

Human Capital Development

Introduction

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

Human Capital Development

Investing in the ongoing development of our people is a critical part of GPT's human resources strategy – enabling our employees to deliver on our strategic objectives and perform to the best of their ability. GPT's learning and talent development initiatives also support broader elements of our people strategy, including engagement, attraction and retention of talent, and diversity.

In 2016, we are committed to adapting and deploying a human capital development framework based on business requirements to assist employees in reaching their potential and achieving high performance.

We will achieve our goal by ensuring that our human capital development framework is:

- aligned with the Group's strategy of equipping employees for high performance;
- accessible to all employees across the Group by leveraging technology;
- integrated with people management systems and processes;
- visible internally and externally to build a stronger brand;
- measured in how we utilise budget, track attendance, feedback metrics; and
- customer-focused in the way we operate and deliver learning activities.

Learning and Development

Our Learning and Development platform is structured to support our people through every stage of their career with the Group.

Initiatives

The Learning and Development platform at GPT offers our employees a range of training and development options designed to enhance their capabilities, including:

- Leading GPT** is a people manager development program aimed at building our people manager's capabilities and confidence, while also offering targeted support to managers over the course of the year in line with P&P activities (performance reviews, development planning, remuneration reviews). The program includes a 1.5 day intensive workshop targeting new GPT people managers and those that may have expressed interest in developing their current skills. As the program evolves, new sessions will be added in order to keep the content relevant for new & existing people managers. In 2015 we received outstanding feedback on this program with 98% of participants advising the workshop helped them in their people management role.



- ii. **Executive and Management Development.** GPT continues to invest in our senior leaders by inviting them to attend management related programs. In the past GPT has supported senior leaders in attending the Advanced Management Program (Harvard Business School), Investment Management Workshop (CFA and Harvard Business School), Leading for Strategic Success (Mt Eliza) and the Senior Executive Forum (AIM Western Australia).
- iii. **Classroom and action learning programs** comprises of a suite of workshops covering a range of technical, professional and leadership capabilities. They are customised for GPT to meet a variety of learning requirements. All programs are delivered by our partner organisations that are recognised industry leaders and have a strong working knowledge of GPT's business and culture. Training partners in 2015 included Macquarie University, Property Council of Australia, Phuel, School of Life and The Missing Peace.
- iv. **Intensive talent development programs** offered to our high potential and high performing employees. These programs are typically 6-12 months in length and comprise a variety of developmental experiences. All programs are by nomination and selection is supported by the Leadership Team. In 2015, we ran 2 successful programs (Elevate and Accelerate) where we received feedback of 100% satisfaction.

GPT's Elevate program seeks to engage our employees in a developmental journey that builds their capability across a diverse range of core business skills including personal brand, innovation, presentation and influencing skills, and networking across the business. Participants practically apply their learning to their roles and continue their learning through guidance and support from our senior leaders.

The Accelerate program sees GPT partner with Macquarie Graduate School of Management to deliver an intensive capability development curriculum. Participants are exposed to the latest thinking in leadership from across the world, develop strong networks with leaders across the organisation, and gain valuable business skills through experiential learning. The program aims to support participants in developing courage, strength and vision, as well as the leadership skills and behavior to succeed in a complex and dynamic business environment.
- v. **Lunch & Learn** are designed for staff to gain knowledge and insight from internal as well as external speakers. In 2015, the Learning & Development team facilitated 5 sessions which are open to all staff members.
- vi. **Elearning** GPT supports all types of learning styles and has an online learning portal for compliance related training and a large range of modules to suit all professional development needs.
- vii. **Education Assistance** provides financial and study leave support to eligible employees who engage in approved external studies relevant to their career with the Group. GPT provides up to five days of study leave each year which can be taken for study, assignment work or attendance at exams. Employees may also choose to apply for a Career Break (or sabbatical) for more intensive study or to achieve other personal goals, accompanied by a guarantee of employment upon completion.
- viii. **Talent Action Planning (TAP) Program** demonstrates our continued focus on our key talent identified through our talent review process. In 2015 we had 31 participants in this program and it has again proved successful with an overall Talent retention rate of 90.3% and 92.3% retention of females.
- ix. **Technology** - As we work in an innovative work environment, the demands on our employees to get up to speed on the technologies we adopt can be great. To provide a smooth transition to any current or future technologies, a variety of blended learning solutions are provided to our people to ensure they have the required skills and abilities in their day to day work. Technology training is provided on an ongoing basis and designed to suit the needs of the current projects in the business.
- x. **Continued Employability** - In addition to the range of learning and development options available to GPT employees, we also maintain a strong focus on continued employability. We seek to minimise the impact on those affected by restructures and retrenchments by supporting these individuals in their search for alternative employment – either within GPT or externally. Outplacement services are offered to employees whose roles have become redundancy, with the level and type of support offered being tailored to the individual's career stage. GPT's long-standing outplacement partner provides services to employees such as career goal setting, job search support, access to office and research facilities, group workshops and seminar programs and coaching support.



Performance Management and Development

The GPT Performance Management and Development (PMD) system is designed to facilitate a transparent, open discussion and agreement between employees and managers regarding what is expected of employees in their roles. Each year all permanent employees are required to set clear and measurable financial and non-financial objectives (KPIs) in a Performance Agreement, which are collected and tracked via our Human Resources Information System (SuccessFactors).

GPT's performance management and development process is outlined below.



Performance Review Process

The Performance Agreement summarises the financial and non-financial key performance indicators (KPI's) that apply to an individual's role during the calendar year. At GPT, we believe that Performance Agreement process is important for three key reasons:

- To provide clarity to individuals regarding their responsibilities;
- To align individual efforts with GPT strategy and values to drive overall business performance; and
- To generate Performance Ratings which contribute to decisions regarding remuneration review, Short Term Incentive Compensation (STIC) and other talent management outcomes.

We believe that how employees achieve their goals is equally important to what they accomplish. Accordingly, embedded in our performance review process is a focus on behaviour in line with GPT's culture and values.

The Annual Performance Review Process operates as follows:

1. **Objective setting** – managers and employees agree objectives for the performance year to ensure clarity, alignment and contribution to the achievement of GPT's business goals.
2. **Ongoing monitoring, review and feedback** – managers and employees have regular meetings throughout the year to discuss performance and progress against employees' objectives. These meetings provide an opportunity to coach and mentor employees and address any emerging performance challenges or concerns.
3. **Mid-Year Review** – a more formal opportunity to review employee progress against agreed objectives. An indicative performance rating for the first half of the year is provided (1-5). This review process provides an important opportunity for employees and managers to document key achievements in the first half of the year, as well as refocus on what needs to be achieved in the 6 months ahead.
4. **Annual Review** – the formal annual performance review process is conducted at the end of each calendar year and, consistent with our 'no surprises' approach, is a summary of the regular feedback discussions held with employees throughout the year. A final performance rating (1-5) is assigned based on delivery against KPIs and GPT's values. These ratings are subject to a rigorous calibration process to ensure fairness and consistency across the organisation. Completed performance reviews are saved on employee files, with overall performance ratings being used to inform short-term incentive compensation (STIC) outcomes (where applicable), the annual remuneration review, and participation in high-potential talent development programs.

Managers are required to solicit feedback from an employee's peers, direct reports (where applicable) and other key stakeholders prior to formulating their final performance rating. Employees are also able to participate in a formal 360-degree feedback process to gain greater insights into their level of personal effectiveness if desired.



Career Development

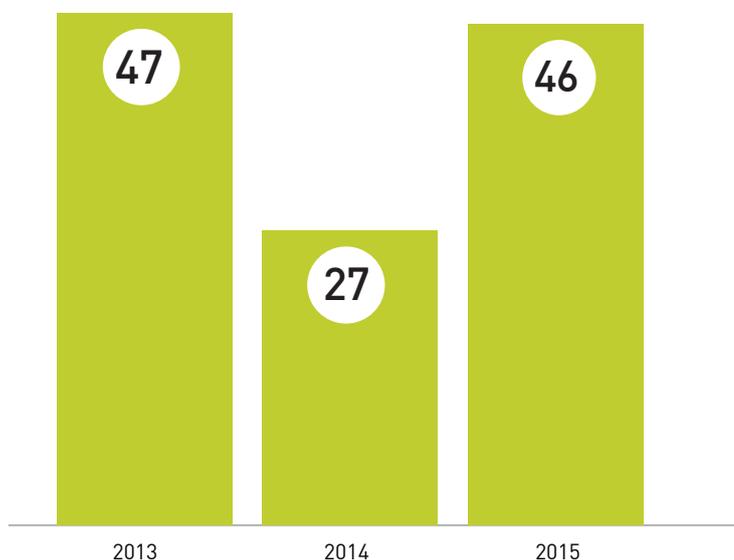
Career development is encouraged through GPT's Development Planning Program. Development Planning is a formal process undertaken by every permanent GPT employee annually, with personal aspirations and development objectives documented in Q3. The annual process provides each individual and their direct manager the opportunity to reflect on the previous 12 months, plan for the future and agree on learning and development strategies for the subsequent 12 months. In addition to this, employees are able to access, edit and update their plans throughout the year post regular discussions with managers, mentors and/or coaches regarding progress against documented skills and experiences. Development plans are collected and tracked in GPT's Human Resources Information System, SuccessFactors. Aligned to GPT's belief in the holistic 70:20:10 approach to learning, SuccessFactors development plans are structured to encourage on-the-job, exposure-led and educational learning.

Review and Evaluation

At GPT we take our investment in the ongoing development of our people seriously, and accordingly we use a range of metrics to determine the return on investment (ROI) of our programs in this area. These metrics include turnover, absenteeism rates, training hours per employee and ROI for high-potential development programs. We also evaluate each of our learning programs to ensure participant satisfaction, learning transfer and adoption. All programs that receive lower than a 90% satisfaction rating are reviewed for improvement.

Training Hours

In 2015, we were successful in achieving an average of 47 hours of training per FTE. This figure includes a staff conference held in April 2015.



Performance Agreements and Development Plans

- 100% of permanent employees had a Performance Agreement in place for calendar year 2015
- 100% of permanent employees had a Development Plan in place for calendar year 2015.