



Diversity

Introduction

In this document, we provide a detailed overview of our approach to diversity in line with GPT's people strategy, as part of GPT's annual sustainability reporting.

Diversity

GPT promotes an inclusive workplace where employee differences like gender, age, ethnicity, culture, disability and lifestyle choices are valued. The unique skills, perspectives and experience that a diverse workforce provides promotes greater creativity and innovation that better reflects and serves the needs of our diverse customer base, ultimately driving improved business performance.

GPT is committed to creating a diverse workforce by providing equal opportunity in all aspects of employment, including recruitment, learning & talent development, promotion and remuneration, and is compliant with the Workplace Gender Equality Act 2012.

Our Diversity Journey

At the end of 2013 GPT's workforce was 51% female, however only 27% of senior leadership roles were occupied by women. While being an equal opportunity employer and having similar numbers of men and women in the organisation had been a feature of the organisation for some time, it was clear that GPT, in common with many organisations, had barriers preventing our female employees from progressing to senior levels.

To drive sustainable change and foster greater diversity, in 2014 GPT embarked on implementation of a diversity strategy comprised of a suite of initiatives (Figure 1). Focusing on developing, progressing and retaining female employees, this program has comprised a range of initiatives which today are business as usual at GPT.

Diversity Initiatives

Recruitment and Selection

GPT implemented a standard to present shortlists for vacant roles that have both male and female candidates, for both internal and external appointments. A particular focus was applied to business areas where there was an existing gender imbalance (e.g. property development, IT), with quality female candidates being actively sourced in the marketplace for key roles.

The GPT Group is committed to following a high quality recruitment and selection process for any vacancies that ensures:

- All candidates are treated with dignity, respect, and confidentiality.
- Candidates are selected on the basis of their individual merit in fair and open competition without patronage or favouritism.
- The selection decision is free of bias and meets all legal and legislative requirements in terms of Equal Employment Opportunity and Anti-Discrimination.
- The GPT Group consistently selects the best possible candidate for the role.

Compulsory elements of the recruitment and selection process include:

- conducting a series of well-structured interviews;
- (where practical) involving a minimum of two interviewers per interview;
- psychometric and cognitive abilities testing by an external consultancy firm; and
- background and reference checking.



Figure 1 GPT Diversity Strategy

	TOP TEAM	<p>CEO sponsorship and active Leadership Team engagement Unconscious bias training to reshape attitudes and beliefs Diversity Working Group</p>
	PEOPLE DEVELOPMENT	<p>Standard of 50% female participation in high-potential talent programs Mentoring, coaching and networking for women Flexible learning options</p>
	PEOPLE PLACEMENT	<p>Targeting 40% women in senior leadership roles by end 2015 Shortlists for vacant roles to include quality male and female candidates Actively seek female candidates for traditionally male-dominated roles</p>
	WORKPLACE DESIGN	<p>Activity-based flexible work environments Flexible working arrangements available to all employees Mobile technologies support remote working</p>
	QUICK WINS	<p>Industry-leading paid parental leave benefits Childcare allowance to encourage women to return to work Unconscious bias training for all people managers</p>
	BUSINESS MANAGEMENT PROCESS	<p>Gender diversity targets in the Balanced Scorecard - reported to the Leadership Team and Board and published externally</p>
	PERFORMANCE MANAGEMENT	<p>Leadership Team short-term incentive compensation aligned to achievement of diversity targets</p>
	EXTERNAL RELATIONSHIPS	<p>Chief Executive Women Green Cities Property Council of Australia - Women in Property program</p>
	COMMUNICATION	<p>Comprehensive communication and engagement program Diversity a theme at the GPT Conference Website blog posts from CEO and Head of People & Performance</p>



Career Development and Learning

The GPT Group has an established Learning and Development platform to develop and maintain the required capabilities for both current and future organisational success by providing opportunities for employees to learn new skills, maintain and grow capability, and drive ongoing career development.

A wide range of learning and development opportunities are made available to all employees, facilitated both in house and with leading external providers. Linked to this is our Development Planning process that encourages employees to work with their managers to identify areas that they would like to either enhance or learn more about and map out a path over the year to achieve this.

All employees have access to a wide range of skill development and learning programs relevant to their current role and future career aspirations, regardless of their gender, seniority or role within the organisation.

To enhance this existing platform and specifically support the career development of women at GPT a non-negotiable standard was implemented to ensure that at least 50% of participants in GPT's talent development programs are female. Developing high-potential women at all levels of the business was made a top priority with the implementation of an executive coaching program for top female talent, tailored specifically to help women at each stage of their careers (Figure 2).

Figure 2 Coaching for female employees through the lifecycle

NEW HIRES/JUNIOR	APPROACHING PARENTHOOD	PARENTAL LEAVE	RETURN TO WORK	EXEC LEVEL
<ul style="list-style-type: none"> Requires senior mentor Focus on profile, networking, standards 	<ul style="list-style-type: none"> Requires female role models Focus on 'don't stop', lean in, how to do it 	<ul style="list-style-type: none"> Require external mentor/program Focus on 'where do I fit?', brand, communications RTW decisions: childcare, flexible work Guilt Spouse 	<ul style="list-style-type: none"> Require buddy/ female role model/ peer group Focus on aspiration / level and choice 	<ul style="list-style-type: none"> Require external coach Focus on executive profile

In 2015 GPT sent participants to the Senior Executive Program run by AIM and Harvard and we also trialled a new program with the Harvard Club of Australia. The nominated participants were selected from our identified talent pool with a 50% female participation.

GPT has also been actively involved in programs offered through the Property Council of Australia (PCA) including the Communication for Women in Leadership program and the Women in Property Mentoring Program. This six month cross-industry mentoring program is designed to provide aspiring female mentees new perspectives to advice their career and develop powerful professional connections and sponsors. In 2015, GPT had two women participate as mentee's as well as three senior leaders as mentors.

Furthermore, female leaders were supported through networking opportunities like GPT's silver sponsorship of the Chief Executive Women's group and internally hosted 'Women@GPT' lunch events.



Talent and Succession Planning

Talent reviews take place annually and provide people managers with an opportunity to reflect as a group on employee performance and potential in comparison to relevant peers. Data captured in the talent reviews is used as a basis to select & prioritise individuals for various training and development opportunities, accelerated promotion, and as an input to remuneration reviews.

GPT's succession plan is also updated annually. The composition of the succession pipeline (by gender) is reported to the Nomination & Remuneration Committee of the Board.

GPT recognised the need for additional support for women aspiring to advance past middle level management positions into more senior roles. Mentoring programs were implemented (both formal and informal) to seek to address this as well as flexible work arrangements and changes to the design of the work environment, as well as the introduction of new technology and lighter computers enabling employees to work more flexibly.

Flexible Working

GPT has always recognised the significant competing demands that are placed on employees outside of work and have been industry leading with a Flexible Working Policy in place since 2010.

Through 2015 GPT has continued to strengthen its commitment to flexible working by being open to trialling flexibility arrangements for any employee, for any reason, for all roles and at any level of the business. This, coupled with an Activity-Based Work environment and mobile workplace technologies that support flexible and remote working is especially important in supporting working families who may greatly benefit from this flexibility in where, when and how they perform their work.

In mid-2015, managers participated in training workshops to prepare them to best manage flexible working arrangements within their teams and to ensure the changes are sustained in a positive fashion.

GPT has also taken steps to ensure development opportunities are more readily available to employees not working traditional hours. This includes varying the start/finish times of workshops to suit flexible workers, as well as hosting sessions via webinar to enable remote participation. Distance learning, eLearning and coaching options are also promoted to employees who work flexibly.

Parental Leave and Return to Work

The GPT Group recognises the importance of parental leave, and is committed to supporting employees during this time and supporting their return to the workforce.

In April 2015, with the endorsement of the Board, GPT announced industry-leading changes to our parental leave policy, including:

- Offering 16 weeks paid parental leave to primary care givers (male or female)
- Maintaining compulsory Superannuation Guarantee contributions for employees on periods of unpaid parental leave (designed to address the gap between men and women's superannuation retirement savings).
- Providing a Childcare Allowance (\$20 per day after tax) to returning parents – designed specifically to support and facilitate the return of women to the workforce following the birth or adoption of a child.
- Granting paid parental leave of 1 week for partners who are not the primary caregiver of the child; and
- Allowing paid annual and long service leave to be included in parental leave periods.

GPT also provides parental leave coaching to high-potential female talent to support their transition into and out of the workforce. Furthermore, in September 2015 GPT piloted the first Working Mothers Program, designed to support working mothers to manage conflicting responsibilities, as well as the skills to focus on career and push aspirations. The program consisted of group workshops and individual coaching sessions.

At the end of 2015 GPT was pleased to report a 90% return to work rate for individuals scheduled to return from Parental Leave.

Diversity Working Group

GPT understands that executive sponsorship and commitment is key to creating meaningful change and embedding these initiatives within the organisation. As such a Diversity Working Group (DWG) was established in 2014 and continues today. The DWG, which includes the CEO and Head of People and Performance – meets regularly to discuss and review opportunities to support diversity in our workplace. Through these discussions the DWG reviews strategies and initiatives that will retain, grow and engage our female cohort in addition to creating a supportive network across the group. The group also reviews opportunities for educating the business on diversity issues and building their understanding of the importance of a diverse workforce.



The Property Male Champions of Change

The Property Male Champions of Change (PMCC) is another collaborative initiative GPT is actively participating in. Founded in 2015 by the Property Council of Australia, the PMCC's purpose is to step up beside women and take action to increase women's representation in leadership positions in our organisation and across the property industry. GPT has been a foundation member of the PMCC and through our CEO, Bob Johnston, is today leading one of the six the Action Plans 'Mainstreaming Flexibility'. Key activities of these working groups through 2015 have included:

- Focus group sessions with senior male and female leaders from across the organisation to deepen our understanding of the barriers we must tackle to address the unacceptably low levels of women in leadership positions
- Analysing the responses of 3800+ employees who participated in a survey to accurately map the pathways to property and the enablers and barriers to a career in property;
- Synthesis of PMCC organisations' Flexibility Policies to establish a policy benchmark;
- Creation and implementation of an employee pulse survey on flexible work practices which gathered feedback from 1,000+ employees across 16 PMCC organisations ; and
- Hosting Implementation Leaders at a Boardroom Lunch with guest speaker Troy Roderick (Head of Diversity & Inclusion, Telstra).

Being a member of the PMCC requires GPT to have the courage to take bold and disruptive action to create a strong and sustainable pipeline of women for senior roles, as well as developing the conditions and culture in our business that will enable both men and women to succeed. As part of this, GPT committed to the Panel Pledge - to insist on gender balance of event programs we sponsor or at which our employees are requested to speak. The PMCC's hold themselves to account by reviewing their progress, as well as reporting publicly on their actions and results. Recent PMCC media releases and updates are available [here](#).

Australia's First Nation's People

Diversity at GPT stretches beyond gender with commitment also to creating positive change within the Aboriginal and Torres Strait Islander (ATSI) communities in which GPT operates and in the broader Australian society.

Reconciliation is about building better relationships across the wider Australian community and ATSI Peoples for the benefit of all Australians. GPT is focused on creating innovative programs that deliver impactful and sustainable change.

Strategy

GPT's ATSI employment and retention strategy aims to increase the participation of First Nation's people in our workforce by offering employment opportunities, sponsored internships and graduate scholarships.

As part of our commitment to increasing ATSI participation at GPT, The Group set a target to reach 2.5% First Nations participation in our workforce, which was achieved in 2015.

GPT develops and retains our ATSI employees by offering them opportunities within the organisation to broaden their skills and experience. The development activities include graduate and intern rotations and mentoring relationships. We actively seek to appoint our students into suitable permanent opportunities that become available and encourage our non-student group to apply for internal transfer and promotion opportunities.

Actions

- Sources ATSI employees via direct recruitment, employee referrals and via third party employment agencies.
- Partners directly with educational institutions to increase the number of Indigenous graduating students in the fields of study most relevant to the property sector. Our current scholarship programs are with RMIT and Western Sydney University.
- Partners with Career Trackers Indigenous Internship Program, an organisation which supports pre-professional university students to participate in paid multi-year internships. GPT provides sponsored internships with the aim of converting interns into full-time employees upon completion of their university degree. Career Trackers also provides a wide spectrum of support to help prepare students for leadership in the workplace and the community.
- Engages existing First Nations employees in promoting career opportunities within GPT.



Our Reconciliation Action Plan

In 2014 GPT began the process to develop a Reconciliation Action Plan and submitted a Statement of Commitment to **Reconciliation Australia**.

GPT launched its inaugural **Innovate RAP** on 12 October 2015.

GPT's RAP houses the commitments and targets to make an important contribution to the journey towards Reconciliation and to improving the lives of Australia's First Nation's People.

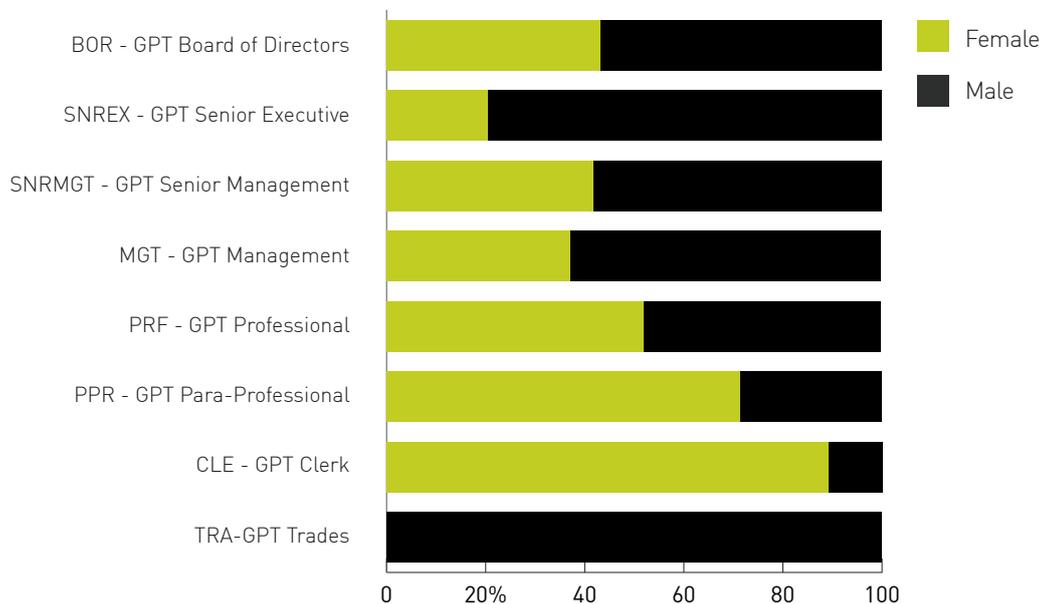
In 2015, GPT had a target to achieve 2.5% ATSI representation in our business, consistent with the general Australian population. The Group achieved a result of 3% (up from 1.8%), with our focus in 2016 to convert more of these employees into permanent positions with the Group.

Diversity Targets, Measurement and Reporting

To support GPT's commitment to drive this change, measurement and targets were essential. A gender diversity objective is included in the Group's Balanced Scorecard and progress against this is reported on a monthly basis to the organisation, Leadership Team and Board. Clear accountability for progress was established with the target of 40% female representation in senior leadership by end of 2015 being set and communicated externally.

At the end of 2015, the percentage of women on Boards at GPT was 42.86% (6 out of 14 non-executive directors in total, where there are 7 non-executive directors on the main GPT Board and 7 on the two Funds Management Boards). There were 2 women on GPT's Leadership Team being 20% of the total Leadership Team membership at that time (in January 2016 this increased to 22.22%). Female representation in senior leadership positions increased from 34% to close the year at 37%.

Table 1 Workforce by Gender



GPT is committed to pay parity for our male and female employees in equivalent roles, i.e. within the same job function and same job level. We believe the methodology of measuring pay equity is limited if based solely on fixed average remuneration by job level, as it ignores different market values placed on different jobs (for example, revenue generating roles versus back office support roles). This has the effect of creating an impression that at the different job levels, females are paid significantly less than males and vice versa.

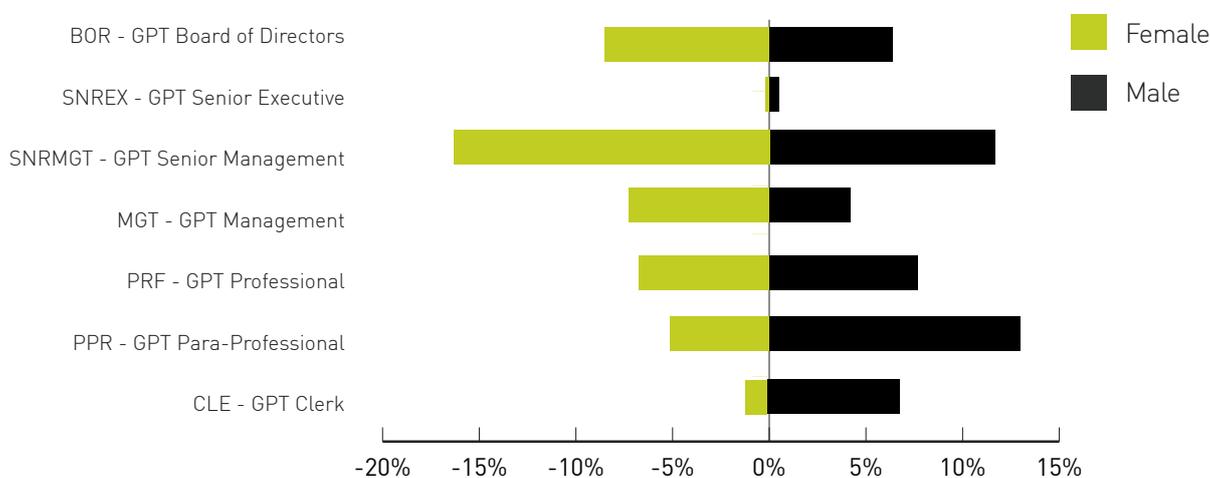
For example, at GPT there is a concentration of males within the project director roles of development, whereas the marketing and communications roles are predominately occupied by females. Project director roles are paid at a higher rate in the market than marketing and communications management, creating an illusion that there is pay inequity, when in fact it is a matter of uneven gender distribution across job families.



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Further to the above internal targets and measurement of gender diversity, GPT is committed to model industry best practice with regard to gender reporting. The reporting standards as set out by the Workplace Gender Equality Agency (WGEA) have informed GPT's data collection methodology and reporting framework for many years and GPT is widening this framework to meet the gender reporting standards defined by the PCA under the Property Male Champions of Change.

Industry Recognition

Working at GPT not only provides all employees with the opportunity to work for one of Australia's largest diversified listed property groups but also an organisation that is industry recognised for its commitment to diversity. GPT achieved finalist status in the 2015 AHRI Awards in the category *The Hon. Dame Quentin Bryce AD CVO Award for Gender Equity in the Workplace*.

ⁱ Remuneration is presented by the classification levels consistent with WGEA categories reported during 2015. Figures are calculated based on the average male and female salaries compared to the full time equivalent position average. It includes base salaries and superannuation guarantee (SG) for full time and part time permanent and fixed term employees.