and conferences that are relevant to their area of expertise.

Remuneration

Waypoint REIT’s long-term remuneration objectives are to reward strong performance, encourage executive retention, achieve the right balance between ‘fixed’ and ‘at risk’ pay and achieve alignment between executive and securityholders’ interest. The Board recognises the key to Waypoint REIT’s ongoing success lies in retaining and attracting high performing people.

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

Refer to the Remuneration Report in the 2022 Annual Report for further details.

www.waypointreit.com.au/investors



Focus Area #3: Climate change and energy

Disruptions to the supply and demand for traditional fuel, alternative fuels and/or convenience retail products, supply and demand for fuel and convenience retail properties, and the availability and cost of credit (including sector-specific ESG considerations) have a collective impact on our business.

As a landlord to manufacturers and suppliers of hydrocarbon-derived products, we recognise we have a role to play in supporting the transition to lower-carbon energies while at the same time facilitating the safe and reliable supply of traditional hydrocarbon fuels to motorists.

In November 2022 the Commonwealth Scientific and Industrial Research Organisation (CSIRO) published an updated report¹ for the Australian Energy Market Operator regarding electric vehicle (EV) projections (CSIRO Report). The report was an update from previous projections published in May 2021, and noted a proliferation of stronger state and commonwealth EV policies and generally stronger climate policy settings. Under the four transition scenarios explored, EV uptake projections in the shorter term (to 2030) have increased; however, longer-term projections (to 2050) remain largely unchanged. We note that fuel and convenience (mobility) operators are also acknowledging the transition underway and they continue to adapt their strategies and plans (and the velocity of these) to the changing demands of their customers. Given the existential nature of such risks, however, we consider that these should continue to be prudently monitored and assessed to best prepare our business for the medium to long term.

Waypoint REIT’s property portfolio has a weighted average lease expiry of 9.0 years and most leases have multiple option periods in place. This, coupled with 90% (by income) of our leases being on triple net terms, provides a secure rental income stream to securityholders but moderates our ability to monitor and reduce the environmental impact of our sites, as operational control and responsibility for a site’s environmental impact largely resides with our tenants. Noting our own direct ESG impacts are both relatively modest and localised in their scope, Waypoint REIT aims to support our tenants to the best of our ability under the lease terms in place to minimise the environmental impact of their operations on our sites.

Risk management

The ultimate responsibility for overseeing and managing risks, including those related to climate change, rests with the Board.

The Risk Management Framework (RMF) is used to identify, assess, manage, monitor and report key risks. The Board, via the CEO, is responsible for overseeing the establishment and implementation of the RMF, and for approving and monitoring compliance with the framework.

Climate-change risk is included in the risk register, which is communicated to the Audit and Risk Management Committee (ARMC) and the Board. 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, including climate-change related risks.

Our Risk Management Framework and related risk management policies and procedures are discussed in our Operating and Financial Review in the Directors’ Report included within the Annual Report and in our Corporate Governance Statement available on our website at www.waypointreit.com.au/investors.

The Board reviews economic, environmental and social topics and their impacts, risks and opportunities as needed, but at a minimum, on an annual basis. The impact of climate change on Waypoint REIT’s sites is largely borne by the tenants and/or the site operators via the triple net nature of the leases in place across most of Waypoint REIT’s sites. Accordingly, Waypoint REIT has a medium-risk appetite for climate change risk to allow for issues with a longer-term time horizon and/or new issues to be addressed as identified.

This approach recognises the nature, extent and understanding of climate change risk will continue to evolve over time.

There are two main types of risks and opportunities related to climate change. First are **physical risks and opportunities** from climate change following an acute event or more chronic longer-term shifts in the climate that may have financial implications because of damage to physical assets, or indirect impacts such as supply chain disruption. Financial performance may also be affected by climate change impacting the Waypoint REIT physical space, operations, supply chain, transport needs and employee safety.

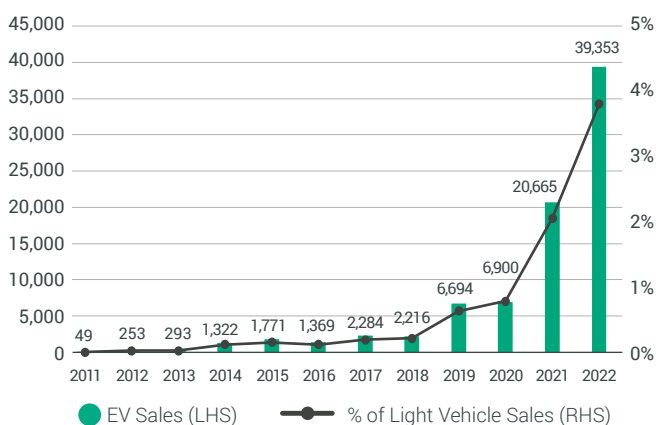
Transition risks and opportunities from the move to a low-carbon economy may result from extensive government policy, legal, technological and market changes. Despite this, Waypoint REIT supports the need for action to limit global temperature rise to 2°C or less from pre-industrial levels.

Transition risk

Waypoint REIT acknowledges the macro trends that will affect the fuel and convenience sector over time, with the key issue being the energy transition and the shift from traditional fuels to alternate fuels over time.

Approximately one million new light vehicles are sold each year in Australia, and EV sales have nearly doubled over the past year; however, EVs still only represented approximately 4% (39,353 vehicles) of total sales in 2022.³

EV sales and % of total new car sales (2011 to 2022)^{2,3}



1. Source: CSIRO, Electric vehicle projections 2022 (November 2022).

2. Source: Electric Vehicle Council, State of Electric Vehicles (October 2022) for 2011–2021 data, Federal Chamber of Automotive Industries Media Releases dated 5 January 2023 for 2022 data.

3. Source: Electric Vehicle Council, Australian Electric Vehicle Industry Recap 2022 (February 2023).

The CSIRO Report explored four general scenarios:

- Progressive Change: slower energy transition. Paris Agreement objectives not achieved, slower investment in EVs and household battery storage, decarbonisation policy is less of a priority.
- Exploring Alternatives: decarbonisation accelerates after 2030 with net zero emissions across the economy by 2050. Commercialisation of new low emissions technologies over time, cost of new technologies continues to fall, Paris Agreement objectives not achieved.
- Step Change: strong climate action underpins rapid transformation of the energy sector. Government policy and corporate objectives are aligned to decarbonise, EVs soon become the dominant form of road passenger transportation.

- Hydrogen Export: faster decarbonisation to tackle climate change, with net zero emissions before 2050. Australia establishes strong hydrogen export partnerships to meet international demand for clean energy, the energy transition in Australia is embraced by consumers.

The scenarios published layout a range of EV adoption trajectories on key metrics including:

- EVs reaching cost parity between 2025 and 2035;
- EV share of new car sales surpassing 50% between pre-2030 to post 2040; and
- EV share of fleet reaching 50% between 2035 to mid 2040s.

Waypoint REIT's strategy to mitigate transition risk continues to be threefold:

Strategy	Aim	Description/comments
Actively managing our portfolio	Improve portfolio quality and increase likelihood of lease renewals at expiry	<ul style="list-style-type: none"> • Selective acquisitions • Non-core disposals • Focus on long-term risks/returns (including underlying land value) • Acquisition/disposal criteria to be refined over time as the sector evolves • Portfolio diversification over time
Supporting our operators	Assist long-term viability/success of our operators, primarily as a capital partner	<ul style="list-style-type: none"> • Optimise current offering (e.g. site redevelopments) • Adapt offering over time (e.g. reconfiguration for addition of alternative fuels to site mix) • Facilitate innovation and sustainability (e.g. electricity easements for EV charging stations)
Prudently managing capital	Capital management strategy consistent with portfolio strategy	<ul style="list-style-type: none"> • Sustainable gearing levels and diversified sources and tenor of debt • Disciplined allocation of capital to optimise risk-adjusted securityholder returns



Physical risk

To inform climate change resilience, Waypoint REIT undertook a first pass climate exposure assessment across its portfolio of assets. The results of this work will be taken into account and will inform Waypoint REIT's strategy going forward in FY23 and beyond.

This process did not reveal any new material risks, and both our insurance coverage and maintenance capital expenditure programs were deemed adequate. Whilst assets located in extreme temperature zones may experience shorter useful lives or higher maintenance costs, these costs are largely borne by our tenants given 90% of leases are triple net. Please see page 16 for further details on physical risks identified during this assessment.

Waypoint REIT was not financially impacted by natural disasters impacting various part of the country during 2022, as site restoration costs were borne by tenants in accordance with the terms of the leases in place over affected sites. This said, two assets were closed to trade for extended periods while restoration works were undertaken by the tenant.

Development assets

Waypoint REIT maintains a set of sustainability design elements to be considered for development projects focused on key areas including:

- environmental protection;
- energy efficiency;
- water efficiency; and
- waste management.

Where Waypoint REIT is to fund developments, the inclusion of these elements will be assessed as part of project scoping in conjunction with the tenant and/or operator of the asset to be developed.

Acquisition due diligence

Waypoint REIT's **Investment and Due Diligence Policy** and supporting acquisition checklists explicitly consider an asset's exposure to certain physical climate risks, including extreme weather events such as flood, storms and hail as part of the investment considerations.

Corporate offices

Waypoint REIT has corporate offices based in Sydney and Melbourne. Space has been leased in both cities in office buildings with NABERS 5+ ratings, which helps reduce Waypoint REIT's direct carbon footprint.

Actively manage our portfolio, asset sales and diversification strategy

Waypoint REIT's portfolio is well placed for the energy transition; however, management also believes that continued repositioning of the portfolio over the medium term is required to address some of the risks for Waypoint REIT associated with the energy transition, the key ones being sector and tenant concentration.

The first limb of the transition risk strategy to re-position the property portfolio for the long term has been asset sales, with 71 assets, or circa 15% (by number) of the peak 474 asset portfolio, sold since late 2020. A further 5% of the portfolio (by value) is identified for potential sale over the next three to five years. Waypoint REIT believes that asset sales to date have significantly de-risked the portfolio by improving the likely future tenant retention rate and expects ongoing active portfolio management and targeted reinvestment will see the overall quality of the portfolio continuing to improve over time. Waypoint REIT's future focus for fuel and convenience assets will be on sites located in capital cities, key satellite cities, metropolitan growth corridors, and highway service centres on major passenger and freight transport routes. These categories currently account for over 90% of Waypoint REIT's overall portfolio by value.

The second limb of the transition risk strategy is to reduce Waypoint REIT's relative exposure to fuel and convenience by diversifying the property portfolio. Accordingly, Waypoint REIT's selected diversification strategy is asset-class agnostic, with the investment decision process to focus on the nature of the lease and the creditworthiness of the tenant rather than asset class. Management's strong preference is for triple net leases with initial terms of at least 10 years to well-capitalised tenants with strong competitive positions in industries with solid fundamentals. The core characteristics of the underlying asset will also be important, with a preference for commercial properties that are fungible in terms of use and/or tenant. Waypoint REIT's long-term diversification strategy is expected to broaden avenues for growth, mitigate some of the key long-term risks facing Waypoint REIT's existing portfolio, and also improve Waypoint REIT's ESG profile over time.

Supporting our operators: EV charging station pilot program

The share of EV new car sales in Australia continued to grow in 2022, to approximately 4% of total new car sales, a 90% increase over 2021. There are now approximately 83,000 EVs on Australian roads, albeit this represents <0.5% of the total fleet.

Under the lease arrangements in place, Waypoint REIT does not have unilateral rights to require electric vehicle charging sites to be installed at our retail and convenience sites. This decision is under the tenant's operational control.

Viva Energy Australia ("VEA") expects to incorporate EV recharging facilities within their nationwide retail network (which includes 396 Waypoint REIT assets), as part of a broader convenience and mobility offering as EV uptake grows. VEA continues to assess the commerciality of EV solutions and associated customer behaviour¹. Waypoint REIT has acted in support from the early stages of this journey – providing landowner consent supporting easements for electricity supply and operator licenses for VEA's partnership with Evie Networks, involving installation of ultra-fast 350kw EV charging infrastructure at five Waypoint REIT sites.

1. VEA 2022 annual report.

Prudently manage capital: Maintain disciplined approach to capital allocation

Waypoint REIT continued our disciplined approach to acquisitions in 2022. Direct market transactions were observed to decrease approximately 40% by value compared to 2021¹. While Waypoint REIT screened and assessed many of these potential acquisition opportunities throughout the year, no acquisitions were completed, as none met Waypoint REIT's investment criteria, including maintaining Waypoint REIT's portfolio quality and exceeding Waypoint REIT's long-term weighted average cost of capital.

Waypoint REIT has also continued to progress its non-core asset sale program, which is targeted at disposing assets which are unlikely to deliver returns commensurate with Waypoint REIT's cost of capital over the longer term. In 2022, Waypoint REIT sold 31 assets for \$146.8 million (in line with book value) and, in total, 71 assets have been sold since December 2020 (approximately 15% of the portfolio by number) at a 5% premium to book value. The sales have strengthened the property portfolio with improvements across a range of metrics including productivity per site (measured by average fuel volume and average gross fuel margin), site area, underlying land value and higher levels of population in the immediate vicinity.

This disciplined approach to optimising the property portfolio through the disposal of non-core assets has enabled Waypoint REIT to return capital to securityholders. Asset sale proceeds funded the buy-back of 49.8 million stapled securities for \$129.4 million (average price of \$2.60 per security – a 14% discount to December 2022 NTA) in 2022. Waypoint REIT has returned \$302.7 million of capital to securityholders via capital returns and buy-backs since 2021.

Waypoint REIT's gearing of 30.7% was at the lower end of the target gearing range of 30% to 40% as at 31 December 2022. Waypoint REIT's funding sources are diversified across bank funding, an institutional term loan, and from Australian and offshore capital markets. Waypoint REIT has a weighted average debt maturity of 4.4 years and no debt expiring until 2025.

Waypoint REIT climate-related financial disclosure

The Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) was established to develop recommendations for more effective climate-related financial disclosures. The aim is to allow more informed investment, credit and insurance decisions and enable organisations' stakeholders to better understand carbon-related assets in the financial sector and the financial system's exposure to climate-related risk. The TCFD's recommendations include four key areas of disclosure: Governance, Strategy, Risk Management, and Metrics and Targets. By following these guidelines, organisations can disclose information on how they identify, assess and manage climate risks and opportunities, as well as their progress towards a low-carbon future.

Waypoint REIT is adopting the TCFD's recommendations and will disclose its climate-related risks and opportunities in FY22, as part of a roadmap to increase stakeholder awareness. This demonstrates the organisation's commitment to improving transparency and accountability around climate risks, and sets the foundation for further improvements in the future.

Waypoint REIT acknowledges that climate change is one of the most critical global challenges that poses significant social, economic and environmental risks. As the world moves towards a more sustainable and low-carbon economy, Waypoint REIT understands the importance of proactively addressing these risks and taking action to mitigate and adapt to these changes.

Waypoint REIT is committed to identifying and mitigating climate change risks, and has developed a comprehensive roadmap to achieve this goal. As a part of this roadmap, Waypoint REIT has undertaken the first stage of a scenario analysis to better understand climate change risks over the short, medium and long term. By analysing different possible climate scenarios, Waypoint REIT can evaluate the potential impacts of climate change on its business, including risks and opportunities, and identify measures to manage those risks.



Image: Evie charging station located at Shell Coles Express Taylors Lakes (VIC)

1. WPR Company research. Data is indicative only and may not capture all transactions. Excludes sales of assets leased to independent operators and portfolio transactions where individual asset values are not disclosed. Includes WPR asset sales (portfolio and individual assets).

FOCUS AREAS – IN-DEPTH REVIEW CONTINUED

The following table details a phased approach to Waypoint REIT reporting against the TCFD's recommended disclosures.

Phased approach – Waypoint REIT roadmap to climate-related financial disclosures

	Stage 1 (FY22)	Stage 2 (FY23)	Stage 3 (FY24+)
Governance	<ul style="list-style-type: none"> • Endorsed management's ESG annual work plan and monitoring progress against the plan throughout the year • ESG working group reports to the Board on ESG matters 		<ul style="list-style-type: none"> • Climate-related risk disclosure aligned to TCFD recommendations including financial exposure
Strategy	<ul style="list-style-type: none"> • Conducted a first-pass climate exposure assessment for the entire portfolio with a focus on high-priority assets • Developed a scenario analysis for three climate scenarios (SSP1-2.6, SSP2-4.5, and SSP5-8.5) over the short term (2030), medium term (2050) and long term (2090) 	<ul style="list-style-type: none"> • Updated FY23 TCFD gap analysis and Disclosure Strategy • Develop agreed groupings or archetypes of properties within the Waypoint portfolio to be assessed for critical climate vulnerability 	<ul style="list-style-type: none"> • Conduct a consolidated physical climate risk assessment across each archetype using the updated exposure and vulnerability data from Stage 2 • Develop adaptation pathways for each archetype which highlight preferred sequences of interventions • Develop cost benefit analyses to build a strong business case for investment and divestment decisions for mitigation and adaptation actions
Risk management	<ul style="list-style-type: none"> • Reviewed Waypoint REIT's Risk Management Framework and defined the risk appetite for climate-related risk • Identified risks are added to the risk register for review by the ARMC and ESG Working Group 	<ul style="list-style-type: none"> • Determine critical common attributes (e.g. climate exposure, socioeconomic context, future insurability) and assess key climate vulnerabilities of each archetype 	<ul style="list-style-type: none"> • Review current risk controls for each archetype and assess performance against extremes witnessed over the 2019–2022 period. Identify archetypes with likely residual risks which exceed tolerance and likely require urgent mitigation • Integration of financial risks associated with climate change into Risk Management Framework
Metrics and targets	<ul style="list-style-type: none"> • Endorsed the FY22 carbon neutral target and associated offset strategy recommended by management 	<ul style="list-style-type: none"> • Set metrics and targets for updating the vulnerability assessment of the portfolio during FY24 with a focus on identified highly exposed assets • Update GHG emissions report and maintain target to offset emissions under direct operational control • Review progress against reduction targets 	<ul style="list-style-type: none"> • Review targets and improve/increase if possible to align with best practice/class leaders • Review metrics and targets and set benchmarks for required climate resilience of each archetype and the portfolio as a whole

The table below summarises how Waypoint REIT is working towards disclosure aligned to TCFD recommendations.

TCFD Recommendation	Our Approach
Governance Describe the Board's oversight of climate-related risks and opportunities	<p>See Focus Area #3: Climate change and energy on page 13 for our approach on climate-related risk management.</p> <p>During 2022, the Board, through the ARMC and ESG Working Group, considered climate-related matters by:</p> <ul style="list-style-type: none"> • reviewing Waypoint REIT's Risk Management Framework; • defining the risk appetite for climate-related risk; • endorsing management's ESG annual work plan and monitoring progress against the plan throughout the year; • reviewing GHG emissions summary reporting (quantification and third-party assurance); • endorsing the FY22 carbon neutral target and associated offset strategy recommended by management; • conducting a TCFD gap analysis and roadmap to highlight the areas that need to be developed and future actions; • undertaking a first-pass climate exposure assessment on the entire portfolio and a subset of high priority assets; • conducting a scenario analysis for three different climate scenarios over three time horizons (2030, 2050 and 2090) across the entire portfolio of assets; and • reporting in line with the Recommendations of the TCFD. <p>The ARMC meets quarterly and the risk register is reviewed annually and as needed throughout the year.</p> <p>For more information on Waypoint REIT's Governance structure read 2022 Corporate Governance Statement.</p>
Describe management's role in assessing and managing climate-related risks and opportunities	<p>Since 2020 the ESG Working Group has had direct reporting responsibility to the Board. The ESG Working Group is responsible for bringing Waypoint REIT's ESG strategy to life and for actioning ESG goals set by the Board.</p> <p>The ESG Working Group comprises senior members of management from all key divisions, including the Chief Financial Officer, Company Secretary, General Manager Property and Financial Controller. The ESG Working Group formally reports to the Board at least four times per year. The ESG Working Group meets monthly to:</p> <ul style="list-style-type: none"> • allocate resources against each ESG annual work plan task; • discuss progress made against each ESG annual work plan task as well as any refinements to the plan that may be warranted; • discuss relevance of external publications/research; • discuss emerging trends and new initiatives; and • discuss and finalise board reports. <p>This cross-functional structure ensures climate-related issues, risks and opportunities are identified, assessed and actioned on a timely basis.</p> <p>At an operational level, the General Manager Property is responsible for:</p> <ul style="list-style-type: none"> • monitoring compliance with lease obligations (tenants) and service-level agreements (facilities managers), overseeing environmental reporting and maintaining Waypoint REIT's environmental matters register; • monitoring and responding to environmental incidents on site; and • ensuring appropriate acquisition due diligence is undertaken, including external environmental assessments and internal climate-impact assessments. <p>Material findings are escalated to the ARMC for consideration at least four times per year. Given the small size of Waypoint REIT's team and 96% of income is derived from one tenant (VEA), climate-related issues are effectively identified, managed and monitored through the policies and procedures Waypoint REIT has in place.</p>

TCFD Recommendation	Our Approach
Strategy Impacts of climate-related risks (opportunities and threats) on organisation's businesses, strategy and financial planning	<p>Waypoint REIT is committed to continuously expanding its understanding of climate-related risks and opportunities over the short, medium and long term, as well as determining the impact of different scenarios on our business, strategy and financial planning.</p> <p>The strategy to date has been focused on:</p> <ul style="list-style-type: none"> • assessing asset-level resilience to the long-term energy transition; • quantifying and defining a path to offset Waypoint REIT's Scope 1, Scope 2 and Scope 3 (direct) emissions; • high level understanding of Waypoint REIT's Scope 3 (indirect) emissions; and • portfolio management taking into account climate-related risks and opportunities. <p>Physical risks:</p> <p>In 2022, a site-level first-pass physical climate exposure screening was conducted.</p> <p>A diverse range of 13 climate-related hazards were utilised during this analysis to develop a broad overview of each asset's current climate exposure. Raw data for each hazard was transformed into a standardised exposure score between 0 (no exposure) and 10 (very high exposure).</p> <p>To ensure the project delivered the maximum value to Waypoint, it was decided to focus on a subset of hazards deemed to be of high importance owing to their potential to produce the following set of impacts:</p> <ul style="list-style-type: none"> • significant to severe asset damage; • increased insurance costs and/or decreased accessibility of insurance; and • reduced land value and/or limited land use change potential. <p>Riverine floods, flash floods, bushfire, tropical cyclones, and storm tide/coastal inundation were considered to meet these criteria. These subset of hazards were classified as having high importance and were the key focus of the project.</p> <p>Future exposure was also assessed using projections data for six future hazards related to the high importance hazards identified. For bushfire, annual days above 35°C and 40°C, extreme maximum temperature, and consecutive dry days were used as proxies for changes in potential fire exposure. For storm surge, coastal inundation was utilised, while maximum one-and five-day precipitation were used as proxies for flooding.</p> <p>Transition risks:</p> <ul style="list-style-type: none"> • Waypoint REIT's update on transition risk is detailed on page 10 under Section 3 which continues to guide our scenario planning of transition risks to identify those most relevant to the organisation and to allow a mitigation plan to be developed. <p>Looking forward:</p> <ul style="list-style-type: none"> • The outcomes of the detailed climate risk assessments to be employed to develop site-specific adaptation plans that guide the implementation of mitigation actions through to 2030. • Review and enhance guidelines to support assessment of future investments against potential physical and transition risk, including the consideration of climate risk at the acquisition and development stage for potential investments. <p>Potential risks will be considered in Waypoint REIT business planning by:</p> <ul style="list-style-type: none"> • Including potential identified risks (transition and physical) in the Organisational risk matrix materiality matrix (where materiality thresholds are met). This register is reviewed and updated on an annual basis. • Understanding and acknowledging investor/stakeholder concerns and feedback.

TCFD Recommendation	Our Approach
Strategy Resilience of organisation's strategy taking into account different climate scenarios, including 2°C scenario	<p>Waypoint REIT has undertaken a quantitative scenario analysis, based on future climate exposure under three IPCC CMIP6 emissions scenarios: SSP1-2.6, SSP2-4.5, and SSP5-8.5. A SSP1-2.6 scenario corresponds with deep and rapid cuts in emissions keeping warming below 2°C, while the SSP2-4.5 scenario corresponds most closely with climate pledges made in 2015 with warming expected to result in around 2.7°C. The SSP5-8.5 scenario represents unchecked pollution and warming of 4.4°C by 2100.</p> <p>For all three scenarios, variables were projected to the near- (2030), medium- (2050) and long-term (2090) time horizons. In addition to these variables sourced from IPCC, coastal inundation was also assessed for the same emissions scenarios and time horizons. This is an important step to fully understand the impact of climate change on Waypoint REIT.</p> <p>The findings indicate that sites that already have high current-day exposures for the high-importance hazards are projected to experience the greatest amplification of these exposures when compared to those not already highly exposed.</p> <p>This work will be used as a further input and consideration in supporting future decisions and scenario planning by Waypoint REIT.</p>
Risk management Processes for identifying and assessing climate-related risks	<p>Please see risk management on page 10.</p> <p>Additional actions related to transition risks will be updated in line with our TCFD roadmap.</p>
Processes for managing climate-related risks	<p>The Board conducts an annual materiality assessment of ESG topics as part of a broader annual strategy review. The outcomes of this materiality assessment are used to inform Waypoint REIT's ESG strategy, with the most material ESG topics facing Waypoint REIT today categorised into focus areas. 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.</p>
How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	<p>The Board's role is to set the risk appetite for the organisation (that is, the nature and extent of the risks it is prepared to take to meet its objectives), to oversee the Risk Management Framework, and satisfy itself that the framework is sound.</p> <p>The Board and the Risk & ARMC together assess the influence of climate change on Waypoint REIT operations, and categorise risk to determine the acceptable threshold or risk tolerance for each identified risk. The business strategy can then be set within these risk parameters.</p>
Metrics and targets Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	<p>Waypoint REIT's ESG Strategy details targets in the areas of climate resilience, energy efficiency and carbon.</p> <p>For the first time in 2021, Waypoint REIT achieved a carbon neutral target, purchasing carbon offsets against our 20.6 tonnes of Scope 1, Scope 2 and direct Scope 3 emissions under our operational control. In 2022, Waypoint REIT Scope 1, Scope 2 and direct Scope 3 emissions under our operational control reduced ~10% to 18.6 tonnes, and the carbon neutral target was again achieved through the purchase of carbon offsets administered by Tasman Environmental Markets Pty Limited.</p> <p>Increased emissions related to increased business travel (after COVID-19-related travel restrictions suppressed 2021) was offset by reduction in the net emissions from Waypoint REIT office buildings.</p>

FOCUS AREAS – IN DEPTH REVIEW CONTINUED

TCFD Recommendation	Our Approach
Metrics and targets Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions, and the related risks	<p>Waypoint REIT completed a carbon footprint assessment for 2022 as part of its ESG strategy, which included our operational footprint for Scope 1, 2 and direct Scope 3 categories analysing fuel and energy consumption, waste generated, business travel, employee commuting (including working from home), and upstream leased assets emissions.</p> <p>Further details of these calculations are set out in Appendix C of this report under the 'Basis of Preparation'.</p> <p>Waypoint REIT also acknowledges the sustainability commitments and actions of our tenant operators:</p> <p>VEA:¹</p> <ul style="list-style-type: none"> Maintained targets set including achieving net zero Scope 1 and 2 emissions across all non-refining business operations by 2030 and achieve net zero Scope 1 and 2 emissions across all Group-wide operations by 2050. Overall Group operational GHG emissions were 4% lower in 2021–22 than the base year (2018–19). 12.5% reduction in non-refining Total Scope 1 and Scope 2 GHG emissions in 2021–22 (47,082 tCO₂-e) compared to 2020–21 (53,809 tCO₂-e). Obtained Climate Active Certification for a suite of opt-in-carbon neutral fuels and speciality products, including jet fuel, marine fuels, solvents, bitumen products and transport fuels. Announced Australia's first publicly accessible hydrogen-focused refuelling facility, offering commercial-scale hydrogen refuelling for heavy HFCEVs (trucks and buses). <p>Coles:</p> <ul style="list-style-type: none"> Secured transition to 100% renewable electricity by FY25.²
Targets used by the organisation to manage climate-related risks and opportunities, and performance against targets	<p>Waypoint REIT's ESG Strategy commits to the following reduction targets:</p> <ul style="list-style-type: none"> Climate resilience: All assets assessed for vulnerability to physical climate risks. Energy and carbon: Waypoint REIT will seek to reduce operational emissions intensity (Scope 1, Scope 2 and direct Scope 3 emissions under our operational control) where opportunities are available, and continue to offset residual emissions to maintain a carbon neutral outcome. <p>Performance against these targets will be assessed by measuring progress against the prior year and an FY21 carbon baseline in addition to a review of initiative progress and effectiveness with the aim to set best practice targets.</p>

1. Source: VEA's annual report 2022 as lodged with the ASX on 21 February 2023. Capitalised terms are defined in VEA annual report.

2. Source: 1H23 Results Release and Presentation of Coles Group (parent entity of Coles Express), as lodged with the ASX on 21 February 2023.

Focus Area #4: Safety and environment

Safety

Waypoint REIT carefully considers the safety credentials of the tenants and parties with whom we deal with across the portfolio. This extends to ensuring alignment with tenants' safe operating procedures when attending and working on sites across the portfolio, including with contractors engaged by Waypoint REIT to carry out any landlord works.

Further, Waypoint REIT's incident reporting protocols require Waypoint REIT to confirm with tenants Waypoint REIT's expectations on work, health, safety or environment matters. Incidents reported by tenants are managed under Waypoint REIT's incident escalation protocols. A summary of reported incidents is also reviewed by the ARMC on a quarterly and 'as required' basis should urgent review be required.

Waypoint REIT promotes health and wellbeing by providing employees with the opportunity for an annual health check and Employee Assistance Program, which may be accessed when required.

In FY22 we conducted WHS&E training with all employees.

Environmental responsibility

Properties in the portfolio are subject to various environmental standards, regulations and laws, which, from time to time, may give rise to liabilities in terms of the status and remediation of those properties. The main environmental risk associated with fuel and convenience retail properties is soil and groundwater contamination caused by fuel leaks. However, the lease attaching to most sites requires tenants to use reasonable endeavours to prevent contamination at each site and indemnify Waypoint REIT for any contamination caused by their operations. Waypoint REIT has an indemnity from Viva Energy in respect of certain liability for historical environmental contamination across 355 assets acquired at the time of Waypoint REIT's initial public offering

If any property in the portfolio is contaminated by a fuel tenant or its invitee during the term of the lease, the tenant under that lease must remediate it at their cost to a standard consistent with operating the site as a service station (or similar commercial use). However, if the tenants were to fail to meet their obligations under these arrangements (including due to their insolvency), Waypoint REIT may incur significant costs to rectify contamination on the properties and also on other properties that may be consequently impacted.

To minimise Waypoint REIT's potential exposure, we ensure our fuel tenants are strong operators with a focus on environmental protection and personal safety. As at 31 December 2022, 96% of Waypoint REIT's income was derived from VEA.

VEA is a sophisticated and experienced operator of fuel and convenience retail infrastructure, and has policies and procedures in place to minimise the risk of harmful fuel leaks, and prioritises early fuel leak detection. VEA has in place a comprehensive Work, Health, Safety and Environment control framework and management system. VEA has also implemented spill prevention and control measures across all of its operations, including operational procedures, routine surveillance, risk-based inspection programs, and utilising leak detection technology.¹⁰

2022 Update

Waypoint REIT updated its WHS Governance framework and undertook a psychological risk assessment and maintains a psychological risk register.

Waypoint REIT did not receive any environmental infringements or notices from environmental regulators in 2022.

Employees of Waypoint REIT had no work-related injuries in 2022.

Carbon offsets

High integrity carbon offset units have been purchased through TEM, Asia Pacific's leading carbon offset provider.

Project Type

Environmental Planting/Native Forest Reforestation

Carbon Standard

Australian Government Emissions Reductions Fund

Methodology

Carbon Credits Farming Initiative (Reforestation and Afforestation)

Project Description

The project has been designed to be planted in narrow belts and small blocks during 2012 and 2013 expressly for the purpose of carbon abatement, the trees are thriving and contributing to environmentally regenerative outcomes in the

surrounding landscape that continues to be farmed by the landholder.

Reforestation has occurred primarily on light sandy patches of land, or along denuded stream banks. As the plantings mature and forest canopy is regenerated, a range of potential biodiversity co-benefits are achieved. With both the robust carbon removals and the potential to improve biodiversity outcomes in the project area, this reforestation initiative is a prime example of high-integrity nature-based climate change solutions.

Project Location

Located in the Great Southern region of Western Australia, 170 hectares of permanent eucalyptus tree plantings have been strategically established across four farms between the towns of Quairading and Kojonup.

Information provided by TEM
www.tem.com.au



The project meets the following United Nations Sustainable Development Goals:





Image: Shell Coles Express Brandon Park (VIC)

APPENDIX A: PERFORMANCE DATA

	Units	FY22	FY21
#2 Our people			
Total employees	#	8	9
Total employees in full-time roles	#	4	5
Total employees in part-time roles	#	4	4
Employee turnover voluntary	%	11	-
Employee turnover involuntary	%	11	-
Total employees (male/female)	%	50/50	44/56
Executives (male/female)	%	75/25	50/50
Board of Directors (male/female)	%	60/40	75/25
#3 Climate change and energy			
Greenhouse gas (GHG) emissions			
Total Scope 1	tCO ₂ -e	-	-
Total Scope 2	tCO ₂ -e	5.97	6.70
Direct Scope 3			
Category 3: Fuel and energy related emissions	tCO ₂ -e	0.49	0.65
Category 5: Waste generated in operations	tCO ₂ -e	-	0.45
Category 6: Business travel	tCO ₂ -e	6.67	3.33
Category 7: Employee commuting	tCO ₂ -e	5.52	1.83
Category 8: Upstream leased assets	tCO ₂ -e	-	7.67
Total – direct Scope 3	tCO ₂ -e	12.67	13.93
Total Scope 1, Scope 2 and Direct Scope 3 GHG emissions	tCO₂-e	18.64	20.63
Carbon offsets purchased and surrendered ¹	tCO ₂ -e	20.00 ²	26.00 ³
#4 Safety and the environment			
Health and safety			
Total recordable injuries	#	-	-
Environment			
Total environmental infringement or notices	#	-	-

1. Purchased and surrendered after the end of the reporting period to offset the Total Scope 1, Scope 2 and direct Scope 3 GHG emissions for the relevant reporting period

2. Carbon offsets purchased and surrendered in March 2023 through Tasman Environmental Markets Australia Pty Ltd.

3. Carbon offsets purchased through South Pole Carbon Asset Management Ltd in February 2022, surrendered in 2023.

APPENDIX B: LIMITED ASSURANCE REPORT



Independent Limited Assurance Report to the Directors of Waypoint REIT Limited

What we found

Based on the work described below, nothing has come to our attention that causes us to believe that the Selected Subject Matter within *Waypoint REIT Sustainability Report 2022* has not been prepared, in all material respects, in accordance with the Reporting Criteria. This conclusion is to be read in the context of the remainder of our report.

What we did

Waypoint REIT ('**Waypoint**' or '**the Group**') engaged us to perform a limited assurance engagement on the Selected Subject Matter within the *Waypoint REIT Sustainability Report 2022*.

Subject Matter

The scope of our work was limited to assurance over the Selected Subject Matter, which is summarised in Table 1 below. Our assurance does not extend to information in respect of earlier periods or to any other information included in the *Waypoint REIT Sustainability Report 2022*.

Table 1. Selected Subject Matter

Performance Indicator (for the year ended 31 December 2022 unless otherwise stated)
Our people: <ul style="list-style-type: none">• Total employees - 8• Total employees in full-time roles - 4• Total employees in part-time roles - 4• Employee turnover (voluntary) % - 11• Total employees (male/female) % - (50/50)• Executives (male/female) % - (75/25)• Board of Directors (male/female) % - (60/40)
Greenhouse gas (GHG) emissions: <ul style="list-style-type: none">• Total Scope 1 - 0 tCO2-e• Total Scope 2 - 5.97 tCO2-e• Direct Scope 3<ul style="list-style-type: none">○ Category 3: Fuel and energy related emissions - 0.49 tCO2-e○ Category 5: Waste generated in operations - 0 tCO2-e○ Category 6: Business travel - 6.67 tCO2-e○ Category 7: Employee commuting - 5.52 tCO2-e○ Category 8: Upstream leased assets - 0 tCO2-e• Carbon offsets purchased and surrendered - 20 tCO2-e

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Table 1. Selected Subject Matter (continued)

Performance Indicator (for the year ended 31 December 2022 unless otherwise stated)
Safety & Environment: <ul style="list-style-type: none">• Total recordable injuries - 0• Total environmental infringements or notices - 0

Reporting Criteria

The Selected Subject Matter needs to be read and understood together with the Basis of Preparation, being the boundaries, definitions and methodologies disclosed within Appendix C to the *Waypoint REIT Sustainability Report 2022*, which the Group is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities, and over time.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Additionally, non-financial information is subject to more inherent limitations than financial information, given the more qualitative characteristics of the Selected Subject Matter and the methods used for determining conformance.

Restriction on Use

This report, including our conclusions, has been prepared solely for the Board of Directors of Waypoint in accordance with the agreement between us, to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Subject Matter. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Board of Directors of Waypoint, or for any purpose other than that for which it was prepared.

Responsibilities

Waypoint REIT

Waypoint management are responsible for:

- preparing the Selected Subject Matter as well as the *Waypoint REIT Sustainability Report 2022* in its entirety;
- the design, implementation and maintenance of internal controls relevant to the preparation of the Selected Subject Matter to ensure that it is free from material misstatement, whether due to fraud or error;
- the design and operation of controls to ensure the completeness and accuracy of information within the *Waypoint REIT Sustainability Report 2022*, including but not limited to the Selected Subject Matter; and
- determining suitable reporting criteria for reporting the Selected Subject Matter within the *Waypoint REIT Sustainability Report 2022* and publishing those criteria such that they are available to expected users of the report.

PricewaterhouseCoopers

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Subject Matter is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Waypoint.



Our Independence and Quality Control

- We have complied with relevant ethical requirements related to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.
- The firm applies Auditing Standard ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

What our work involved

We conducted our work in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. This Standard requires that we comply with independence and ethical requirements and plan the engagement so that it will be performed in order to consider the risk of material misstatement of the Selected Subject Matter.

Main procedures performed

The main procedures we performed were:

- Enquiring of relevant management of the Group regarding the processes and controls for capturing, collating, calculating and reporting the Selected Subject Matter, and evaluating the design effectiveness of selected controls;
- Testing the arithmetic accuracy of a sample of calculations with respect to the Selected Subject Matter;
- Assessing the appropriateness of the estimates, assumptions and methodologies applied in calculating the Selected Subject Matter, including emission factors utilised, and testing these assumptions against publicly available research and analysis on a sample basis;
- Agreeing the Selected Subject Matter to underlying data sources and calculations; and
- Undertaking analytical procedures over the performance data utilised within the calculations and preparation of the Selected Subject Matter.

Limited Assurance

This engagement was aimed at obtaining limited assurance for our conclusion. As a limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than that undertaken for a reasonable assurance engagement, the level of assurance is lower than would be obtained in a reasonable assurance engagement. Professional standards require us to use negative wording in the conclusion of a limited assurance report.

We believe that the information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Adam Cunningham
Partner
30 March 2023

PricewaterhouseCoopers
Melbourne

APPENDIX C: BASIS OF PREPARATION

ENVIRONMENTAL METRICS

Greenhouse Gas (GHG) Emissions

Reporting boundaries

- GHG emissions reporting boundaries have been established with reference to the *WRI/WBCSD, 2004: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. World Business Council for Sustainable Development and the World Resources Institute and WRI/WBCSD, Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Supplement to the GHG Protocol Corporate Accounting and Reporting Standard* (together, the **GHG Protocol**).
- Scope 1 and 2 emissions are reported for facilities under operational control of Waypoint REIT (as defined within the National Greenhouse and Energy Reporting Act 2017) (together, the **Waypoint facilities**).
- Direct Scope 3 emissions reported consists of the following GHG Protocol categories: Fuel and Energy-related Activities (category 3), Waste Generated in Operations (category 5), Business Travel (category 6), Employee Commuting (including working from home) (category 7) and Upstream Leased Assets (category 8).
- Indirect Scope 3 emissions not reported consists of the following GHG Protocol categories: Purchased Goods and Services (category 1), Capital Goods (category 2), and Downstream Leased Assets (category 13), including but not limited to in-store and pump electricity consumption, shop refrigerant use and fugitive emissions.
- All other GHG Protocol Scope 3 emissions categories were not deemed relevant.

Emissions calculations

- Scope 1, 2 and 3 emissions are calculated in accordance with the GHG Protocol methodology using available emission factors, in order of priority, from the *Australian National Greenhouse Accounts Factors 2022* (Department of Climate Change, Energy, the Environment and Water (Fed)) (**NGA Factors**), *Greenhouse gas reporting: conversion factors 2022* (Department for Business, Energy & Industrial Strategy (UK)) (**BEIS**) and other industry-based methodologies. Emission factors including Well To Tank emissions and Radiative factoring have been utilised where applicable where BEIS factors have been applied.
- Emissions factors of zero are applied for base building emissions where leased buildings in which Waypoint facilities are located are:
 - (a) certified as carbon neutral by Climate Active; or
 - (b) publicly disclosed as net-zero facilities through the offset of base building emissions (within Scope 3 categories 5 & 8) through the acquisition and surrender of either:
 - renewable energy certificates (for Scope 2 emissions related to electricity consumption); or
 - emissions offset units that meet the definition of “Eligible Offset Units” as set out within Appendix A of the Climate Active Carbon Neutral Standard for Organisations effective from 26 October 2022

- Activity data for emission calculations is actual data where available, supplemented by management estimates, spend-based consumption data and relevant industry information and/or research, as set out below:
 - **Scope 1 emissions:** Direct emissions generated from the operation Waypoint facilities, consisting primarily of emissions from the combustion of fuels. Total fuel consumption at Waypoint facilities is based on third-party invoices supplemented by management estimates.
 - **Scope 2 emissions:** Indirect emissions as a result of one or more activities that generate electricity or, where relevant, heating, cooling or steam, that is consumed at Waypoint facilities, where the direct emissions are generated at facilities which are not Waypoint facilities. Scope 2 emissions for Waypoint facilities consist primarily of emissions associated with the consumption of electricity, with the amount of electricity consumed based on third-party invoices supplemented by management estimates. Scope 2 emissions in relation to electricity are reported using market-based method.
 - **Direct Scope 3 emissions:** Direct Scope 3 emissions reported consists of the following GHG Protocol categories:
 - (a) **Scope 3 emissions: Fuel- and Energy-related Activities (category 3)** – Emissions associated with the production, transmission and distribution of fuel and energy consumed at Waypoint facilities (where not included as a Scope 2 emission). Total fuel and energy consumption at Waypoint facilities is based on third-party invoices supplemented by management estimates.
 - (b) **Scope 3 emissions: Waste Generated in Operations (category 5)** – Emissions associated with waste generated by Waypoint facilities. Total waste generated, including both waste recycled and waste sent to landfill, is based on waste amounts for each Waypoint facility reported by relevant property managers within the most recent annual reporting for these buildings.
 - (c) **Scope 3 emissions: Business Travel (category 6)** – Emissions associated with business travel of Waypoint REIT employees, consisting of emissions associated with air and land travel and accommodation
 - (i) **Air travel** – Emissions are estimated using the total distance travelled and class of travel are based on travel data provided by Waypoint REIT’s corporate travel providers.
 - (ii) **Car hire/taxi** – Emissions are estimated using the total distance travelled is based on total spend on taxis and other car travel (Uber etc.) converted with reference to the *2014 State & Territory Taxi Statistics from the Australian Taxi Industry Association (ATIA)*, adjusted for inflation.
 - (iii) **Public transport** – Emissions are estimated using the total distance travelled which is estimated based on spend on public transport, and average trip distances of routes utilised. .
 - (iv) **Accommodation** – Emissions are estimated using the total nights of accommodation based on actual spend on accommodation and meals whilst travelling converted to nights of accommodation using an estimated average spend per night.

APPENDIX C: BASIS OF PREPARATION: CONTINUED

- (d) **Scope 3 emissions: Employee Commuting (including working from home) (category 7)** – Emissions associated with Waypoint REIT employees commuting and working from home.
- (i) **Employee commuting**
Days/hours working from home/office, travel distances and methods of travel are based on data from employee surveys undertaken by Waypoint.
- (ii) **Working from home**
Working-from-home employee data are based on data from employee surveys undertaken by Waypoint. The working-from-home emissions have been calculated with reference to the BEIS.
- (e) **Scope 3 emissions: Upstream Leased Assets emissions (category 8)** – Emissions associated with the operation of assets that are leased by Waypoint REIT and not already included in the reporting of Scope 1, Scope 2 or other Scope 3 categories consisting primarily of base building emissions for offices in which Waypoint leases office space. Emissions are based on actual data provided by the building managers for the most recent annual reporting period and/or management estimates.
- Indirect Scope 3 emissions not reported consists of the following GHG Protocol categories: Purchased Goods and Services (category 1), Capital Goods (category 2), and Downstream Leased Assets (category 13).

Carbon offset units

Carbon offset units are purchased and surrendered to compensate for the Scope 1, Scope 2 and Direct Scope 3 emissions generated by Waypoint REIT's activities during the reporting period. Each Carbon offset unit represents the offset of one (1) tonne of CO₂ equivalent greenhouse gas emissions with carbon offset units purchased and surrendered considered 'Eligible Offset Units', as set out within Appendix A of the Climate Active Carbon Neutral Standard for Organisations effective from 26 October 2022. Carbon offsets may be surrendered to offset the Total Scope 1, Scope 2 and Direct Scope 3 emissions of Waypoint REIT either:

- (a) in advance (with true-up surrender after the end of the reporting period to adjust for any difference between the initially surrendered carbon offset units and the actual total scope 1, Scope 2 and Direct Scope 3 emissions generated by Waypoint REIT's activities during the reporting period); or
- (b) partially or fully in arrears (but prior to issuance of Waypoint REIT's Annual Sustainability Report).

Total environmental infringements or notices

The total number of environmental infringement or notices reported during the 12-month reporting period issued by an Environmental or Government Regulator, to a WPR entity, for any environmental incidents reported under the operational control of the relevant WPR entity.

PEOPLE METRICS

Total employee

Total number of permanent, fixed-term and part-time employees of Waypoint REIT as at 31 December 2022.

Total employees in full-time roles

An employee under a permanent contract who works a standard work week, which is 38 hours.

Total employees in part-time roles

An employee under a permanent contract who works less than a standard work week.

Employee turnover – %

The number of employees who left Waypoint REIT as a percentage of the average total employees during the 12-month reporting period.

Voluntary turnover covers voluntary exits of employees as a result of resignation, relocation or retirement.

Involuntary turnover covers involuntary exits of employee as a result of employment termination by the employer.

Total employees (Male/Female) – %

The number of permanent, fixed-term and part-time casual employees of Waypoint REIT of each gender as a percentage of the total employees as at 31 December 2022.

Executives

Executives are defined as the CEO and direct reports of the CEO who are heads of organisational function areas (e.g. Finance, Legal/Compliance, Property).

Executives (Male/Female) – %

The number Executives of each gender as a percentage of the total number of Executives as at 31 December 2022.

Board of Directors (Male/Female) – %

The number of Directors of the Waypoint REIT Board of Directors (**Board members**) of each gender as a percentage of the total number of Board members as at 31 December 2022.

SAFETY METRICS

Total recordable injuries

The total number of recordable injuries from Waypoint REIT employees during the 12-month reporting period.

Recordable injuries include work-related injuries or illness suffered by a Waypoint REIT employees and include the following types of injury classification:

- **Medical Treatment Injuries** – An injury or illness requiring medical treatment by a qualified medical practitioner, other than First Aid that is sustained during a single work-related event. Such treatment must be provided by a medical practitioner and evidenced through a valid medical certificate
- **Lost time Injuries** – Any work-related physical injury/illness that results in absence from work for at least one scheduled day or full shift after the event (i.e. next shift).

Recordable injuries do not include first-aid injuries and non-work related injuries. A first-aid injury is any work-related injury to an employee that results in minor treatment (e.g. dressing on a minor cut, removal of a splinter, hot and cold compresses) regardless of who administers the first-aid treatment and does not result in lost time i.e. treatment given is within the scope of a trained first aider.

APPENDIX D: GRI CONTENT INDEX

This report has been prepared with reference to the GRI Standards: Core option for the period 01 January 2022 to 31 December 2022.

The GRI Standards were used to inform the content of this report, however Waypoint REIT has not prepared the report in accordance with the GRI Standards. Waypoint REIT is aware that GRI has published revised Universal Standards and that they are in effect for reporting from 1 January 2023. Waypoint REIT will endeavour to report against these revised Universal Standards in its Sustainability Report 2023.

The GRI Content Index provides references, where relevant, where we have included a relevant disclosure to the GRI Standards. Please note that we have not made disclosures against all the relevant GRI Standards.

GRI Ref	Description	Location or link
UNIVERSAL DISCLOSURES		
102-1	Name of organisation	Waypoint REIT Limited – ACN 612 986 517.
102-2	Activities, brands, products, and services	Contents section of the 2022 Annual Report . About Us section of the Waypoint REIT's website .
102-3	Location of headquarters	Waypoint REIT's head office is located at Level 15, 720 Bourke Street, Docklands, VIC, 3008. Corporate Directory section of the 2022 Annual Report . Contacts section of the Waypoint REIT's website .
102-4	Location of operations	Contents section of the 2022 Annual Report . About Us section of the Waypoint REIT's website .
102-5	Ownership and legal form	Directors' Report and Corporate Directory sections of the 2022 Annual Report .
102-6	Markets served	Portfolio Overview section of the 2022 Annual Report . About Us section of the Waypoint REIT's website .
102-7	Scale of organisation	Financial Report section (including Directors' Report and Remuneration Report) of the 2022 Annual Report . Focus Area #2: Our people section of the Sustainability Report 2022 .
102-8	Information on employees and other workers	Remuneration Report section of the 2022 Annual Report . Focus Area #2: Our people and Appendix A: Performance Data sections of the Sustainability Report 2022 . Partial disclosure given only 8 employees in total.
102-9	Supply chain	Corporate Operations and 6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain sections of the Modern Slavery Statement 2021 .
102-10	Significant changes to the organisation and its supply chain	Waypoint REIT's Board composition during 2022 is outlined in Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 . Capital management, Property portfolio, and Additional Information sections of the 2022 Annual Report .
102-11	Precautionary Principle or approach	While we do not specifically refer to the precautionary principle, we have a well-established risk management approach which is disclosed in the Principle 7 – Recognise and Manage Risk section of the Corporate Governance Statement 2022 and Approach and Focus Area #4 Safety and the environment sections of the Sustainability Report 2022 . Waypoint REIT's approach to risk management is also provided in the Material business risks section of the Directors Report of the 2022 Annual Report .
102-12	External initiatives	Waypoint REIT aligns to a number of external initiatives, the six of the United Nation's 17 Sustainable Development Goals (UN SDGs) to guide its Sustainability Reporting. Principle 7 – Recognise and Manage Risk section of the Corporate Governance Statement 2022 . Outputs of Materiality Assessment – Overview section of the Sustainability Report 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .

APPENDIX D: GRI CONTENT INDEX CONTINUED

GRI Ref	Description	Location or link
102-14	Statement from senior decision-maker	Chair and Managing Director & CEO's Report of the 2022 Annual Report .
102-15	Key impacts, risks, and opportunities	Waypoint REIT's approach to risk management is provided in the Material business risks section of the Directors Report of the 2022 Annual Report . Principle 7 – Recognise and Manage Risk section of the Corporate Governance Statement 2022 . Risk management section of the Sustainability Report 2022 .
102-16	Values, principles, standards and norms of behaviour	Waypoint REIT's purpose and values are outlined in the Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 . Refer also to Values section of the Sustainability Report 2022 .
106-17	Mechanisms for advice and concerns about ethics	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly of the Corporate Governance Statement 2022 . Transparency and Performance, training and development sections of the Sustainability Report 2022 .
102-18	Governance structure	Overview section of the Corporate Governance Statement 2022 . Governance Structure of the Sustainability Report 2022 .
102-19	Delegation authority	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-20	Executive-level responsibility for economic, environmental, and social topics	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-21	Consulting stakeholders on economic, environmental, and social topics	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-22	Composition of the highest governance body and its committees	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-23	Chair of the highest governance body	Principle 1 – Lay Solid Foundations for Management and Oversight and Principle 2 – Structure the Board to be Effective and Add Value sections of the Corporate Governance Statement 2022 .
102-24	Nominating and selecting the highest governance body	Principle 2 – Structure the Board to be Effective and Add Value section of the Corporate Governance Statement 2022 .
102-25	Conflicts of interest	Top 20 securityholders and Substantial securityholders as at 15 March 2023 sections of the Annual Report 2022 . Principle 1 – Lay Solid Foundations for Management and Oversight and Principle 2 – Structure the Board to be Effective and Add Value sections of the Corporate Governance Statement 2022 .
102-26	Role of highest governance body in setting purpose, values, and strategy	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 . Values, Commitments and Transparency sections of the Sustainability Report 2022 .
102-27	Collective knowledge of highest governance body	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-28	Evaluating the highest governance body's performance	Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 .

GRI Ref	Description	Location or link
102-29	Identifying and managing economic, environmental, and social impacts	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 . Risk management section of the Sustainability Report 2022 .
102-30	Effectiveness of risk management processes	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-31	Review of economic, environmental, and social topics	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 . Risk management section of the Sustainability Report 2022 .
102-32	Highest governance body's role in sustainability reporting	Contents section of the Sustainability Report 2022 .
102-33	Communicating critical concerns	Overview section of the Corporate Governance Statement 2022 . 4. Modern Slavery Governance Framework section of the Modern Slavery Statement 2021 .
102-34	Nature and total number of critical concerns	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 .
102-35	Remuneration policies	Remuneration Report of the Annual Report 2022 .
102-36	Process for determining remuneration	Remuneration Report of the Annual Report 2022 .
102-37	Stakeholders' involvement in remuneration	Agenda item 2. Remuneration Report of the Notice of Annual General Meeting 2022 and item 2. of the Results of the 2022 Annual General Meeting available on Waypoint REIT's investor website.
102-38	Annual total compensation ratio	Remuneration Report of the Annual Report 2022 .
102-39	Percentage increase in annual total compensation ratio	Remuneration Report of the Annual Report 2022 .
102-40	List of stakeholder groups	Waypoint REIT's stakeholders include employees, governments and regulators, lenders and investors, tenants, suppliers, business partners, local communities, non-government organisations, and shareholders. Outputs of Materiality Assessment – Overview and Commitments sections of the Sustainability Report 2022 . 3. Our Supply Chain section of the Modern Slavery Statement 2021 . Top 20 securityholders and Substantial securityholders as at 15th March 2023 sections of the Annual Report 2022 .
102-41	Collective bargaining agreements	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations section of the Modern Slavery Statement 2021 . Remuneration section of the Sustainability Report 2022 .
102-42	Identifying and selecting stakeholders	Materiality Guidelines section of the Modern Slavery Statement 2021 .
102-43	Approach to stakeholder engagement	Materiality Guidelines section of the Modern Slavery Statement 2021 . Approach and Waypoint REIT climate-related financial disclosure sections of the Sustainability Report 2022 .
102-44	Key topics and concerns raised	Materiality Guidelines section of the Modern Slavery Statement 2021 . Waypoint REIT climate-related financial disclosure section of the Sustainability Report 2022 .
102-45	Entities included in the consolidated financial statement	Directors' Report section of the Annual Report 2022 .

APPENDIX D: GRI CONTENT INDEX CONTINUED

GRI Ref	Description	Location or link
102-46	Defining report content and topic Boundaries	Approach section of the Sustainability Report 2022 .
102-47	List of all material topics	Approach section of the Sustainability Report 2022 .
102-48	Restatements of information	No restatements.
102-49	Changes in reporting	No significant changes in reporting.
102-50	Reporting period	Contents and Approach sections of the Sustainability Report 2022 .
102-51	Date of most recent report	The date of the most recent previous Sustainability Report 2021 was 31st March 2022.
102-52	Reporting cycle	Annual. Contents section of the Sustainability Report 2022 .
102-53	Contact point for questions regarding the report	Contents section of the Sustainability Report 2022 .
102-54	Claims of reporting in accordance with the GRI Standards	Appendix D: GRI Content Index in Appendix D of the Sustainability Report 2022 .
102-55	GRI content index	Appendix D: GRI Content Index in Appendix D of the Sustainability Report 2022 .
102-56	External assurance	Reporting standards and assurance and Appendix B: Limited Assurance Report sections of the Sustainability Report 2022 .
103-1	Explanation of the material topic and its Boundary	Outputs of Materiality Assessment – Overview section in the Sustainability Report 2022 . Materiality Guidelines section of the Modern Slavery Statement 2021 . Principle 7 – Recognise and Manage Risk of the Corporate Governance Statement 2022 .
103-2	The management approach and its components	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations and 6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain sections of the Modern Slavery Statement 2021 . Material business risks section of the Directors' Report in the Annual Report 2022 .
103-3	Evaluation of the management approach	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations and 6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain sections of the Modern Slavery Statement 2021 . Material business risks section of the Directors' Report in the Annual Report 2022 .
TOPIC-SPECIFIC DISCLOSURES		
201-2	Financial implications and other risks and opportunities due to climate change	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations and 6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain sections of the Modern Slavery Statement 2021 . Material business risks section of the Directors' Report in the Annual Report 2022 .
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations section of the Modern Slavery Statement 2022 . Remuneration section of the Sustainability Report 2022 .
204-1	Proportion of spending on local suppliers	3. Our Supply Chain section of the Modern Slavery Statement 2021 .
205-1	Operations assessed for risks related to corruption	5. Managing Modern Slavery Risks in Waypoint REIT's Direct Operations and 6. Managing Modern Slavery Risks in Waypoint REIT's Supply Chain sections of the Modern Slavery Statement 2021 .

GRI Ref	Description	Location or link
205-2	Communication and training about anti-corruption policies and procedures	Principle 1 – Lay Solid Foundations for Management and Oversight and Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly sections of the Corporate Governance Statement 2022 . Performance, training and development section of the Sustainability Report 2022 .
205-3	Confirmed incidents of corruption and actions taken	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 . 7. Incident Management and Remediation section of the Modern Slavery Statement 2021 .
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 .
401-1	New employee hires and employee turnover	Diversity and inclusion and Appendix A: Performance Data sections of the Sustainability Report 2022 . Principle 8 – Remunerate Fairly and Responsibly section of the Corporate Governance Statement 2022 .
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Performance, training and development section of the Sustainability Report 2022 .
401-3	Parental leave	Flexible working and parental leave section of the Sustainability Report 2022 .
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Focus Area #4: Safety and the environment and Appendix A: Performance Data sections of the Sustainability Report 2022 .
404-1	Average hours of training per year per employee	Performance, training and development section of the Sustainability Report 2022 .
404-2	Programs for upgrading employee skills and transition assistance programs	Performance, training and development section of the Sustainability Report 2022 . Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 .
404-3	Percentage of employees receiving regular performance and career development reviews	Performance, training and development section of the Sustainability Report 2022 . Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 .
405-1	Diversity of governance bodies and employees	Diversity and inclusion section of the Sustainability Report 2022 . Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 .
406-1	Incidents of discrimination and corrective actions taken	Diversity and inclusion section of the Sustainability Report 2022 . Principle 1 – Lay Solid Foundations for Management and Oversight section of the Corporate Governance Statement 2022 .
415-1	Political contributions	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 .
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Focus Area #4 Safety and the environment of the Sustainability Report 2022 .
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Principle 3 – Instil a Culture of Acting Lawfully, Ethically and Responsibly section of the Corporate Governance Statement 2022 .

