

2019 SUSTAINABILITY REPORT

aveatus
GROUP

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About this Report

The information presented in this report reflects the Aventus Group's management of and performance on environmental, social and governance (ESG) topics that we have identified as being material to our business and stakeholders. The aim of this report is to communicate the sustainability impacts associated with our operations and how we are working to manage and mitigate these impacts. For a more complete understanding of the business context, we recommend that this report is read in tandem with the Annual Report and Corporate Governance Statement.

This report covers the FY19 reporting period (commencing 1 July 2018 to 30 June 2019), which coincides with our financial reporting. It is the second standalone Sustainability Report that we have published and will be released on an annual basis, and our first as a fully integrated listed stapled entity. The information reflects all the assets over which the Group has operational control.

This Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) reporting Standards (Core option). The contents of this Sustainability Report have not been externally assured.

For further information or feedback on any aspect of this report, please contact mweaver@aventusgroup.com.au

Message from the CEO

Welcome to the Aventus Group's Sustainability Report for the year ended 30 June 2019 (FY19). The Group is dedicated to creating sustainable earnings and capital growth for its Securityholders. This report sets out what AVN is doing at a strategic and operational level to make better choices for our business, our communities and our environment.

Our mission is to continue to develop and enhance our portfolio to be the leading large format retail pure play landlord in Australia. As we focus on this goal, we look to create long term value for all our stakeholders, and we are broadening our definition of value to include more than just financials. This means working together to bring meaningful, positive changes to the communities, our team members and environment around us.

Our approach to sustainability focuses on enhancing our existing systems to better support our values and commitment to the environment and communities around us. We consciously adopt a 'connected thinking' approach in all aspects of our operations. By linking different teams and communicating our goals, sustainability issues stay current across the whole business from acquisitions and operations to marketing and team culture. Giving sustainability an elevated platform will ensure it remains part of our focus at both an operational and strategic level.

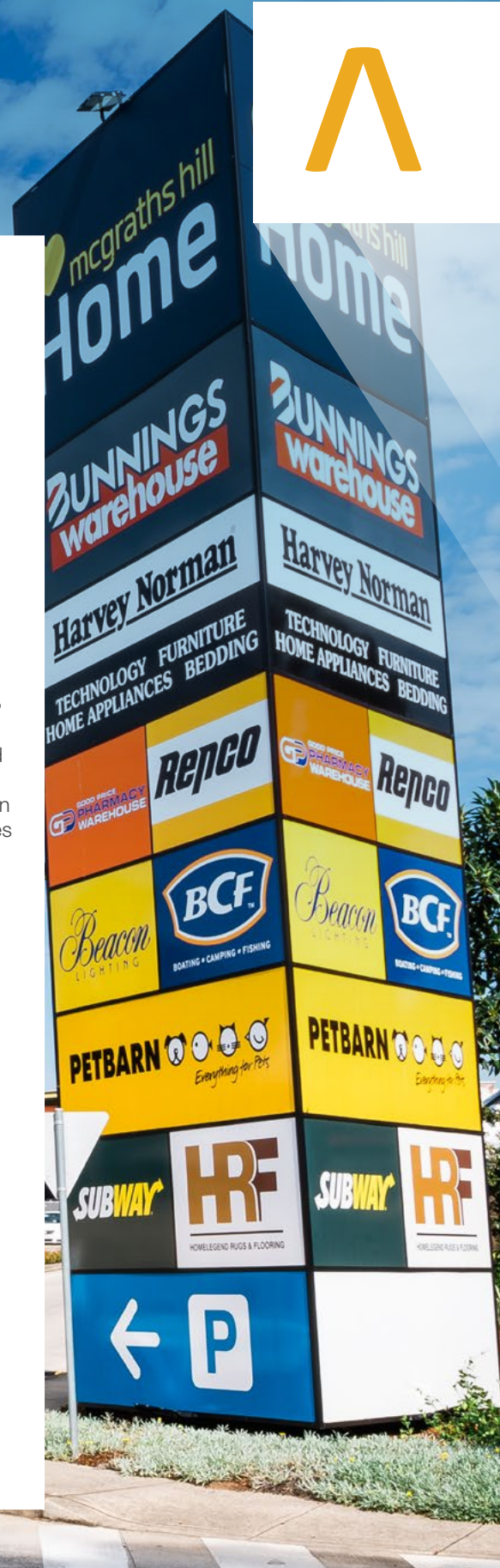
This year we have reviewed and simplified our material topics to ensure we focus on the issues that matter to stakeholders. Across each of our sustainability focus areas, key highlights include:

- > **Our people** – We continued to invest in the fulfilment and wellbeing of our people, and achieved an overall team engagement score of 90%
- > **Our centres** – We focused on enhancing the shopping experience and reinvested approximately \$30 million into capital and development projects to enhance and maintain the optimum shopper experience at our centres. This year, we also began collating energy consumption, emissions, water and waste data across our centres to obtain a better understanding of our environmental impact
- > **Our communities** – We listened to our stakeholders and included disclosure on cyber security and privacy demonstrating our commitment to protecting stakeholder information and our customer satisfaction score increased by 12%.

Sustainability remains at the core of who we are and what we do.



Darren Holland
CEO



About the Group

The Aventus Group is a stapled entity comprised of Aventus Holdings Limited and the Aventus Retail Property Fund. It is listed on the Australian Stock Exchange. The Aventus Group is Australia's largest fully integrated owner, manager and developer of large format retail centres in Australia with a portfolio of 20 centres valued at \$2.1 billion. Our operations are focused within Australia, where all centres and the team are based.

The Aventus Group portfolio spans 535,000m in gross leasable area and features a diverse tenant base of 590 quality tenancies, with national tenants representing 87 per cent of the total portfolio. Our team of 70 professionals offer expertise in investment management, asset management and corporate services, delivering operational excellence and value at every stage of the investment cycle.

The mission and objective of the Group is ultimately to create long term value and sustainable earnings growth for our Securityholders. To achieve this, we work on the following:

Our core strategy of delivering organic growth through intensive asset management remains clear and drives real results.

The pillars of Aventus' strategy are unchanged and our focus for the next 12 months is:

- > to actively diversify our tenant base with a priority on increasing everyday-needs to continue to drive weekday traffic and energise our centres;
- > to continue to invest in the expansion and development of the portfolio to enhance the shopper experience and capitalise on attractive development returns; and
- > to maintain disciplined capital management to allow for the execution of our strategy.

Our Sustainability Focus Areas

Our Environmental and Sustainability Policy underlines our commitment to develop sustainable business, environmental, governance and community practices and partnerships, and to engage with stakeholders to achieve this outcome. In doing so, we use a range of internal tools to leverage our sphere of influence to champion sustainable choices at our centres and try to encourage sustained behavioural changes through small shifts in daily habits.

Our focus areas include:

- 1. Our People** – nurturing our team to promote fulfilment and wellbeing.
- 2. Our Centres** – enhancing the shopping experience that has become synonymous with our centres.
- 3. Our Communities** – enriching our local communities through engagement and support.

Our Values

The Aventus core values exemplify who we are. These values are at the very epicentre of how we work every day, on every task to ensure we stay accountable, focused and effective while creating a culture that nurtures and supports each other.

The values were developed by our team and were agreed as the attributes that define the behaviours and action at Aventus. In the recruitment process the values are discussed in interviews for candidates and we hire for culture fit first. The team bonuses have a team and culture component to reinforce the 'how you do your job and collaborate with the Aventus team'.

WE ARE... AVENTUS

Our core values



OWN IT

We are hands on, proud yet humble, and accountable



DO IT NOW

We act with urgency and without fuss



HUNGRY

We have the passion, energy and stamina to make a difference & achieve our goals



CUSTOMER FOCUSED

We exist to inspire & add value to our customer



FIND A BETTER WAY

Continuous improvement is in our DNA... we have never arrived



GOT YOUR BACK

We respect each other and tell it like it is

About the Group

continued

Our Customers

Large Format Retail (LFR) is a significant part of the Australian retail landscape. LFR accounts for 25% of all retail sales in Australia or \$81bn (Large Format Retail Association (LFRA) as at 30 June 2018). LFR accounts for 35% of all retail floor space across 175 LFR centres.

Aventus has a market leading share of LFR centres, with a portfolio catering for a variety of needs for shoppers:

- > **Every-day needs** – Making up 38% of the Aventus portfolio, every-day needs retailers include food and beverage, supermarkets, convenience, services, health and wellbeing, automotive, office supplies, discount variety and pets.
- > **Furniture and bedding** – Whether shoppers are renovating a house themselves, baby-proofing their first rental apartment, decorating an investment property, or simply looking for ideas and inspiration, Aventus centres offer exactly what they need to fill their space with warmth and style.
- > **Homewares** – The diverse range of retailers including Adairs, Spotlight and Beacon Lighting, ensures that each centre is a one-stop-shop for visitors to update and improve their home. We know our customers are looking to make positive changes to the space they live in, and we thrive on facilitating that transformation in the most helpful way.
- > **Electrical** – Shoppers have a wide variety of stores to choose from to purchase the ever-important technology for busy lifestyles. With well-known retailers including The Good Guys, JB Hi-Fi and Harvey Norman, shoppers are in good hands to make the right decisions.
- > **Hardware and flooring** – Whether shoppers are doing a DIY project or upgrading their floors and window coverings to meet the latest trends, they're in good hands with Bunnings, Kresta, Carpet Call and more great retailers.

Our audience is an optimistic tribe aspiring for the new Australian dream and we cater to anyone that is looking to step up, upgrade or expand.



Corporate Governance

Good governance is essential to ensure that we operate with transparency while striving to meet our own goals and the expectations of our stakeholders. This is important to ensure our operations at every level uphold our high-standing principles.

The Board of Directors, as the highest governance body, is responsible for the review and implementation of the Group's various policies and culture with respect to the establishment and observance of appropriate ethical standards and ensures the effectiveness of all legal, regulatory and ethical compliance programs. Aventus subscribes to all statutory laws, regulation and codes that apply to its various activities.

Our governance framework is reviewed annually to ensure it is focused on best practice.

Sustainability Control Group

A Sustainability Control Group was established to manage and meet the commitments set out in our Sustainability Policy. This group comprises of members across teams such as portfolio, operations, finance, culture and legal as well as representatives from our centres who have responsibility of day-to-day operations and sustainability outcomes.

The Sustainability Control Group reports to the Board, which has overall responsibility for the Group's sustainable operations. The Group will report on sustainability issues through various governance mechanisms, including the ASX Corporate Governance Council's Corporate Governance Principles & Recommendations (3rd Edition).

Audit, Risk & Compliance Committee

Key to helping us manage and mitigate risk is having the appropriate structures in place.

Our Audit Risk & Compliance Committee is responsible for the identification and management of risks. This is controlled through our Risk Management Framework and reviewed at least annually to ensure it is effective. This includes a regular audit program to test adequacy and compliance, with the implementation of remedial action where required to address any areas of weakness. In accordance with the precautionary principle, sustainability issues and risks are considered throughout our operations and integrated with our corporate goals and strategic planning.

Code of Conduct

The AVN Code of Conduct requires the team to conduct themselves in a manner consistent with current community and company standards and in compliance with all relevant legislation. The objective of the Code of Conduct is to:

- > Provide a benchmark for professional behaviour;
- > Support the Group's business reputation and corporate image within the community; and
- > Make directors and the team aware of the consequences if they breach the policy.

The Code of Conduct also includes information about our commitment to equality, anti-discrimination, the protection and treatment of whistle-blowers and a healthy, safe working environment for all our team. Code of Conduct training is provided during the induction process for new team members and then annually thereafter.

Risk Management and Compliance

We have strategies and tools in place to drive a proactive risk culture. Our Audit, Risk & Compliance Committee has developed a Group Risk Appetite Statement, and this is reported against each quarter to aid oversight of material risks and related controls.

Our daily, weekly and monthly meetings enable risks to be identified and recorded into our team risk registers and group risk register.

We have not incurred any significant fines or sanctions for non-compliance with laws and/or regulations in the social and economic areas.

More information regarding our corporate governance policies and procedures, including our Audit, Risk and Compliance Committee Charter, and Code of Conduct is available from our website at: <https://aventusgroup.com.au/corporategovernance>

Membership of Associations

The Aventus Group is a member of the Large Format Retail Association of Australia (LFRA). This is an annual membership which Aventus has been a member since 2007. The function of the LFRA is to act as the national peak body representing the interests of large format retailers, investors, owners, developers and service suppliers in Australia. The Aventus Group has representatives that attend the quarterly forums along with the annual LFRA overseas tour.

Darren Holland (via The Aventus Group) is a member of Young Presidents Organisation (YPO), which is a global organisation specifically for Chief Executives to engage, learn and grow. Darren attends monthly forums with his local syndicate of YPO members, two property forums, along with regular educational events throughout the year.

Stakeholder Engagement

Our relationships with key stakeholders are central to achieving our goals and delivering a great shopping experience at our centres.

Regular, ongoing communication helps us stay in touch with the issues that are important to our stakeholders and best manage and mitigate the impacts of our operations. It also helps to cultivate a relationship based on trust, openness and transparency, which benefits all parties.

Our stakeholder groups are wide-ranging and include our team, retailers, customers, suppliers, community groups, investors, regulators and industry bodies. We prioritise key stakeholder groups based on their interest in and influence on the Group. This helps us to meet stakeholder expectations and honour our core values as we continue to grow and innovate. By deepening our understanding of key stakeholder needs and concerns, we can focus our attention on the issues that matter most.

Daily, whole team meetings are a key part of how we operate. We take pride in our unique approach to frequent, open and frank communication across the entire team. This breaks down barriers and promotes fresh thinking, idea sharing and innovation.

We also promote good communication with other key stakeholders, in particular our retailers, suppliers and the customers frequenting our centres. For this we rely on both formal and informal communication using a range of different communication channels. This includes keeping stakeholder groups informed through various publications and social media, right up to more in depth, collaborative projects with our team and our retailers.

The table below details the Company's communications with its key internal and external stakeholders.

Stakeholder	Communications	Frequency
Our Team	Huddles	Daily
	Forums	Bi-annually
	One-on-one meetings	Weekly
	Monthly Business Insights	Monthly
	Surveys	Annually
	'Buddy' Program	All new team
	Team building events	Ongoing
	CEO New Starter Breakfasts	Quarterly
	CEO lunches	Monthly
	Quarterly Team Off-Sites	Quarterly
	Leadership team visits to centres	Weekly
Retailers	Portfolio meetings	Ongoing
	Site visits	Ongoing
	Centre manager liaison	Ongoing
	Dedicated CRM	Daily
	Retailer Portal	Ongoing
	Surveys	Ongoing
	Magazine 'Re-Tale Therapy'	Biannually
Customers and Communities	Surveys	Ongoing
	Community events	Ongoing
	Newsletters	Ongoing
	Social media and website	Ongoing
	Local community groups – mums 'n' bubs, children Super Troopers, seniors' initiatives	Ongoing
Suppliers	Meetings	Ongoing
	Contracts	On engagement
Investors and Financiers	Meetings	Ongoing
	Reports	Biannually
	Media Releases	As required
	ASX announcements	As required
	Respond to investor surveys	As required
Regulators	Ah hoc communications	As required
Industry bodies	Ah hoc communications	As required

Stakeholder Engagement

continued

Key internal engagement initiatives and their benefits are detailed in the table below:

	Format	Benefits and Outcomes
Daily Huddles	<p>Aventus joins leading global organisations, like Walmart, and Johnson and Johnson, in introducing daily huddles in 2015.</p> <p>Each morning, our whole team gathers in person, on video conference, or on the phone for a 15-minute huddle. We share our highlights, roadblocks and focus for the day, and the huddle connects our national team.</p>	<p>Team alignment and engagement; speed in identifying and resolving issues and disseminating information across the organisation.</p>
Bi-Annual Forums	<p>The entire Aventus team gathers twice per year for a Forum, in which project successes, roadblocks and key learnings are shared and workshopped. External inspiring speakers are invited to share their experiences, After Action Review (AARs) from key projects are reported and discussed and team building activities are held. Team successes are celebrated, and recognition awards based on living our values are awarded.</p>	<p>Sharing best practice ideas and benchmarking standards; team recognition and acknowledgement; closer collaboration through a better integrated team.</p>
Monthly Business Insights	<p>Monthly Business Insights Meetings are held with the Leadership Team and representatives of each team to provide updates on progress and an opportunity to share any issues/roadblocks that they require assistance on.</p>	<p>Allows for information to flow upwards and to ensure that any issues are shared with the whole leadership team.</p> <p>Also allows for managers to participate and gain valuable experience for further growth.</p>
CEO New Starter Breakfasts and CEO lunches with current team members	<p>Each quarter, our CEO meets with new starters over breakfast to present our company's strategy and values, and get to know each new starter personally. Each month, our CEO also has a one-on-one lunch with a current team member.</p>	<p>This allows our CEO and senior management to have direct communications with new and existing team members, welcome them to the business and establish a direct line of communication with each team member as an opportunity to build those relationships.</p>
Annual Surveys	<p>Once a year, team members are invited to participate in an anonymous online survey.</p>	<p>Recognising the importance of an engaged workforce, Aventus conducts annual employee surveys to measure satisfaction and gain insights into our teams' views regarding our work environment, our culture and our leaders. Key learnings are discussed in the People and Culture section.</p>
Aventus Culture Book	<p>Annual celebration of our culture that is provided to as many stakeholders as possible including all team members, retailers and prospective team members.</p>	<p>Sharing an insight in the Aventus core values helps tell our story to external stakeholders and provides a valuable insight for people who want to join our team.</p>

Material Topics

The Group's material topics relate to the most significant environmental, social and governance topics to our business and stakeholders. To ensure the topics we report on remain relevant, we reviewed our FY18 material topics and other emerging topics to understand relative significance. As part of this, we conducted peer benchmarking to comprehend the level of significance identified by peers and reviewed our internal strategy.

Through this process, the Sustainability Control Group was able to identify and prioritise the following material topics. Whilst the topics are largely consistent with last year, we have sought to simplify our priority areas to focus on the topics that matter. This year we have included 'Cyber security and privacy' given increasing focus on protecting customer privacy and mitigating cyber security risks.

Material Topics	Definition	Stakeholders Impacted	Boundary
Health and safety	Ensuring the health and safety of our customers	Our retailers/tenants Customers and communities	External
People and culture	Investing in our people and culture to improve employee satisfaction and retention	Our team	Internal
Creating a positive shopping experience	Improving our physical infrastructure and the quality of services provided to our customers	Customers and communities	External
Community development and support	Promoting connectivity and engagement amongst the local communities that Aventus centres are a part of	Customers and communities	External
Retailer support	Supporting and engaging with our retailers/tenants	Retailers	External
Risk management and compliance	Managing our material risks and complying with relevant legal requirements	Investors Suppliers	Internal
Environmental performance	Minimising our energy consumption, emissions, water use and waste	Customers and communities	Internal/External
Cyber security and privacy	Protecting customer information and privacy	Customers and communities	Internal/External

As part of our materiality assessment process, we understand that stakeholders are seeking increased disclosures around human rights and labour standards, ethical sourcing and climate risk management.

We recognise the significance of risks related to human rights in the broader supply chain, and particularly the presence of child labour and forced labour in developing countries. In line with the Australian Modern Slavery Act, we are looking to review our operating practices to ensure adequate identification and mitigation of modern slavery risk within Aventus' supply chain. In line with this, we are committed to driving positive social and environmental change through our supply chain where we can.

Our Board oversees strategic risks and opportunities including in relation to climate change. We are working towards improving our understanding and approach to assessing and integrating climate resilience into our portfolio.

Material Topics

continued

Health and Safety

We want to keep our people safe and it is the first priority in everything we do. Creating a culture that is focused on health and safety is also paramount to the success of our business. It is a measure of our duty of care towards our team, tenants, contractors and visitors. In order to prevent ill-health and optimise safety at our centres, we have implemented a work health and safety (WHS) management system (the Aventus Safety System) and engage in regular communications and training. Most importantly, we lead by example at a management level, ensuring safety is a priority and setting the bar high in terms of our safety standards which aim to go beyond compliance with our legislative obligations.

The Aventus Safety System, which was first implemented in December 2016, helps us to assess, monitor and manage risk. It is aligned to AS4801 and regularly audited by an independent third party. In 2018, we implemented an on-line WHS compliance software system, ComplyFlow.

Our Safety Policy is updated regularly and describes our commitment to fulfil our obligations to provide a safe workplace. The Board is responsible for the overall WHS strategy and has established a target to 'Eliminate Harm'. To achieve this, we are committed to the following key objectives:

We have established a target to 'Eliminate Harm'. To achieve this, the following key objectives have been set:

1. A culture focused on safety
2. Building the right systems that reflect our risk profile
3. Working with our team and those who come onto our sites (through communication, training and ComplyFlow)
4. Identifying and controlling our work, health and safety risks (through our audits and reporting through ComplyFlow)
5. Demonstrating leadership in the management of work, health and safety matters (through application of the Due Diligence requirements)

In order to achieve this target and to comply with all relevant laws and requirements:

The Board of Directors:

The Board is responsible for the overall strategy and direction in relation to WHS and will demonstrate due diligence in the management of all safety matters at Aventus.

Management will:

Lead and recognise

- > Lead by example, setting high safety standards and clearly communicating expectations
- > Know the work, health and safety requirements of the business and integrate risk management processes into operation
- > Keep work, health and safety as a top priority in decisions and allocate appropriate human and financial resources to support the implementation and improvement of the Aventus Safety System
- > Create an environment of openness, trust and respect that recognises and rewards team members for safe work practices
- > Continually seek improvements to the Aventus Safety System

Communicate

- > Implement effective consultation and communication arrangements so team members, tenants and contractors understand their responsibilities
- > Make available appropriate information, training, instruction and supervision to team members, contractors and visitors

Monitor

- > Maintain plant and structures and develop appropriate systems of work
- > Provide adequate facilities and amenities at our centres
- > Monitor the conditions at all our workplaces, to prevent illness or injury arising from work related activities

Aventus team members will:

- > Accept no compromise with safety
- > Understand their responsibilities, be self-aware and demonstrate positive WHS behaviours
- > Know and follow all safety requirements related to their position
- > Participate in work, health and safety training as required
- > Never allow a contractor on site that has not completed their induction
- > Maintain a safe and orderly work area
- > Constantly review the workplace for hazards which could lead to injury, illness or incident
- > Immediately report on unsafe acts, conditions, equipment or behaviours

Material Topics

continued

Compliance with safety responsibilities is considered a key performance indicator (KPI) for all team members and a *critical* KPI for those team members responsible for health and safety at our centres.

The Board reviews the Aventus Safety Policy annually and also identifies opportunities for continual improvement.

To meet key responsibilities, all staff receive mandatory safety training which is adapted depending on location and position.

Team injury rates are monitored, and all incidents are reported and appropriately escalated in our WHS management system.

No serious work-related injuries have been recorded in FY19.

Health and safety at our centres

Safety is the number one priority of our business and it always forms the first part of any team meeting, right up to our Audit, Risk and Compliance Committee. As part of the continual improvement process, we are currently working with an independent consultant to assist us with reviewing our top centre risks and defining prevention and risk mitigation plans. The next review will consider traffic safety in our centres, and actions will be implemented in the next reporting period.

Promoting health and wellbeing at work

At Aventus, we believe that health is an important aspect of our lives. Total health, including the physical, mental, work and life components are crucial to our overall happiness. We promote and encourage our team to lead healthy lives and to support this, we have boosted the team's awareness and knowledge of wellbeing.

We engaged a health practitioner and naturopath to run a series of five workshops on different wellbeing aspects. Each monthly session included a practical manual in which the team were encouraged to set small and achievable health goals. This provided accountability so the team was able to implement and see results from what was learnt in the sessions.

The sessions included:

- 1. Nourish:** Understanding how to use food as your medicine to nourish your body, mind and ambitions in life.
- 2. Move:** Learning why adequate and effective movement is fundamental to our health. We discussed ways to get enough exercise and how to support your body best during exercise and sport.
- 3. Mind:** Discovering what drives our thoughts and moods and how to direct them. We discussed the impact of stress, anxiety, depression and being overwhelmed. We learnt strategies on how best to bring a balanced state of mind for optimal performance and contentment.
- 4. Sleep:** Understanding why we struggle to get adequate and blissful sleep. We learnt how modern life gets in the way of adequate sleep and discussed simple guidelines to sleeping peacefully for optimal physical and mental repair and performance.
- 5. Sustain:** We concluded by bringing it all together for sustainable wellbeing at work, home and play. We discussed how our environment affects our health, who we socialise with and how we spend our time to determine the quality of life we enjoy. We identified what we aspired towards and how to get there with clarity and calm.

The program, whilst voluntary, had a participation rate of over 85%.

Material Topics

continued

People and Culture

Our team is our number one asset. It is the calibre of people working for Aventus that allows us to be our very best and differentiate our brand from our competitors. Our team share common characteristics in their work ethic, integrity, and ambition. Our role in return, is to continue to attract talent and retain our team by providing the necessary support to ensure they continue to thrive, in all aspects of their lives.

The structure of our operations is based upon providing the right platform for our team to excel. We spend time building a strong rapport between colleagues and at the leadership level. From daily group huddles to our buddy program, we are committed to a culture that values individuality and encourages open dialogue and innovation.

'Culture fit' is the number one criterion we consider when hiring new team members. When a new member starts with us, we focus on giving them every opportunity to succeed and have effective two-way feedback and coaching from managers and peers. Our managers have attended a six-module leadership program and participated in external programs such as Culture Academy. All team members have regular feedback on their performance, career plan and development.

We send an annual employee survey to our team to understand employee satisfaction and feedback. This survey focuses on issues such as employee engagement and enablement, organisational culture and leadership and management effectiveness. It gives our people the opportunity to tell us what it is like to work at Aventus and where we need to improve our workplace culture. This year, we achieved an overall engagement score of 90%. We are continually working to improve the culture of our workplace and have developed strategies to improve areas such as career plans, feedback from management and recognition. These strategies were communicated and presented to the team in the reporting period.

Diversity, equality and inclusion

Aventus recognises its talented and diverse workforce as a key competitive advantage. Our business success reflects the quality and skill of our people. Aventus is committed to seeking out and retaining the best talent that fits our values and culture.

We recognise that each member of our team brings their own unique capabilities, experiences and characteristics to their work. We value such diversity at all levels of the company and recognise that importance of reflecting the diversity of our customers in our workforce.

Aventus believes in treating all people with respect and dignity. We strive to create and foster a supportive and understanding environment in which all individuals realise their maximum potential within the company, regardless of their differences. We are committed to employing the best people to do the best job possible.

As part of the Aventus People, Culture and Remuneration Committee Charter, our Diversity and Inclusion policy with measurable objectives will be reviewed annually. Currently our objectives are:

- > Develop a diverse succession plan process to focus on future pipeline for key roles and develop internal successors within the group.
- > Our talent selection and hiring practices are non-discriminatory and are based on individual merit.
- > Annual review of our remuneration strategy to ensure that reward is based on merit and is equitable.
- > Increase our female representation at middle management, leadership and Board levels with diversity consideration for all new appointments.
- > Develop and review a people scorecard at each People, Culture, and Remuneration Committee quarterly meeting.

Behaviour that does not adhere to our values and Code of Conduct is not tolerated. Each year our team undertake Code of Conduct training to renew their understanding and acceptance of Aventus' expected values and behaviours which forms part of their responsibilities.

Our Code of Conduct, values and culture creates an environment that has an open door policy for any concerns to be raised and addressed in a non-biased manner (Whistle Blower Policy).

Training and Development

As a group, we deeply believe in the importance of continual development, improvement and enhancement of skills to ensure ongoing professional development. In FY19, 24 team members in mid management to senior management levels undertook leadership training. We hosted three, two-day modules over a six-month period to upskill our managers to be better leaders for their team. In addition, our entire team undertook a workshop on understanding individual working styles and collaboration techniques with colleagues, clients and customers. The entire Aventus team has a two-day team building offsite twice per year which is focused on learning and communication.

Another initiative in place to drive learning and development is 'miniuniversities'. Each month an external industry expert or internal champion is invited to present to the whole team on leading topics or innovations. The purpose of this is to offer insights into leading trends and innovation, encouraging the team to think outside of their current role. This gives our team opportunities to network with new people and learn new concepts. During this period, our Chairman Bruce Carter and one of our Non-Executive Directors Robyn Stubbs, presented learnings from a technology and innovation study tour of **Isreal**; other miniuniversities topics included depreciation, after action reviews and customer engagement.

Material Topics

continued

Workforce Data

Our workforce

Indicator	FY19		FY18	
	Male	Female	Male	Female
Number of full-time employees	30	30	26	28
Number of part time employees	0	7	0	7
Number of fixed term employees	0	1	2	1
Number of casual employees	0	0	0	1
Total number of employees	30	38	28	37

New employee hires and employee turnover

New employee hires by gender, age and region	FY19	
	Number	Rate (% of total workforce)
Gender		
Male	10	15%
Female	12	18%
Age		
25 or below	4	6%
26 – 35	4	6%
36 – 45	4	6%
46 – 55	7	10%
Over 56	3	4%
Region		
Australia	22	32%

Employee turnover by gender, age and region	FY19	
	Number	Rate (% of total workforce)
Gender		
Male	5	7%
Female	8	12%
Age		
25 or below	1	1%
26 – 35	4	6%
36 – 45	4	6%
46 – 55	2	3%
Over 56	2	3%
Region		
Australia	13	19%

Material Topics

continued

Creating a Positive Shopper Experience

We are focused on continuously improving our centres, to differentiate the Aventus shopping experience and exceed our customer's expectations during the entire shopping journey.

We seek ways to work smarter and innovate in order to create long term value for our shareholders, satisfy our retailers' needs and create a shopping environment that our customers want to continue to choose.

As part of the day to day running of our centres, we recognise our capacity and duty to influence best practice amongst our retailers. We try to set the bar high, encouraging all our retailers to adopt sustainable behaviour and thinking throughout their operations. This coordinated approach also enables our retailers to leverage the opportunities and benefits of group tendering and collaboration on key facilities and services.

Shopper feedback surveys

As discussed in the **Stakeholder Engagement** section, automated shopper feedback surveys provide an opportunity for shoppers to provide us with direct feedback about their shopping experience. The purpose of the surveys is to understand each individual shopper's experience, so that we can take quick action to improve the centres for the community. Aventus has captured over 4,000 responses to the survey to date and has commenced over 80 projects based on the feedback to improve customer experience. In line with this, we also ask questions related to the shopper's demographics, so that we are continuously learning about shopper behaviours and informing our approach to meet the needs of the community.

As at March 2019, our Portfolio Net Promoter Score (NPS) trended positively and on a broad scale, 66% of our shoppers agree Aventus centres met their expectations. The NPS score is a combination of Satisfaction, Experience, Loyalty and Advocacy measures.

We have identified the below learnings and are working towards improving the shopper experience for our customers:

Key factors driving positive experiences

- > Range of retail offering
- > Experience in the centre including accessibility, navigation and cleanliness
- > Quality and quantity of food and seating/waiting areas

Key factors driving negative experiences

- > Range of food offerings
- > Access to parents' rooms
- > Access of amenities

Stemming from both positive and negative customer feedback, we have taken the following actions to continuously improve the shopping experience for our customers across two of our centres.

Case Study: Tuggerah Super Centre

Location

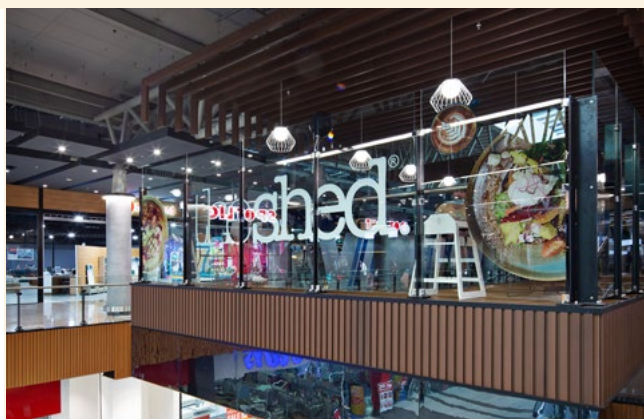
2 Bryant Drive, Tuggerah, NSW

Major Retailers

Bunnings, Fantastic Furniture, Spotlight, The Good Guys, Services NSW

Occupancy

97%



The feedback from our customers at Tuggerah Super Centre was positive overall however customers scored our range of food offerings comparatively lower. To improve the food offerings, we recently opened a new café, The Shed on level 1. We have also improved signage and lighting at The Shed to improve visibility. The next step involves improving signage on Ground level with posters and campaigns, and adding backlit signage to the side balustrade of The Shed.

Material Topics

continued

Case Study: Epping Hub

Location

560–650 High Street, Epping, VIC

Major Retailers

Supercheap Auto, Lincraft, Chemist Warehouse, Officeworks

Occupancy

100%



We received feedback that the car park at the Epping Hub required improvements due to accessibility concerns. We commissioned independent experts to review the 850 car park spaces to identify recommendations for monitoring and physical layout aspects.

Investments in our centres

Aventus invests \$30 million each year into capital and development projects to enhance and maintain the optimum shopper experience at our centres. We do this by identifying and executing opportunities to improve our properties and enhance the shopper experience.

Examples of investments undertaken this year include:

- > GoGet carshare facilities continue at five Aventus centres in NSW to improve the convenience of our centres. Further, 30 Go with the Gecko carshare vehicles across all 20 Aventus centres making it easier for the community to get their new purchases home.
- > Southern Cross Recycling bins are installed across all 20 Aventus centres allowing the community to donate their old clothing and technology to those in need.
- > Our partnership with Val Morgan Outdoor enables us to provide the latest digital screen technology to our centres. 136 digital screens were rolled out in 2019 across 19 Aventus centres, providing localised community messages and opportunity for retailers and their brands to gain better exposure to their target audiences.
- > Six of our NSW centres have installed Click and Collect lockers to allow shoppers to collect their products and deliveries at a time and location that's most convenient to them.
- > Aventus continues to provide new and engaging kid's play areas in the retail environments. The latest kid's play area recently opened at Hills Super Centre, providing interactive and safe play opportunities for young families.

Material Topics

continued

Environmental Performance

We recognise that as a landlord, we have a duty to drive best practice where we can. Key to this is our potential to influence and educate our tenants on environmental impacts. By synchronising practices when it comes to waste, energy, and other resources, we can optimise environmental outcomes and minimise impacts for all stakeholders. We have an Environmental Management System (EMS) in place to manage the environmental impacts of our operations and at our centres.

Some of the key environmental initiatives undertaken during the FY2019 reporting period include the following:

- > To minimise our collective environmental impact, eight Return & Earn machines were installed across our centres in NSW to encourage recycling across our tenants and customers, contributing 23 million containers to the NSW recycling scheme.
- > An ORCA waste system was installed at Marsden Park Home to convert organic waste to an environmentally safe liquid that goes through the existing sewerage infrastructure rather than distributed through the traditional bin collection system. This reduces waste to landfill and operational costs.
- > At Marsden Park Home we also made rainwater pumps operational. This will reduce ground water consumption as toilets and irrigation use rainwater.

Case Study: Midland Home Shopping Centre, Perth

Location

4 Clayton Street, Midland, Perth, WA

Major Retailers

The Good Guys, JB Hi-Fi Home, Freedom, Nick Scali, Baby Bunting

Occupancy

100%



To reduce total energy consumption, 1,919 solar panels were installed at Midland Home Shopping Centre to be connected in September 2019. This is expected to generate approximately 33% of total energy consumed at the centre. The solar panels have the capacity to generate a maximum of 770,000 kilowatts which contributes to powering the base building services. The investment has a payback period of around five years and will contribute to reducing the Group's overall environmental impact and reducing operational costs.

Case Study: Marsden Park Home, Sydney

Location

9 Hollinsworth Road, Marsden Park, NSW

Major Retailers

The Good Guys, JB Hi-Fi Home, BCF, Supercheap Auto

Occupancy

100%



To reduce our waste to landfill impact, and to assist our tenants and shoppers to divert waste we provide avenues to allow for the composting of organics and recycling of cardboard and bottles. At Marsden Park Home we have an organics recycling machine and provide education to our tenants and independent contractors to ensure our people understand where they can make a difference with the items they recycle. This alone has resulted in 5.12 tonnes of total food waste diverted, which is equivalent to 4.51 tonnes of equivalent carbon dioxide and 3.33kg of methane gas.

Material Topics

continued

This year we also sought to obtain a better understanding of our energy consumption, emissions, water consumption and waste inventory. Whilst a large portion of our environmental impact is outside our operational control, we recognise the capacity to influence our stakeholders and will continue to make progress on reducing and monitoring our environmental footprint.

Energy consumption	FY19 performance (GJ)
Energy use from Fuels:	
Stationary energy – Natural Gas	1,640
Stationary energy – Diesel	–
Stationary energy – LPG	–
Total Energy Consumption – Fuels	1,640
Energy consumption – Electricity	38,664
Total Energy Consumption – Fuels and Electricity	40,304

Emissions	FY19 performance (tCO ₂ -e)
Emissions (scope 1) associated with energy consumed	85
Emissions (scope 2) associated with energy consumed	8,824
Emissions (scope 1 and scope 2) associated with energy consumed	8,908

Water consumption	FY19 performance (kL)
Water consumption	162,741

Waste by type and disposal method	FY19 performance (tonnes)
Weight of hazardous waste	
i. Reuse	–
ii. Recycling	–
iii. Composting	–
iv. Recovery, including energy recovery	–
v. Incineration (mass burn)	–
vi. Deep well injection	–
vii. Landfill	–
viii. On-site storage	–
ix. Other (to be specified by the organisation)	–
Total weight of hazardous waste	0
Weight of non-hazardous waste	
i. Reuse	–
ii. Recycling	18,436
iii. Composting	46
iv. Recovery, including energy recovery	–
v. Incineration (mass burn)	–
vi. Deep well injection	–
vii. Landfill	33,834
viii. On-site storage	–
ix. Other (to be specified by the organisation)	–
Total weight of non-hazardous waste	52,316

Material Topics

continued

Retailer Support

Providing support for our retailers and tenants is a central part of our strategy. Retailer satisfaction is a priority to help us sustain a diverse mix of quality retailers, attract repeat customer visits and meet investor expectations. In this regard, we are proud to retain an occupancy rate of 98.4% at our centres throughout Australia.

The first step to supporting our retailers is creating a retail environment that looks and feels great for their business. In today's world, this means a retail space that is aesthetically bright and attractive, that meets functional requirements and offers the vibrancy and atmosphere required to deliver the experience that has become synonymous with Aventus' centres.

The Group invests annually in the upgrade of our centres. As well as improving the aesthetics, we also seek to enhance functionality and the customer experience, listening to customer requests for better facilities such as carparking, toilet facilities and cafes. We invested approximately \$6 million in FY19 in maintaining and enhancing the services at our centres. While the quality of our buildings may attract our retailers, it isn't what keeps them with us. We work hard to create a retailer support system to help each one of our retailers maximise their potential. Each centre has a dedicated centre management team, providing pro-active, hands-on, specialised management and a single contact point for retailer support. We also operate a centralised customer relationship management (CRM) system to manage our customer and retailer contacts, so that we can better manage retailer relationships.

Our bespoke Retailer Portal is a secure online hub that allows retailers to get quick access to important centre specific information, contact details, and operational updates, at their convenience. The Portal also allows retailers to submit important information and documents to Aventus centrally, reducing time required on administrative tasks. Retailers also can submit local marketing content to the Portal, to be included in centre digital communication to our shopper databases (over 10,000 shoppers).

Significant time is spent meeting personally with retailers to discuss the performance of their portfolio and their experience within Aventus centres. In addition, Aventus participates in an annual industry wide survey conducted by Monash University which collects feedback from 450 retailers across 11 landlords. The survey measures retailer satisfaction and renewal intention and provides feedback regarding the key drivers of satisfaction in 2019 which include leasing and negotiations, people, assets and operations, and communication. These outcomes inform mechanisms that we invest in to support our retailers.

Material Topics

continued

Enriching our Communities

We recognise the intrinsic link between our centres and the communities we serve. Our centres are vibrant spaces designed to reflect the spirit of the communities around us. They help meet the needs of local communities by providing a diverse range of shopping, recreational, entertainment and health facilities. Our centres are an important social hub, bringing people together and helping them to connect with each other.

In turn, we recognise that our customers and local communities are the lifeline of our centres. They create the footfall and atmosphere that we need to be a great shopping destination. Our customers choose this Aventus experience over online shopping platforms to enjoy the vibrancy of our centres and connect with their community. In doing so they support our retailers, local jobs and help retain these resources in their locality.

We take great pride in transforming old buildings into bright, community-centric spaces where people want to be. We strive to bring more function and amenity to our centres to properly support and meet the needs of our communities. Invariably, this increases our retail space and enables us to diversify the tenancy mix to better meet the needs of our 40 million shoppers. In recent years, this has included the addition of gyms, pharmacies, childcare and yoga and wellbeing facilities to our centres.

Aventus aims to provide in-centre experiences that engage and energise the community, across all 20 locations. Community events account for approximately 50% of Aventus' total marketing spend and range from community drive-in cinema nights through to intimate interior-styling sessions. The community events are crucial to the centre's strategy to attract people to Aventus centres each year and we proudly hosted over 50 community events.

Community Events

Case Study: Biggest Morning Tea at Hills Super Centre

The goal of the community event was to bring people together to raise funds that would make a big difference to those impacted by cancer. We adopted a two-pronged approach where we not only raised funds for the Cancer Council's life-saving research, prevention, support programs but also made a local impact by working with a local social enterprise business, Dinner on the Table. Dinner on the Table helps Sydney families by gifting meals to families living with disability.

On May 23rd, 2019, the Hills Super Centre and Dinner on the Table hosted the Biggest Morning Tea. 55 guests joined our morning tea and enjoyed a generous and lovely morning of community gathering and delicious food with special guests, Dr Michelle Byrne – Hills Shire Mayor and Jo Abi, Senior Writer of 9 Honey plus Jasper Road Public School Concert and Performing band for entertainment. Because of the event, \$5 for every ticket was donated to the Cancer Council and 20 meals were gifted to local families living with disability.



Material Topics

continued

Case Study: Tuggerah Local Market

Aventus partnered with Central Coast local operators to bring the Tuggerah Local Markets to life, held every Saturday between 9am and 4pm in the Tuggerah Super Centre carpark. The Tuggerah Local Markets provide an opportunity to discover beautiful crafts and delicacies of local providers and enjoy the social community atmosphere. Visitors experience a range of stalls, offering everything from a wide range of fresh food produce through to unique and exciting products, while supporting local traders and small businesses. There are also children's activities and entertainment throughout the markets each Saturday.

Tuggerah Super Centre provides the space for the markets and provides local advertising to encourage visitation and allows stall holders to set up in-centre during the week. Thousands of locals experience the markets every Saturday, bringing new people to the Central Coast and supporting local business.



Material Topics

continued

Cyber Security and Privacy

Technology is an integral aspect of **productivity** and communication at Aventus. From email correspondence and financial transactions, to professional networking and collaborative work documents, Aventus relies on technology to be connected at all times and conduct work effectively. We recognise that if these lines of communication were to be threatened or even compromised, it would have a disastrous effect on the business. Cyber security risks could damage the business and cause financial burden, loss of intellectual property and/or reputational damage. **Aventus** continues to invest in improving our cyber security posture and complying with all regulatory requirements. To ensure cyber security is front of mind, our team conducts training at team forums with a focus on social engineering attacks. Our networks are protected by hardware firewalls and security software and are monitored by an external provider. These security appliances have highly customised security policies enabled to block certain types of traffic and potentially block external attacks on the network.

Aventus maintains a Cyber Security regime and platform based on the Australian Government's – Australian Signals Directorate – Essential Eight Guidelines. These Essential Eight guidelines are regularly reviewed for compliance and updating.

The Essential Eight:

1. Application whitelisting of approved/trusted programs is enforced from both an AV level and Firewall level and regularly reviewed
2. All information technology maintains patch scheduling and rollout to all end points
3. Macros are largely blocked and only allowed for certain user groups under certain conditions for business process purposes
4. Flash is blocked in browsers
5. Administrative privileges are regularly reviewed (quarterly) and are never issued to users. All required admin tasks are performed by the IT team at All IT
6. Multi-factor authentication is in place for users for Microsoft related platforms which include emails and file sharing
7. All operating systems are currently supported and currently moving Windows 7 machines to Windows 10 before end of life in approximately six months
8. All servers are regularly patched monthly and urgent patches installed when required.

We recognise the importance of protecting the privacy of information collected about visitors to our website, in particular information that is capable of identifying an individual ("personal information"). Our Internet Privacy Policy governs the manner in which we collect personal information, obtained through the website.

GRI Index

GRI Standard	Disclosure	Page Reference or Response	Omission
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	102-1 Name of the organisation	Page 4	N/A
	102-2 Activities, brands, products, and services	Page 4	N/A
	102-3 Location of headquarters	Page 4	N/A
	102-4 Location of operations	Page 4	N/A
	102-5 Ownership and legal form	Page 4	N/A
	102-6 Markets served	(i) Geographic locations > 20 centres across Australia > 74% metro locations (by value) > 43% catchment coverage of Sydney > 18% Queensland with 4 centres > 58% NSW with 10 centres > 16% Victoria with 4 centres > 5% South Australia with 1 centre > 3% Western Australia with 1 centre	N/A
	102-7 Scale of the organisation	> Total number of the team (68) > Total number of operations (We own and manage Large Format Retail Assets in Australia, comprising of 20 assets) > Total assets (\$2,133.8 million) > Total capitalisation broken down in terms of debt and equity (N/A) > Quantity of products or services provided (One. We manage LFRA. As part of this service we provide property investment, property management, development and leasing) > Net sales (Australia 100% – \$166.3 million) > Total costs (Australia 100% – \$96.6 million)	N/A
	102-8 Information on employees and other workers	Page 13	N/A
	102-9 Supply chain	Aventus deals on the supply side predominantly with services (electricity, water etc) and trade (gardeners, plumbers, HVAC, signage etc) suppliers for the large format centres, builders and consultants for development works, and a variety of specialist advisers for professional services including accounting, legal, corporate governance and the like. In FY19, there was no significant change to the supply chain structure or the processes in selecting and terminating suppliers. Our Support Office and each centre obtain a range of services from third parties such as: > Security > Cleaning > Capex and Operational Maintenance > Traffic management > Landscaping > Waste Management All suppliers of these services into the Fund's assets are locally based or national suppliers.	N/A

GRI Index

continued

GRI Standard	Disclosure	Page Reference or Response	Omission
	102-10 Significant changes to the organisation and its supply chain	There were no significant changes to Aventus' physical assets and to capital (i.e. large format retail centres) in FY19. In October 2018, the Aventus Retail Property Group purchased Aventus Property Group (APG). APG were previously the property and Group managers of the Group's assets, with the purchase internalising the property and Group management functions.	N/A
	102-11 Precautionary Principle or approach	Page 6	N/A
	102-12 External initiatives	Page 6	
	102-13 Membership of associations	Page 6	N/A
	102-14 Statement from senior decision maker	Page 3	N/A
	102-16 Values, principles, standards, and norms of behaviour	Page 3	N/A
	102-18 Governance structure	Page 6	N/A
	102-40 List of stakeholder groups	Page 7	N/A
	102-41 Collective bargaining agreements	There are no employees that are covered by collective B.A.	N/A
	102-42 Identifying and selecting stakeholders	Page 7	N/A
	102-43 Approach to stakeholder engagement	Pages 7,8	N/A
	102-44 Key topics and concerns raised	Page 18	N/A
	102-45 Entities included in the consolidated financial statements	Information contained in the FY2019 Annual Report, page 59	N/A
	102-46 Defining report content and topic boundaries	Page 9	N/A
	102-47 List of material topics	Page 9	N/A
	102-48 Restatements of information	No information restatements made during the reporting period	N/A
	102-49 Changes in reporting	N/A	N/A
	102-50 Reporting period	1 July 2018 – 30 June 2019	N/A
	102-51 Date of most recent report	2018	
	102-52 Reporting cycle	1 July 2018 – 30 June 2019	N/A
	102-53 Contact point for questions regarding the report	Page 2	N/A
	102-54 Claims of reporting in accordance with the GRI Standards	Page 2	N/A
	102-55 GRI content index	Page 17	N/A
	102-56 External assurance		No external assurance undertaken over the 2019 Sustainability Report

GRI Index

continued

GRI Standard	Disclosure	Page Reference or Response	Omission
MATERIAL TOPICS			
People and Culture			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pages 12–13	
	103-2 The management approach and its components	Pages 12–13	
GRI 401: Employment	GRI 401 – 1 New employee hires and employee turnover	Page 13	
Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pages 10–11	
	103-2 The management approach and its components	Pages 10–11	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Pages 10–11	
Creating a Positive Shopping Experience			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Pages 14–15	
	103-2 The management approach and its components	Pages 14–15	
Environmental Performance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Pages 16–17	
	103-2 The management approach and its components	Pages 16–17	
GRI 302: Energy	302-1 Energy consumption within the organisation	Page 17	
GRI 303: Water and Effluents	GRI 303 – 3 Water Withdrawal	Page 17	
GRI 305: Emissions	GRI 305 – 1 Direct (Scope 1) GHG Emissions	Page 17	
GRI 305: Emissions	GRI 305 – 2 Energy indirect (Scope 2) GHG emissions	Page 17	
GRI 306: Effluents and Waste	GRI 306 – 2 Waste by type and disposal method	Page 17	
Tenant Support			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Page 18	
	103-2 The management approach and its components	Page 18	
Enriching our Communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Page 19	
	103-2 The management approach and its components	Page 19	

GRI Index

continued

GRI Standard	Disclosure	Page Reference or Response	Omission
Risk Management and Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Page 6	
	103-2 The management approach and its components	Page 6	
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Page 6	
Cyber Security and Privacy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	Page 20	
	103-2 The management approach and its components	Page 20	

