



**Environmental and Social  
Responsibility Policy**

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## 1 PURPOSE

The purpose of the Environmental and Social Responsibility Management Policy is to formalise Intoll's approach to the identification, assessment, management and appropriate disclosure of environmental and social risks and opportunities associated with the operations of its businesses.

It should be noted that the term sustainability can be used in place of environmental and social responsibility within this Policy.

## 2 OBJECTIVE

The objective of this policy is to establish the guiding principles for the management of Intoll's environmental and social risks and opportunities.

Intoll recognises that its investment in and development and management of operating businesses or properties may have environmental and social impacts. Intoll acknowledges that many people are touched by the activities of its businesses' operations and will work to ensure our operations are conducted in an environmentally and socially responsible manner.

## 3 SCOPE

The management of environmental and social risks and opportunities includes compliance with local laws and regulations. In jurisdictions where environmental legislation requirements are limited, Intoll will seek to apply accepted good practice using relevant Australian or International Standards.

## 4 DEFINITIONS

Intoll uses the following definitions for internal purposes to manage environmental and social responsibilities.

Environment – includes all natural resources (e.g. water, air, land, flora, fauna) and heritage sites.

Environmental risks and opportunities – refers to any change to the environment, whether adverse or beneficial, wholly or partially resulting from the activities, operations, products or services of Intoll or its investments or from any regulatory changes. Risks may arise as a result of development and construction, operation of the asset, use of chemicals, manufacturing or production.

Environmental risks may include:

- emissions of pollutants resulting in climate change impacts, land or water contamination
- ecological impacts and resource depletion

International standards – e.g. voluntary guidelines and standards such as the Equator Principles, ISO Standards and International Finance Corporation's Performance Standards on Social and Environmental Sustainability

Social – includes Intoll's stakeholders e.g. community, customers, employees and investors.

Social risks and opportunities – refers to any change to the community, customers, employees, suppliers and investors wholly or partially resulting from the activities, operations, products or services of Intoll.

Social risks and opportunities may include:

- Community – enhancement or reduction in quality of life, traffic noise, traffic emissions, etc

- Customers – ease of travel, costs (tolling, airport charges, etc), etc
- Employees - creation of and reduction in jobs, occupational health and safety issues, job satisfaction
- Investors – allowing them to align their social values with their long-term investment objective

Sustainability – the balance of economic, environmental and social costs and benefits when making business decisions.

The following definitions are for external purposes to manage environmental and social responsibilities.

Environmental responsibility - results from the risks and opportunities associated with the use of natural resources by the operations of Intoll and its investments and the obligations of decision makers to take actions which protect and improve the environment. It includes the management of climate change risks and opportunities.

Social responsibility - results from the impact (both positive and negative) on community, customers, employees, suppliers and investors by the operations of Intoll and its investments.

Sustainable business practices - result from the balance of economic, environmental and social responsibilities through the management of risks and the creation and enhancement of opportunities.

## 5 POLICY

The policy provides the framework to assist Intoll to apply its environmental and social responsibilities in a systematic and appropriate manner across three key activities conducted by Intoll's businesses:

- Asset acquisition
- Asset development, where applicable
- Asset management

### 5.1 Asset Acquisition (due diligence)

Environmental and social issues should be considered as part of the due diligence process for the acquisition of an asset or operating business.

The due diligence team will undertake a review of environmental and social issues that may impact on the performance of the asset or operating business.

The scope of this review should reflect the level of environmental and social risk.

The issues to be considered may include (but are not limited to):

- Regulatory requirements (e.g. environmental licences, operational conditions, contaminated land remediation notices)
- Presence of on-going environmental obligations that may restrict or prevent operations or present on-going obligations (e.g. designated conservation areas, nature reserves or heritage resources on or in close proximity to the asset, presence of contaminated land)
- Presence of on-going social issues that may restrict or prevent operations or present on-going obligations (e.g. community, customers, employees, investors)
- Presence of on-going social and economic issues that may restrict or prevent operations or present on-going obligations associated with land acquisition and resettlement
- Operational and social issues associated with labour and working conditions and work force protection.
- Physical risks associated with extreme weather events or permanent changes to environmental conditions
- Operational risks associated with climate change (e.g. increased resource consumption and demand on services, insurance availability)
- Exposure to emissions trading, carbon pricing or other climate change related legislation.
- Estimations of the costs associated with the environmental and social issues identified.

The results of the due diligence should be discussed with the CEO, COO, risk management and corporate affairs. Any key issues or non-compliance with accepted good practice and/or relevant standards should be highlighted to the Intoll Boards or as part of the investment proposition.

Any post acquisition obligations will be documented and assigned to the asset manager. A review of an asset or business' environmental and social management practices is conducted as a component of the broader annual risk management framework assessment.

## 5.2 Asset Development (including construction phase)

Where Intoll or its operating businesses are involved in asset development activities, environmental and social management practices will be integrated into the development operations. The extent of these responsibilities and opportunities will be determined by the level of ownership/control Intoll or its operating businesses have over the development works being undertaken; and the local regulatory framework.

Where local environmental legislation requirements are limited, Intoll will seek to apply good practice using relevant Australian or International Standards.

Where Intoll's level of ownership/control allow, an environmental and social risk management framework and supporting plans and procedures for development activities will be maintained by each asset or business. It is the responsibility of the asset manager to:

- Confirm whether the framework is operating effectively and make recommendations for improvements
- Confirm that the development activities comply with all applicable environmental legislation and licensing requirements
- Confirm that the development activities meet legislative, contractual and any agreed voluntary standards relating to labour and working conditions and land acquisition and involuntary resettlement.
- Confirm that audits are conducted to verify compliance with environmental and social requirements including contractual obligations
- Confirm regular reports on compliance with environmental and social issues are provided to the asset Board.

## 5.3 Asset Management (on-going)

Each operating asset or business is required to maintain its own environmental and social risk management framework and supporting plans and procedures to manage its environmental and social risks and opportunities.

The environmental and social risk management framework should be adequate for achieving and promoting good environmental and social risk management practice and be appropriate to the level of environmental and social risk in that business.

Intoll's ability to control or influence such a framework will be determined by the level of ownership/control over the asset or business.

The environmental and social risk management framework should as a minimum include procedures and/or processes to:

- Identify and document major environmental and social risks (including climate change, regulatory obligations and relevant international standards)
- Manage major/significant environmental and social risks including environmental incident response
- Audit compliance with environmental and social regulatory obligations and status of environmental risk management framework
- Manage and report environmental and social incidents
- Report on environmental and social risk management to the Board.

## 6 REPORTING

### 6.1 Asset Development and Management Reporting

As part of their ongoing asset management obligations, each asset manager and/or asset Board representative will:

- Alert Intoll CEO, COO, and corporate affairs manager of any significant environmental and social responsibility management issues arising at the asset and determine actions to manage such issues (including notification to stakeholders/regulators)
- Assist in the preparation of the Intoll annual report disclosures relating to environmental and social responsibility management by providing information as requested
- As part of the annual insurance review, make enquiries of asset management as to any insurable environmental (and social) responsibilities and adequacy of coverage.

### 6.2 Communication response plan for environmental and social management incidents

In the event of an environmental or social responsibility management incident (e.g. environmental disaster, dispute with community, adverse media report, adverse government findings, etc) all responses will be managed by Intoll CEO and corporate affairs manager in consultation with Intoll's investor relations and Company Secretary, where appropriate. Intoll's existing External Communications Policy must be followed in all instances.

The COO, with support from the corporate affairs manager, will establish an early warning system for environmental and social management incidents. This will ensure the public affairs manager is advised in real time of any significant environmental or social event that may trigger interest from a range of external stakeholders.

In preparation for any public response to an incident, the corporate affairs manager will maintain a database of positive actions taken by Intoll or its assets to manage environmental and social responsibilities. This will require input by each asset manager as part of their ongoing asset management responsibilities noted above.

### 6.3 Public and Investor Disclosure

Intoll, where deemed appropriate, will provide an environmental and social responsibility management statement to investors and other key stakeholders on an annual basis. This statement can be within the annual report (as a separate section or within the corporate governance statement) or as a stand-alone report. The same report will be made available on Intoll's website.

Through consultation with Intoll CEO and COO, the annual environmental and social responsibility management report may include the following elements (where relevant):

- Intoll's recognition of the importance of environmental and social responsibility management including climate change
- Intoll's overall management of these responsibilities
- Brief summary of key responsibilities identified and (if relevant) actions taken to manage such responsibilities
- Current initiatives being taken by Intoll and/or controlled assets
- Regulatory compliance.

Intoll will respond to environmental and social responsibility questionnaires and surveys where these are considered appropriate. Responses will be managed by Intoll CEO or investor relations staff with input from the CFO and COO.

## 7 ROLES AND RESPONSIBILITIES

To facilitate the implementation of the environmental and social responsibility management policy, responsibilities for key business roles are outlined below:

### CEO

- Primary responsibility for ensuring compliance with this policy.
- Oversee and approve disclosure of information to investors and key stakeholders
- Oversee the acquisition due diligence process and analysis of results of expert consultant reviews
- Oversee ongoing monitoring of environmental and social responsibilities by asset managers and assisting in determining course of action when issues are identified
- Respond to significant incidents arising at an asset and ensure Intoll Board is informed of such significant incidents, as appropriate.

### COO and Asset Managers

- Responsible for on-going asset management tasks outlined in this policy
- Monitor and report on compliance at the asset level
- Ensure asset management are aware of the need to provide timely reporting on environmental and social responsibility matters as they arise
- Engage the risk manager where necessary in assessing the adequacy of environmental and social responsibility management framework at the asset level and influencing asset board and management if that framework is considered to be inadequate
- Establish and maintain early warning systems to advise in real time of any significant environmental or social event that may trigger interest from a range of external stakeholders.
- Identify environmental and social risks and opportunities and escalate them, if appropriate to relevant Intoll staff, including the CEO, corporate affairs manager and risk manager.

### Risk Manager

- Monitor compliance with this policy
- Update this policy in response to changes in internal structure, legislative, regulatory, market and technological developments.
- Educate directors and staff on this policy and related procedures
- Provide guidance during asset acquisition due diligence
- Assist in the consideration of any risks and liabilities identified
- Collate and analyse the items reported by asset managers
- Assist investor relations and communications functions in preparing public communications relating to environmental and social responsibilities and their management
- Ensure that the Intoll Board (via the Board Audit and Risk Committee, where appropriate) is informed of all significant matters relating to this environmental and social responsibility management policy, its implementation and asset matters at least semi-annually.

### Investor Relations and Communications Functions

- Prepare, facilitate and co-ordinate communications relating to environmental and social responsibilities with Intoll's investors and other stakeholders.

### Corporate Affairs Manager

- Advise on and coordinate Intoll's approach to managing reputation risk arising from significant issues if and when they occur, while ensuring compliance with Intoll's media policy and continuous disclosure requirements
- Assist asset manager to establish and maintain an early warning system to escalate in real time any significant environmental or social event that may trigger interest from a range of external stakeholders
- Assist investor relations and communications functions in preparing public communications relating to environmental and social responsibilities and their management.