

ARENA REIT
ENVIRONMENTAL, SOCIAL AND GOVERNANCE
POLICY

February 2024

Background

As an owner, manager and developer of social infrastructure properties (including childcare, disability and health care facilities), Arena REIT Limited and its related bodies corporate (Arena) play an important role within society. Arena's property portfolio by its underlying nature contributes to increased levels of community access, inclusion and wellbeing. Accordingly, positive social outcomes are central to Arena's core values.

However, Arena also recognises that how it goes about its business activities and operations are just as important as what they are. As such, Arena is conscious of the need to responsibly manage and mitigate the environmental, social and governance (ESG) impacts of its business activities and operations.

Ultimately, the long-term success of Arena's business is underpinned by a responsible approach to ESG and ongoing relationships with a diverse range of stakeholders, including (but not limited to) capital providers, tenants, tenant staff and other building users, contractors, service providers, regulators and the wider community.

Most importantly, the Board and Management of Arena believe strong stakeholder engagement practices combined with the consideration and management of the ESG impacts, issues and risks associated with Arena's business activities and operations (and where possible, those of its tenants, contractors and service providers) is simply the right thing to do.

1. Purpose and high-level objectives

The purpose of this policy is to:

1. provide the governance foundation to underpin Arena's ongoing approach to ESG;
2. clearly signal, and formally communicate, Arena's ongoing commitment to managing and mitigating the ESG issues and risks associated with its business operations and activities; and
3. provide a clear ongoing commitment to engage, collaborate with, and (where possible) influence the behavior of its tenants, contractors and service providers, and other key stakeholders regarding ESG.

The key objectives of this policy are to:

1. establish a more formalised, systematic approach to managing the ESG impacts of Arena's own direct operations;
2. assist Arena in communicating with its tenants regarding ESG and (where possible) influencing positive ESG outcomes associated with its tenants, contractors and service providers' activities and those of other key stakeholders; and
3. facilitate (where possible) continuous improvement in the management of ESG by both Arena, its tenants, contractors and service providers. Thus, enabling year on year improvements to be made.

2. Commitments and focus

Arena is committed to:

1. optimising and maximising the positive ESG and sustainability aspects of its own business activities and operations;
2. managing, minimising and mitigating (to the extent possible) the ESG impacts and risks associated with its business activities and operations (and where possible or appropriate those of its tenants, contractors and service providers);
3. ongoing analysis to ensure emerging ESG risks are identified and benchmarking against peers, sustainability rating agencies and stakeholder expectations;
4. engaging and collaborating with its stakeholders to influence positive change and drive mutually beneficial ESG outcomes, including actively seeking 'partnerships for change' with tenant partners; and
5. continuously improving its sustainability performance and reporting, year on year and being transparent about its progress in this regard.

3. Scope and application

This policy and Arena's approach to ESG applies to all aspects of Arena's business, including property development and funds management.

As part of the new starter induction program, new team members will be provided with information on Arena's approach to ESG, including this policy.

In addition to this, all current tenants, contractors and service providers will be periodically briefed on Arena's ESG policy as well as Arena's ongoing focus and approach regarding ESG.

This policy may change from time to time and Arena will ensure that the latest policy is available on the Arena website (www.arena.com.au).

4. Governance

The Board of Arena is responsible for approving Arena's sustainability strategy and overseeing management in its implementation of initiatives to support the sustainability framework. This policy has been put in place and approved by the Board. This policy should be read in conjunction with Arena's other core governance documents, including Arena's Code of Conduct and Corporate Governance Statement.

Arena has an ESG working group that meets regularly to integrate and progress ESG initiatives across the business. Updates to the Board regarding Arena's ESG activities and progress will be provided at least quarterly. This will enable the Board to provide feedback on Arena's overall ESG progress and performance.

5. Review

Arena will review this policy periodically to assess that it is operating effectively and to consider whether any changes are required to the policy.

Contact

Arena REIT Limited ACN 602 365 186
Arena REIT Management Limited ACN 600 069 761
Level 32, 8 Exhibition Street
Melbourne Victoria 3000

Any questions may be directed to:
Company Secretary
E: info@arena.com.au
T: +61 3 9093 9000
Freecall: 1800 008 494

Postal address:
Locked Bag 32002
Collins Street East
Melbourne Victoria 8003

www.arena.com.au