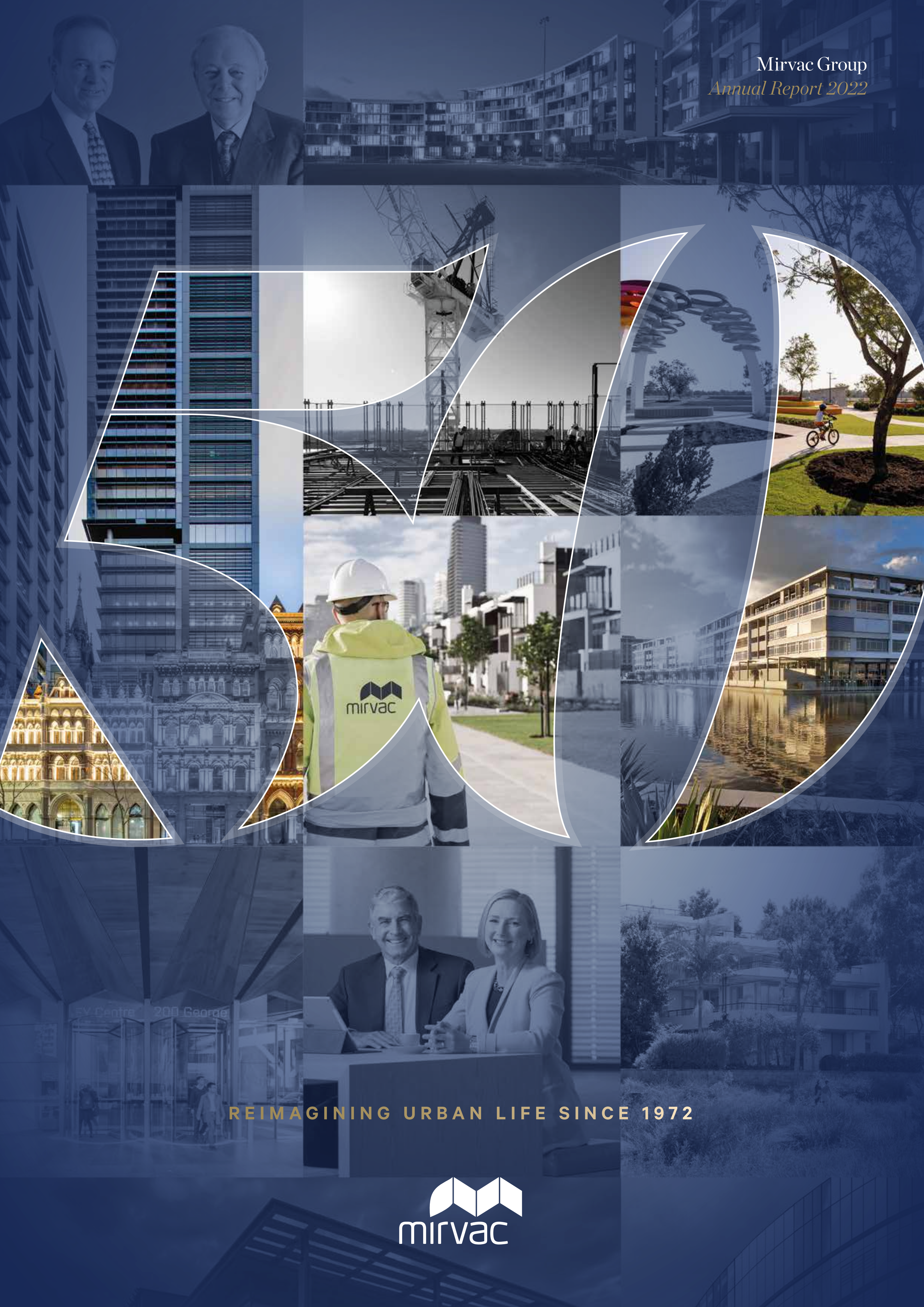
Mirvac Group
Annual Report 2022



REIMAGINING URBAN LIFE SINCE 1972

mirvac

Mirvac is a leading creator and curator of extraordinary urban places and experiences. Our mission is to build a better future for millions of Australians.

ACKNOWLEDGEMENT OF COUNTRY

Mirvac pays its respect to all Aboriginal and Torres Strait Islander peoples as the traditional custodians of the lands and waters of Australia where we live, work and play.

Artwork created by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji) of We are 27 Creative.

ABOUT THIS REPORT

The FY22 Annual Report is a consolidated summary of Mirvac Group's operations, performance, and financial position for the year ended 30 June 2022. In this report, unless otherwise stated, references to 'Mirvac', 'Group', 'company', 'parent entity', 'we', 'us' and 'our' refer to Mirvac Limited and its controlled entities as a whole. Mirvac Limited also includes Mirvac Property Trust and its controlled entities. References in this report to a 'year' relate to the financial year ended 30 June 2022. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated.

Mirvac's Board acknowledges its responsibility for our FY22 Annual Report and has had oversight of its development. The Board reviewed, considered, and provided feedback during the production process and approved the Annual Report on 11 August 2022. The consolidated financial statements included in this report were also authorised for issue by the Directors on 11 August 2022. The Directors have the power to amend and reissue the financial statements. Our full-year financial statements can be found on pages 73 to 124.

Mirvac is evolving its Annual Report to align with the International Integrated Reporting <IR> Framework (2021) (<IR> Framework). In FY22, we used the Framework to identify, from an enterprise perspective, the key pillars that enable us to deliver sustained value for our stakeholders. Mirvac has referenced, but not yet fully applied, the fundamental principles, content elements and guiding principles within this report.

All sustainability reporting within this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. PwC has provided limited assurance over select environmental and social data within the annual reporting suite, covering the 12 months to 30 June 2022. Our assurance statement is available online at www.mirvac.com/sustainability/our-performance.

DIRECTORS' REPORT AND OPERATING AND FINANCIAL REVIEW (OFR)

The required elements of the Directors' Report are featured on pages 48 to 50 of this report. Our financial and operational results for FY22 are covered specifically on pages 36 to 40. All financial and non-financial metrics included in this annual report have been verified through our internal verification process. The Remuneration Report on pages 51 to 71 and the Financial Statements have been audited by PwC.

MATERIALITY

We have defined 'relevant matters' for inclusion in our FY22 Annual Report, prepared with reference to the <IR> Framework, as those matters that are material to securityholders and other providers of financial capital in making their various decisions with respect to their ongoing investment, funding, and support for Mirvac. The FY22 process to determine material 'relevant matters' has been:

IDENTIFYING RELEVANT MATTERS

We conduct an assessment of our key risks each year to identify material operational and strategic matters that could potentially impact the achievement of our strategy over the short, medium and long term. As part of this process in FY22 we:

- scanned the external environment to identify political, economic, societal, technological, and environmental threats and opportunities;
- consulted with senior management and our Board to identify strengths, weaknesses, opportunities and threats regarding risk mitigation strategies;
- engaged with industry; and
- sought to understand our key stakeholders' and investors' needs and their expectations of us.

EVALUATE AND PRIORITISE

To evaluate the relevant matters for the report, our key risks and opportunities were discussed with the Executive Leadership Team and the Board in a structured workshop. Key risks and risk mitigation strategies were evaluated and prioritised based on likelihood of the material matter occurring, and the anticipated impact on value creation and protection.

DISCLOSE

Our material risks and risk mitigation strategies are set out on pages 42 to 43. These were reviewed and evaluated at least every quarter by our Executive Leadership Team and the Audit Risk & Compliance Committee (with the full Board in attendance at these meetings). Due to the complex nature of our risk profile, some of these material matters may impact on our ability to create and protect value over the short, medium and long term.

As Mirvac moves to adopt Integrated Reporting and prepare an Integrated Annual Report in line with the <IR> Framework, we will also seek to more formally refine our stakeholder engagement and materiality processes and the 'relevant matters' required in an Integrated Report (that is, those that the Board understand to be material to Mirvac's securityholders and other providers of financial capital in making decisions relating to their ongoing investment, funding and support for the company).

REPORTING SUITE

This reporting suite sets out the Group's financial and operational performance for the year ended 30 June 2022 across the following documents:

MGR FY22 RESULTS PRESENTATION

An overview of Mirvac's financial, operational and sustainability performance for the financial year.

MGR FY22 ADDITIONAL INFORMATION

Information supporting Mirvac's FY22 Results Presentation.

MGR FY22 ANNUAL REPORT

An in-depth overview of Mirvac's financial, operational and sustainability performance for the 2022 financial year, along with the Group's Directors' Report, its Remuneration Report and its detailed financial statements.

MGR FY22 PROPERTY COMPENDIUM

A detailed summary of the Group's investment portfolio, other investments, and its commercial and residential development pipeline as at 30 June 2022.

MPT FY22 ANNUAL REPORT

An overview of Mirvac Property Trust for the financial year.

BUILDING CLIMATE RESILIENCE

An overview of Mirvac's approach to managing its climate-related risks and opportunities, which aligns with the recommendations set out by the Task Force on Climate-related Financial Disclosures.

CORPORATE GOVERNANCE STATEMENT 2022

www.mirvac.com/about/corporate-governance.

TAX GOVERNANCE STATEMENT

www.mirvac.com/about/corporate-governance.

Mirvac Group comprises Mirvac Limited ABN 92 003 280 699 and its controlled entities (including Mirvac Property Trust ARSN 086 780 645 and its controlled entities).

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ABOUT MIRVAC

We are a purpose-driven organisation that strives to make a positive impact on people's lives by shaping the urban landscape.

Mirvac is an Australian Securities Exchange (ASX) top 50 company with an integrated asset creation and curation capability. For 50 years, we've dedicated ourselves to shaping Australia's urban landscape, with a strong focus on sustainability, innovation, safety, and placemaking. Our contribution to Australian cities is reflected in the $26bn of assets we own and manage across office, industrial, retail and build to rent, along with our $12.4bn commercial development pipeline and our $17.3bn residential development pipeline. Located in Australia's key cities of Sydney, Melbourne, Brisbane, Canberra and Perth, we create award-winning urban precincts that set new benchmarks in sustainability and design excellence.

Underpinning the success of our urban strategy is our integrated and diversified business model, which ensures we maintain an appropriate balance of passive and active capital, enabling us to be agile and respond to fluctuations in the property cycle. Our integrated approach also gives us a competitive advantage across the lifecycle of a project. From site acquisition, urban planning and design, through to development and construction, leasing, sales and marketing, property management and long-term ownership, we exercise control over the entire value chain.

This means we're also able to see the bigger picture and take a longer-term view, with the ability to create multifaceted spaces and adapt to our customers' diverse and changing needs. The value that our integrated approach delivers is further outlined on page 20.

And key to everything we do are our people, who help us drive significant outcomes for our customers, communities, securityholders, and our planet. By harnessing the unique skillset of our people across each of the sectors we operate in, we're able to create and curate outstanding urban environments that people want to work, shop and live in.

OUR PURPOSE

Our purpose, *Reimagine Urban Life*, is our passion and reason for being. When we reimagine urban life, we're inspired to completely rethink how places are defined. We don't just build buildings and houses; we create unique urban precincts and thriving residential communities, and we look to have a positive impact. This means we apply our expertise to design and deliver assets and projects that are at the forefront of sustainability and innovation; to create communities that connect the people within them; and to leverage our capabilities so that we leave a lasting legacy.

OUR VALUES

Our values are aligned with our purpose and guide us in what we do.

- WE PUT PEOPLE FIRST
- HOW WE WORK MATTERS
- WE ARE CURIOUS AND BOLD
- WE COLLABORATE
- WE ARE PASSIONATE ABOUT QUALITY AND LEGACY
- WE ARE GENUINE AND DO THE RIGHT THING

OUR BUSINESS

We have three core business segments that drive our financial performance and underpin our commitment to *Reimagine Urban Life*.

INTEGRATED INVESTMENT PORTFOLIO

OFFICE

- 25 assets[1]
- Portfolio value: $8.3bn[2]
- NLA: 857,762 sqm

INDUSTRIAL

- 10 assets[1]
- Portfolio value: $1.7bn[2]
- NLA: 469,339 sqm

RETAIL

- 12 assets[1]
- Portfolio value: $2.9bn[2]
- GLA: 347,800 sqm

BUILD TO RENT

- 2,173 completed and pipeline apartments
- Portfolio value: $0.7bn[2]

FUNDS MANAGEMENT: $10.2BN THIRD-PARTY CAPITAL

COMMERCIAL & MIXED USE

- ~$2.2bn active developments[3]
- ~$12.4bn total pipeline value[3]

RESIDENTIAL

- 25,352 pipeline lots
- ~$14.5bn expected future revenue
- ~$1.6bn pre-sales[4]

1. Includes assets held for sale, on market for sale and excludes IPUC and properties being held for development.
2. Portfolio value includes IPUC, assets held for sale/on market for sale, and properties being held for development and represents fair value (excludes gross up of lease liability under AASB 16).
3. Represents 100 per cent expected end value, subject to various factors outside Mirvac's control such as planning outcomes, market demand and COVID-19 uncertainties.
4. Represents Mirvac's share of total pre-sales and includes GST.

CELEBRATING 50 YEARS

Mirvac was founded in 1972, when Robert Hamilton and Henry Pollack identified a need for quality residential housing in Australia. Since then, Mirvac has evolved into a leading ASX-listed property group with activities across both commercial and residential, and our founders' commitment to quality and care in every detail has endured.

The significant contribution we've made to Australia's urban landscape over the past 50 years can be seen in the large number of award-winning workplaces, homes, communities, and retail centres we've delivered - places that continue to be experienced and enjoyed by thousands of Australians.

To everyone involved in our story, we'd like to say thank you for helping us reach this exciting milestone. We are proud to celebrate this achievement with our people, customers and partners, and we look forward to creating and curating extraordinary urban places and experiences well into the future.

1970s

1972

- Business founded by Henry Pollack, Robert Hamilton and AGC Corporation.
- First residential property is built: Montrose, a block of twelve apartments in Rose Bay, NSW.

1976

Castle Vale, the first large-scale, integrated development of its kind, is built in Willoughby on Sydney's lower North Shore.

1977

- Hotel management and ownership begins with The Sebel Hotel in Elizabeth Bay.

LATE '70s

Residential building on subdivided land begins, leading to the creation of Mirvac Homes.

1990s

1990

Mirvac consolidates its unlisted property trusts into one (Barclays-Mirvac Property Trust).

1994

First major project in Melbourne: Beacon Cove.

1995

First major project in Queensland: The Quay West Suites. It sells out in three weeks.

1996

- Henry Pollack retires.
- Mirvac buys back BZW shares to create Mirvac Property Trust. Capital Property Trust is acquired.

1999

Mirvac Ltd and staple trusts merge to form Mirvac Group.

2010s

2010

Mirvac embarks on the redevelopment of 8 Chifley Square, Sydney, signifying the Group's evolution into an urban asset creator.

2013

A new urban strategy is implemented, setting the Group up for the future.

2014

Mirvac releases its groundbreaking *This Changes Everything* sustainability strategy, with ambitious targets around carbon, water and waste.

2017

By 2017, Mirvac's innovation initiative has its own team. Hatch by Mirvac is Mirvac's award-winning innovation program.

2018

Mirvac launches build to rent, pioneering the asset class in Australia.

1980s

EARLY '80s

Luxury high-rise projects begin with The York, Sydney. The project sells out in four hours.

1983

Mirvac Premier Property Trust is formed to manage commercial properties.

1987

Mirvac lists on the ASX and is valued at $120m. AGC (since merged into Westpac) sells its share of the business for $60m.

2000s

2001

Expansion into WA through Mirvac-Fini.

2004

Mirvac acquires James Fielding Group, providing an investment pipeline of $2.3bn.

2005

Bob Hamilton retires as MD, but keeps working.

2008

Impact of GFC hits hard.

2020s

2021

Mirvac becomes the first Australian property group to be net positive carbon for its scope 1 and 2 emissions.

2022

Mirvac is named number one in Equileap's Global Report on Gender Equality.

2022

Mirvac is appointed trustee of the AMP Capital Wholesale Office Fund, increasing the Group's funds under management by $7.7bn.

FY22 HIGHLIGHTS

Mirvac delivered a solid result in FY22, demonstrating our continued resilience in another challenging operating environment.

STATUTORY PROFIT
$906m
up <1% on FY21

OPERATING PROFIT OF
$596m
up 8% on FY21

RESIDENTIAL GROSS DEVELOPMENT MARGIN
25%

OPERATING EARNINGS PER STAPLED SECURITY
15.1c
up 8% on FY21

OPERATING CASH FLOW
$896m
up 41% on FY21

GEARING[1]
21.3%

LEASED OVER
110,800sqm
of office, industrial and retail space

DISTRIBUTIONS PER STAPLED SECURITY
10.2c
up 3% on FY21

NTA[2]
$2.79
up 4% on FY21

5.3 star
average NABERS Energy rating across the office portfolio

1. Net debt (at foreign exchange hedged rate) / total tangible assets – cash.
2. NTA per stapled security excludes intangibles, right of use assets and non-controlling interests, based on ordinary securities, including EIS securities.
3. Represents Mirvac's share of total pre-sales and includes GST.

#1

EQUILEAP GLOBALLY FOR GENDER EQUITY

SECURED

$1.6bn

of residential pre-sales[3]

AFR BOSS

#1 Best Places to Work

PROPERTY, CONSTRUCTION AND TRANSPORT

First

AUSTRALIAN PROPERTY GROUP TO BE NET POSITIVE CARBON FOR SCOPE 1 AND 2 EMISSIONS

LETTERS TO OUR SECURITYHOLDERS

LETTER FROM THE CHAIR

Dear securityholders,

In our 50th year, we celebrate our significant history as we look towards the future.

Despite the challenges we've faced over the 2022 financial year, Mirvac has remained resilient. Having quickly stabilised the business after COVID-19 first began to emerge over two years ago, we set ourselves a goal to be stronger than we were before. Thanks to the strength and commitment of our people and the leadership of Susan and the senior management team, we have largely achieved this ambition.

Mirvac is a resolutely urban-focused company. Our forward-looking development pipeline - $30bn of secured projects across all asset classes - is increasingly spread across sectors, with Mirvac moving from a predominately residential and office developer to a recognised creator and curator of leading mixed use precincts and places. Having made it through lockdowns and border closures, we're now facing a confluence of headwinds, including supply chain issues, labour shortages, cost pressures, and rising inflation and interest rates.

However, while the macroenvironment has shifted, our capability as a business has continued to evolve. We're fortunate to have a team of many experienced, long-serving employees, along with some highly-skilled newer team members, and together, we're growing our mixed use capability and taking on developments through which we can leverage our deep expertise across design, development, construction, and asset management.

This is also a time where the benefits of our integrated model are clear. Having had in-house construction capabilities for 50 years means we have long-standing relationships with tier one subcontractors and a proven track record of well-run sites – all of which help insulate us from the skill shortages and supply chain pressures that currently surround the construction sector. We have an exciting pipeline of opportunities ahead of us, and we can embrace them with confidence.

FINANCIAL PERFORMANCE

Our solid financial result in FY22 reflects the continued execution of our urban strategy and the strength of our diversified business. Strong momentum in our residential business in the first half, and the successful delivery of our commercial and mixed use development pipeline, helped to offset weaker market conditions across office, retail and build to rent as a result of COVID-19. And as markets continue to fluctuate, our diversified model will be key.

Our statutory profit of $906m was up $5m on FY21. Included in this result were development revaluation gains of $70m and asset revaluation gains of $305m in our Integrated Investment Portfolio, however, the overall result was impacted by a $216m write-down of our Toombul retail asset in Brisbane, following extensive damage caused by flooding in February this year.

Our operating profit of $596m was up 8 per cent on FY21, representing 15.1 cents per stapled security. This was slightly ahead of guidance provided earlier in the financial year of at least 15.0 cents per stapled security.

As a result of this strong performance, the annual distribution to securityholders increased to 10.2 cents per stapled security, which was at the upper end of guidance provided.

In addition to a strong earnings outcome, our operating cash flow of $896m was 41 per cent higher than FY21, helping to fund our distributions. Net tangible assets were up 4 per cent to $2.79, delivering a 6.9 per cent Return on Invested Capital overall.

MANAGING OUR CAPITAL EFFECTIVELY

We continued our prudent approach to capital management to ensure our capital position and balance sheet remain strong. In FY22, this enabled us to continue to navigate the ongoing impacts of the global pandemic and remain agile in the face of changing market conditions.

We continued to conservatively manage our debt maturity profile, and as at 30 June 2022, our weighted average debt maturity was 5.6 years, with only $220m of debt maturing in FY23 and $250m in FY24. We increased liquidity to $1.4bn and gearing at 21.3 per cent is at the lower end of our target range of 20 to 30 per cent, ensuring Mirvac has the financial flexibility to take advantage of opportunities as they arise for the benefit of our securityholders. We maintained our A3 Moody's and A- Fitch Ratings with stable outlooks.

Our cost of funds increased by 50 basis points to 3.9 per cent as at 30 June 2022, and while interest rates are expected to continue to increase from historical lows, 55 per cent of our debt is hedged, which means we are well placed to withstand the increasing interest rate environment.

Our capital position was further supported by the execution of our asset sales program during the financial year. Our Travelodge portfolio sold for a 19 per cent premium to book value, while strong capital demand for high-quality retail assets facilitated the sale of Cherrybrook Village and Tramsheds in Sydney for a 43 per cent and 53 per cent premium to book value respectively. Quay West Carpark was also sold for a 35 per cent premium to book value. As well as helping to enhance the quality of our business, the proceeds, totalling $820m, will be used to help fund our significant $30bn development pipeline.

Dr. John Mulcahy
CHAIRMAN

Susan Lloyd-Hurwitz
CEO & MANAGING DIRECTOR

And as we progress our substantial pipeline – across all asset classes – we will continue to focus on growing our capital partnership mandates and increasing our funds under management. This means leveraging our end-to-end development, management, and investment expertise to create high-quality property investments that foster shared success over the long term.

During the financial year, we established a direct investment partnership with Australian Retirement Trust (formerly Sunsuper) to manage their $800m direct property portfolio, selling down a 49 per cent interest in the Locomotive Workshop in Sydney as part of this. We also strengthened our relationship with M&G Real Estate, helping to secure a 49.9 per cent interest in EY Centre, 200 George Street, Sydney, with Mirvac providing property and investment management services to our aligned capital partner.

More recently, in July 2022, we were honoured to have secured management rights via a vote of unitholders to the AMP Capital Wholesale Office Fund (AWOF), featuring a high-quality office portfolio valued at over $7.7bn. Mirvac is expected to become trustee by mid-October of this year and provide AWOF $500m in liquidity. As a result of the transaction, our third-party capital under management will grow to approximately $17.9bn, which is an approximate 75 per cent increase on our third-party capital under management as at 30 June 2022. It is intended that this unlisted fund will be known as Mirvac Wholesale Office Fund, and Mirvac will derive base management fees and property management fees that are earnings accretive from FY23 onwards.

DIVERSITY & INCLUSION

At Mirvac, we are committed to fostering an inclusive culture where everyone feels like they belong. In FY22, we refreshed our Diversity & Inclusion strategy, that builds on the excellent work we have been doing over the past several years around flexibility and gender diversity. Within the strategy, we have broadened our focus around Indigenous participation in the workforce (including in our supply chains), women in construction, and those with caring responsibilities beyond young families – such as caring for elderly parents. And to actively embed our awareness of inclusion, we developed a new Inclusive Leadership Program for our leaders, which dives deeper into the themes of true inclusion and the core characteristics of highly inclusive cultures.

HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABILITY (HSE&S)

Providing a safe workplace for our employees, suppliers, and communities is absolutely paramount at Mirvac, and we work hard to embed a culture that has health, safety, and sustainability at top of mind.

Last year, to assist the Board in fulfilling its oversight of our HSE&S governance frameworks, culture, and compliance, we established the HSE&S Board Committee. In FY22, the Committee Members participated in a number of site visits in order to increase their understanding of HSE&S performance across the Group, and to raise the profile of risk management with employees and site management. The site visits also provided an opportunity for Mirvac to ensure that the resources and systems that are in place to manage HSE&S matters are effective.

CONTINUING OUR BOARD AND EXECUTIVE LEADERSHIP TEAM (ELT) RENEWAL

Our Board and Nomination Committee regularly reviews our Board's composition to ensure we have the right mix of skills, experience, attributes, and diversity to support and provide oversight of our business. At our Annual General and General Meetings in November last year, I announced that James Millar and I, being the longest serving members on the Board, anticipate stepping down from the Board before the end of this term. In preparation for this, and to ensure that we have the right people to oversee Mirvac's continued success, we appointed Damien Frawley to our Board in December last year. Damien has wide-ranging experience in investment and asset management across real estate and infrastructure, both in Australia and overseas, and has worked in the financial services industry for over 30 years. He has a strong focus on developing and executing strategy, and has been a welcome addition to our team.

We also welcomed Amy Menere to the ELT as our new Head of Stakeholder Relations. Amy brings to Mirvac over 20 years of experience in corporate affairs and stakeholder relations in the property, professional and financial services industries. I am confident that in our current Board and ELT, we have the right skills and experience to lead the company through its next phase of growth, and ensure we deliver value to all of our stakeholders.

REMUNERATION

As always, we remain committed to providing open and transparent reporting of our remuneration outcomes. In FY22, the strategic objectives set by the Group were either met or exceeded, resulting in a Group STI score of 113 per cent. For the Executive KMP, the FY20 LTP vested at 40 per cent reflecting the mixed results across the performance metrics. Mirvac's absolute TSR performance was below the median of the comparator group, and, as a result, this portion of the award did not vest. Two-thirds of the ROIC component vested, taking into account the ROIC performance exceeding WACC and the outcomes delivered by management over the three-year performance period. The full remuneration report for FY22 is available on page 51.

OUTLOOK

While there is much uncertainty in macroeconomic and geopolitical environments, our business remains well placed. As demonstrated throughout the pandemic, the quality of our integrated investment portfolio, our reputation as a market-leading residential developer, and the value of our commercial and mixed use development pipeline will enable us to continue our long-term track record of delivering strong returns to securityholders through the cycle.

Our key strategic priorities over the next financial year are to progress our secured $12.4bn commercial and mixed use development pipeline, secure strategically aligned capital partnerships for our assets, increase our funds under management further, and deliver our residential project launches and settlements. We will continue to have a disciplined approach to capital management, while focusing on maintaining a healthy balance sheet, protecting our credit ratings, and holding sufficient liquidity to capitalise on opportunities as they emerge. Our significant program of non-core asset sales will further support our activities, as we look to create the next generation of assets that deliver development profit, generate new recurring income, and improve the quality of our portfolio.

Subject to no material change in the operating environment, the Group is targeting operating earnings in FY23 of at least 15.5 cents per stapled security and distributions of at least 10.5 cents per stapled security.

As we celebrate Mirvac's 50th year, I could not be more proud to chair a company that has achieved so much in that time. Not only have we delivered exceptional places and projects across Australia's major cities, we have retained a reputation for quality, for care, for being a leader in sustainability and innovation, and for being a trusted partner. In 50 years, Mirvac has grown from delivering a block of 12 apartments in Sydney's eastern suburbs, to a leading asset creator and curator that has over $26bn in total assets under management and a $30bn commercial and residential development pipeline. I would like to thank and congratulate all of the many, many people who have contributed to Mirvac's journey along the way.

DR JOHN MULCAHY
CHAIR

LETTERS TO OUR SECURITYHOLDERS CONTINUED

LETTER FROM THE CEO & MANAGING DIRECTOR

I am pleased to report to you on Mirvac's performance in FY22, in a challenging operating environment. Over the course of the financial year, we endured extended COVID-19-related lockdowns, rising inflation and interest rates, supply chain issues, labour shortages, international conflict, and extreme wet weather along the east coast of Australia.

While we were certainly not immune to the impacts of these events, we were able to manage these risks effectively, and our business has remained in good shape.

Key to this was our integrated and diversified business model, which positioned us well to respond and adapt to changing market conditions. We were able to procure well in advance of construction due to pipeline visibility, and retain core skillsets – across all asset classes – in-house. Our integrated model is a proven competitive advantage for Mirvac and has stood us in good stead for 50 years.

MAINTAINING A CULTURE OF WHICH WE CAN ALL BE PROUD

This second year of the pandemic was testing for our people, with some experiencing stress and fatigue as a result of the government mandated lockdowns, restrictions and other ongoing COVID-19 impacts. We remained steadfast in our commitment to provide our people with a safe and healthy environment, and in FY22, we broadened our focus around psychological health and safety. This included the launch of a new app called Sonder to support people's mental health and wellbeing. The app connects users with medical experts and psychology support and counselling services 24 hours a day, seven days a week.

During the financial year, we also continued to focus on creating a culture of which we can be proud; a culture that helps to attract and retain talent as we deliver on our urban strategy. Our efforts to create a cohesive culture – one that has flexibility, diversity and inclusion, sustainability and innovation at its core – continued to be recognised. Mirvac earned the top spot in the 2022 AFR BOSS Best Places to Work list for the Property, Construction and Transport sector, and was ranked the number one employer in the world for gender equality by Equileap. Just as pleasing, we achieved 96 per cent talent retention in a challenging year, and our employee engagement results showed that 93 per cent of our people say they are proud to work for Mirvac.

We also began to explore a broader definition of diversity through our new Belonging strategy, and we focused on growing our innovation capability, introducing a new Board of Innovators to proactively monitor inflection points and provide a holistic view of our innovation pipeline.

Our ambition to have a positive environmental and social impact has helped us achieve some big goals. We were absolutely thrilled to have met our net positive carbon target for our scope 1 and 2 emissions nine years ahead of schedule, with very little reliance on offsets. Since our sustainability strategy, *This Changes Everything,* was launched in 2014, our progress has continued to exceed expectations, demonstrating that doing good really is good for business. We've now set our sights on an ambitious scope 3 emissions target, while maintaining our leading water and waste goals, and we are intensifying our focus on how we measure our social impact. Reconciliation is also another key focus for us: across the business, our teams have been proactively focused on building a deeper understanding of Indigenous people, as we further embed recognition of culture into our developments.

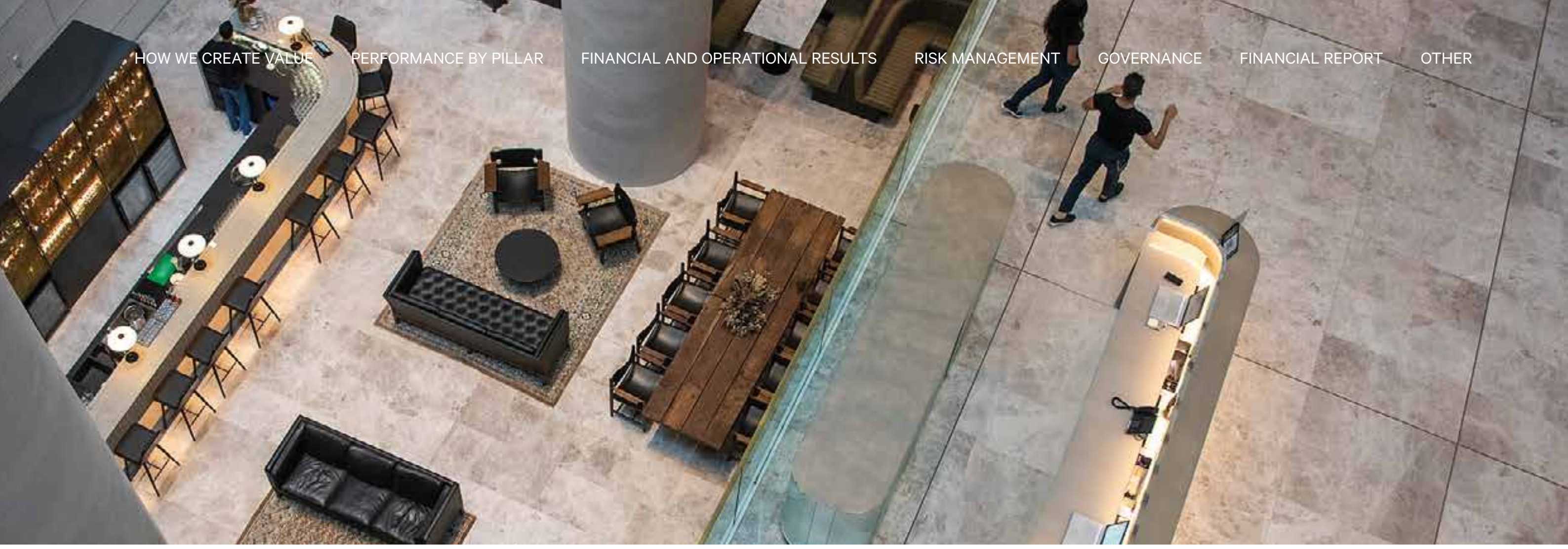
MAINTAINING POSITIVE MOMENTUM

Although FY22 presented a number of challenges, our business continued to perform well, underpinned by our integrated and diversified model, and we achieved a number of key milestones. These included the completion of two major commercial developments during the financial year – The Locomotive Workshop in Sydney and Heritage Lanes in Brisbane - which were delivered ahead of our initial feasibilities. Along with development profit, NTA uplift, and management fees from our third party capital co-owners, these two assets will provide future recurring income within our Integrated Investment Portfolio, with contributions from the Locomotive Workshop commencing in the second half of FY22 and contributions from Heritage Lanes due to commence in FY23.

Overall, our active commercial and mixed use pipeline has the potential to deliver an estimated $250m of future annual recurring income and $1.8bn of value created to the Group as they complete, while further enhancing the quality of our portfolio.

Positive momentum also continued in our residential business, and despite wet-weather and COVID-19-related project delays, we achieved 2,523 residential settlements in the financial year, in line with our 2,500-lot target. Gross development margins were maintained at 25 per cent, and we expect that they will normalise, but remain above our through-cycle target into FY23. We also maintained solid sales activity, particularly at our masterplanned communities projects during the first half of the financial year, and while conditions normalised in the second half, the successful release of six major apartment projects helped to elevate pre-sales to $1.6bn, providing good visibility of future earnings. We expect that the relative affordability of apartments compared to established homes and the forecast upcoming undersupply of apartments along the east coast of Australia will position us well to capture future demand, even as interest rates rise. As buyers become more discerning, our well-recognised brand, the quality of the product we deliver, our focus on owner-occupiers, and the benefits of our integrated model will continue to differentiate Mirvac.

Within Commercial and Mixed Use, we progressed a number of key projects, including the redevelopment of Harbourside in Sydney, and demolition works at 55 Pitt Street in Sydney and 200 Turbot Street in Brisbane. Our confidence in the resilience of Melbourne's CBD was also reinforced, with a planning permit lodged to transform 90 Collins Street by refurbishing the existing 21-storey building and adding 15 levels above the existing building. This is expected to deliver an additional 15,000sqm of premium commercial space and an end value of approximately $650m.



The high-quality office assets we create will eventually form part of our office portfolio, which has benefitted from strategic repositioning over the past 10 years, setting the business up for sustainable, long-term growth. Our well-located portfolio has a 99 per cent weighting to Prime assets, an average age of just 9.8 years, and a 5.3 star average NABERS Energy rating, ensuring our buildings remain attractive to tenants and capital partners alike. This will continue to be an important differentiator as the flight to quality in the sector gathers pace, with assets built after 2000 benefiting from lower vacancy, higher rental growth, and stronger asset valuations.

As well as maintaining an overweight exposure to core CBD and fringe office and mixed use assets, we have a focus on increasing our industrial and build to rent allocation. Our $2.5bn industrial development pipeline continued to progress, with construction commencing at Switchyards in Auburn, which is 58 per cent pre-leased, and construction on track to commence at Aspect in Kemps Creek in the first half of FY23. At Aspect, we are pursuing our first net positive embodied carbon development, with 5 Star and 6 Star Green Star ratings being targeted for the first two buildings, and we have a commitment to deliver net positive carbon assets across all of our industrial developments going forward. Development approvals also progressed at Elizabeth Enterprise in Badgerys Creek, with good tenant enquiry received for this asset to date.

In addition to this, we have approximately $1bn of build to rent assets under construction that will help grow our exposure to this burgeoning asset class. Our build to rent development pipeline of close to 2,200 lots across the east coast is well-placed to benefit from the anticipated upcoming undersupply in apartments, as well as the expected resumption of international migration. And we continue to see the customer value proposition of build to rent play out. While our flagship development, LIV Indigo in Sydney, faced challenges during the first half of FY22 (with resident amenities compromised due to COVID-19-related lockdowns), we saw leasing quickly rebound as restrictions eased, increasing to 98 per cent by the end of the financial year.

Customers have told us that they value the new style of renting, and we have certainly proven the need for build to rent in Australia given the security of tenure and flexibility it provides. As we apply what we've learnt through LIV Indigo to subsequent projects, starting with LIV Munro in Melbourne which is on track to launch in the first half of FY23, the offering will only get better.

Several years ago, in response to the growth in online retail, we began to reposition our retail centres as community hubs – places that provide our customers with social connection, entertainment, experiences and access to essential services. This focus ensured that our portfolio remained resilient throughout another challenging financial year in the retail sector, and we saw leasing enquiries and retail sales return to pre-pandemic levels over the period. We are also committed to bringing physical and online retail together and giving people genuine reasons to visit our centres. The WeShow concept, for example, has removed the barriers that have prevented online and small businesses from establishing a physical footprint, while adding diversity and local relevance to our customer experience.

In February this year, the east coast of Australia experienced extreme wet weather, with widespread flooding in both Sydney and Brisbane. Our retail centre in Brisbane, Toombul Shopping Centre, sustained catastrophic damage, with flood waters inundating the centre – the first time in its 55-year history. Given the extent of the damage and the increased risk of a further flood event, we made the difficult decision that it was not practicable to reinstate the centre as is. We have offered financial and other support to our retailers to assist them through an incredibly difficult time, and we are committed to working with the local community as we explore our options for this iconic site.

DELIVERING FOR OUR FUTURE CUSTOMERS

Given the crisis of affordability in major cities, we are actively rethinking all types of housing typologies, which, as well as build to rent, includes disability housing and land lease. Through land lease, customers have the opportunity to buy their home within a Mirvac community, while we retain ownership of the land.

This is a sector through which we can apply our asset creation and curation capability, and although still in its early days, we are excited by the potential this offering has for those aged 55 and over, who will benefit from the amenity, service, and sense of connection to be delivered.

New, modular construction methodologies are also changing the way we build homes. We have now committed that every house or apartment built by Mirvac will have a pod bathroom, delivering savings in time and reducing the number of trades on site.

REFLECTING ON OUR LEGACY

As we celebrate Mirvac's 50th anniversary, it's important to reflect on how far we've come and to take stock of all we've achieved.

It is an honour and a privilege to have led this company over the past 10 years; to have seen our asset creation and curation capability come to life with the delivery of many award-winning properties and projects across each of our asset classes; to have seen the culture evolve into what it is today – a culture through which we are consistently recognised for our commitment to gender equality, diversity and inclusion, sustainability, and innovation.

I would like to thank our people for helping to make Mirvac what it is today and to everyone involved in our story for their contribution over the years.

I would also like to thank our Board for their guidance and for setting the direction of the company, and to our leaders for their role in Mirvac's success today.

I would especially like to thank our securityholders for your continued support and for your trust in what we do.

Susan Lloyd-Hurwitz

SUSAN LLOYD-HURWITZ
CEO & MANAGING DIRECTOR

OUR STRATEGY

Mirvac has a resolutely urban strategy, underpinned by a commitment to Reimagine Urban Life. That means we focus on Australia's most attractive urban markets, with an ambition to create places and precincts for the long term, while delivering sustained value to our securityholders.

Since 2013, our urban strategy has delivered considerable benefits to our stakeholders, including a continued strong financial performance, over $5bn in new assets across the key cities in which we operate, numerous thriving residential communities and apartments projects, and leading sustainability outcomes.

Our strategy is supported by our vision to be a leading creator and curator of extraordinary urban places and experiences to make life better for millions of Australians. Under this vision, we have set out the following key strategic priorities:

DELIVER FINANCIAL OUTPERFORMANCE
measured by EPS and DPS growth, ROIC, and strong total securityholder returns.

REMAIN A GLOBAL LEADER IN ESG
by striving to be planet positive in carbon, water and waste and by ensuring we leave a positive impact in our communities.

ADVOCATE, RETAIN AND ATTRACT OUR PARTNERS AND CUSTOMERS
by responding to their needs to drive positive outcomes, while taking a broad view of who they are to allow us to both tailor and expand our offerings.

BE A TRUSTED PARTNER TO GOVERNMENT AND COMMUNITIES
by striving to understand the diverse and changing needs of our stakeholders so that we build strong communities with an enduring legacy.

BE FUTURE FIT
through the transformation of our systems and processes and by digitising everything.

BE A LEADER IN INNOVATION
by putting the customer at the heart of the innovation process and generating ideas to drive commercial success.

CREATE A COMPETITIVE ADVANTAGE THROUGH PEOPLE AND CULTURE
ensuring that Mirvac is a company where people join, stay, grow, and belong.

MEGATRENDS SHAPING OUR WORLD

The environment we're operating in is continuously evolving, with a number of key global megatrends shaping our world and the cities we live in. We're focused on monitoring these trends and understanding their potential impact to our business, our workforce, our customers, and partners, so that we can both manage the risks and embrace the opportunities they present.

URBANISATION, DENSIFICATION, AND REGENERATION

THE URBANISATION OF AUSTRALIA'S MAJOR CAPITAL CITIES CONTINUES, WITH CHANGING TRENDS IMPACTING PROPERTY IN URBAN AREAS.

> Increased densification as land becomes more scarce.

> Government policy facilitating densification and regeneration.

> Strong demographic tailwinds supporting continued urbanisation.

> Housing affordability challenges exacerbated by recent rapid price growth across our markets.

HOW WE'RE RESPONDING

We focus on creating and curating new assets, precincts and communities in key urban markets that contribute to the vibrancy of our cities. We believe that our Australian cities will continue to be the drivers of economic output, and we apply our placemaking capabilities to deliver places people want to work, shop and live in. In addition to this, we are committed to exploring new housing typologies, such as land lease and build to rent, to help address housing affordability for our customers.

CHANGING DEMOGRAPHICS AND CONSUMER BEHAVIOURS

CHANGES IN OUR POPULATION DEMOGRAPHICS WILL IMPACT HOW PEOPLE WORK, LIVE AND PLAY.

> Millennials and digital natives are expected to represent 75 per cent of the workforce by 2030, while over 55-year-olds are a growing cohort and projected to represent 28 per cent of the population.

> Changing consumer behaviours accelerated by COVID-19.

> Online, real-time and convenience is becoming the norm.

HOW WE'RE RESPONDING

We're passionate about embedding a customer-centric culture throughout the organisation, and using our data insights to reach new customer segments, while delivering exceptional experiences, services and products. Within our retail business, we have focused on expanding our reach across a variety of channels, bringing the online world to bricks and mortar and ensuring a true omni-channel offering for our partners and customers.

TECHNOLOGY DRIVING CHANGE

THE PACE OF DIGITISATION IS INCREASING AND THE WORLD IN WHICH WE OPERATE IS CHANGING FAST.

> Increased use of technology to enhance products and customer experiences.

> Exponential growth in data-enabled analytics and process automation.

> End-to-end digitisation supporting the growth of prefabrication methods in construction.

HOW WE'RE RESPONDING

We recognise the opportunity technology-driven change can bring, and our ongoing digital initiatives focus on further developing innovation in digital construction and prefabrication, curating enhanced customer experiences within and across our asset classes, and driving optimisation and efficiency across our business.

ESG FRONT AND CENTRE

CAPITAL IS FLOWING INTO INVESTMENTS THAT OFFER ATTRACTIVE ESG FUNDAMENTALS AS WELL AS SPECIFIC DECARBONISATION ACTIVITIES.

> ESG and decarbonisation are now a primary focus for our investors and partners.

> Global capital and employees are searching for socially responsible impact.

> Trust, good governance, and transparency continue to be important factors across all industries and sectors.

HOW WE'RE RESPONDING

Our sustainability strategy, *This Changes Everything*, is integrated into the way we do business. It sets out our approach to environmental and social responsibility, as well as our commitment to transparency and doing the right thing. Having reached our goal to be net positive in scope 1 and 2 carbon emissions nine years early, we have taken the opportunity to refresh the strategy as it begins its third iteration. This phase will focus on scope 3 emissions and our community goal to create a strong sense of belonging.

CAPITAL SEARCHING FOR YIELD

SIGNIFICANT GROWTH IN DOMESTIC AND INTERNATIONAL CAPITAL POOLS WITH COMPETITIVE COST OF CAPITAL.

> Domestic superannuation is now more than $3 trillion and rising.

> Global capital remains attracted to Australia.

> Yields generated from real estate remain attractive on a relative basis.

HOW WE'RE RESPONDING

We continue to focus on being a responsible custodian and delivering strong returns for third-party capital by utilising our development capability, along with our expertise across multiple asset classes.

HOW WE CREATE VALUE

Creating value across our business helps to ensure our success both now and in the future. We have defined five key pillars that enable us to execute our strategy, deliver value for our stakeholders, and allow us to maintain a healthy and resilient business. The table below sets out these pillars, and more detail on our performance in effectively managing and leveraging these pillars during the financial year can be found from pages 18 to 35.

	PERFORMANCE FINANCIAL	**PLACE** ASSET CREATION AND CURATION
PILLAR OF VALUE	Having diversified and appropriately balanced sources of capital, including third-party capital, equity and debt, helps us execute on our urban strategy and deliver sustainable returns to our securityholders and capital partners.	Our asset creation and curation capability delivers places that contribute to the vibrancy of our cities and improve people's lives.
HOW WE DELIVER VALUE	By remaining agile through the property cycle and maintaining a strong focus on capital allocation. This is complemented by our capital partnerships focus, which helps us to fund our significant future development pipeline.	By leveraging our integrated and diversified business model to create and curate high-quality assets, precincts and communities that have sustainability and technology embedded throughout, and support our strategy to *Reimagine Urban Life*.
VALUE CREATED	Excess returns for securityholders, above our cost of capital, in a sustainable manner, with appropriate levels of gearing maintained.	Modern, high-quality assets and projects that deliver NTA uplift, development profit, and stable, recurring income and management fees to the Group.
HOW WE MEASURE VALUE	> Return on Invested Capital > Total shareholder return > Earnings per share > Distributions per share	> IIP: Occupancy, WALE and WACR > Commercial & Mixed Use: Development EBIT and NTA uplift > Residential: Sales and settlements

PEOPLE PEOPLE, CULTURE AND SAFETY	PARTNERS CUSTOMERS AND STAKEHOLDERS	PLANET SUSTAINABILITY
Our people and culture are a source of competitive advantage in the delivery of our strategy and purpose.	The relationships we build as a trusted partner allow us to deliver on our ambition to *Reimagine Urban Life*.	Our rigorous focus on our environmental and social impact helps guide us to deliver outcomes that are planet positive and remain a global leader in ESG.
By prioritising diversity and inclusion, flexibility, collaboration, learning, innovation, wellbeing, leadership and a pursuit of safety excellence. This fosters the capabilities, culture and engagement levels where people feel inspired to join, perform, grow and belong.	By listening to and understanding our customers, and by working closely with community groups, capital partners, suppliers, government and our industry partners to deliver on our promises.	By developing and implementing ambitious plans with clear timelines and by encouraging our people to do the right thing and be a force for good.
A culture that provides a competitive advantage and inspires our people to deliver on our goals and our urban strategy, while managing the risks to our business.	A trusted brand with a reputation for delivering quality products and services across each of our asset classes.	A climate-resilient business that delivers assets and homes for our customers that are more sustainable and affordable to run, along with a positive community legacy.
> Employee engagement / talent retention > LTIFR, CIFR > % of women in senior management roles	> Net promoter scores > Repeat purchasers	> Water, waste and emissions performance > MSCI and Sustainalytics ratings > Social procurement spend > Community investment delivered

PERFORMANCE

FINANCIAL

Maintaining a strong financial position is critical to delivering our urban strategy. It provides us with access to a diverse range of funds as well as the financial agility to deploy capital to activate our development pipeline.

HOW WE LOOK AT FINANCIAL PERFORMANCE

Our financial performance and success are guided by our Portfolio Management Framework. The design of this framework is intended to align our financial objectives with our goal of creating long-term value for our securityholders. It also achieves a balance of seeking superior returns while maintaining a prudent capital management approach, to enable us to deliver sustainable growth through the cycle. We will continue to leverage our deep expertise across multiple asset classes, our integrated asset creation capabilities, and our ability to access diversified pools of capital (including debt, third-party capital and equity) so that we can continue to create world-class urban assets, while delivering superior risk-adjusted returns to our securityholders and capital partners.

FINANCIAL STRATEGY

The Portfolio Management Framework forms the foundation of the Group's financial strategy and is designed to:

> Maximise long term securityholder value
> Leverage competitive advantage of the integrated model
> Maximise the performance of each business line
> Ensure financial strength of the balance sheet
> Diversify availability of capital sources

GROWING OUR FUNDS UNDER MANAGEMENT

We have over $10bn in third-party capital under management with domestic and international partners, which is split between separately managed accounts, co-investments and joint ventures across all of our sectors (office, retail, build to rent, and residential). Key to our capital partnership strategy is the continued engagement with aligned capital partners to cater for future mutual growth ambitions, including through the delivery of our $30bn multi-sector development pipeline.

As the business shifts its focus towards the next phase of growth, building on and expanding relationships with pension funds, sovereign wealth funds and other institutional real estate investors will provide us with access to deep pools of capital to execute our large-scale commercial and mixed used development pipeline. We are committed to taking a considered and collaborative approach to forming long-lasting relationships with aligned investors and partners.

As we look to grow our funds under management further, we will put in a robust set of governance structures, including the management of conflicts of interest, to ensure we hold ourselves to the highest standards in carrying out our fiduciary duties for our direct and third-party capital partners alike. Through this, we will not only seek to preserve our position as a leading property manager, developer and investor, but to be recognised as a best-in-class fund manager, reinforcing the strength of our brand and reputation in the market.

CAPITAL MANAGEMENT AND DISTRIBUTION POLICY

Prudent capital management is part of our Framework and is critical to ensuring our balance sheet can both withstand market volatilities and capitalise on opportunities. To this end, we strive to maintain A3/A- credit ratings from Moody's Investor Services and Fitch Ratings respectively, and to stay within our target gearing range of 20-30 per cent, giving us access to capital markets on attractive terms. We believe that maintaining a 60-80 per cent payout ratio of operating earnings strikes the right balance between delivering stable distributions to investors and reserving capital for future growth.

CAPITAL ALLOCATION AND RETURNS

We regularly update and review our cost of capital and adjust return hurdles to remain competitive in the market, while aiming to deliver excess returns. As part of managing the Group's risk exposure, we have adopted a through-cycle active capital allocation of approximately 20 per cent. This achieves a balance between passive investments that provide steady income streams and active investments that add value through developments.

Our detailed Financial and Operational Results for FY22 are outlined on pages 36 to 40.

PLACE

ASSET CREATION AND CURATION

As a leading Australian property group, we drive value for our securityholders through the places, precincts, and communities we deliver. This means leveraging our integrated and diversified capability to create new, high-quality assets, curating those assets (and the assets we manage on behalf of our partners) through customer experience and management, and progressing our substantial residential development pipeline.

We are also one of very few property companies in Australia with the ability to manage and deliver large, complex, integrated mixed use projects that require high levels of stakeholder engagement, and even higher levels of expertise, across all facets of development.

Our activities are focused in Australia's key cities of Sydney, Melbourne, Canberra, Brisbane and Perth, with an overweight to Sydney and Melbourne. These two cities continue to be the economic powerhouses of Australia.

THE VALUE OF OUR INTEGRATED MODEL

As well as providing us with direct influence over a project's lifecycle, our integrated model drives significant outcomes for our securityholders. The assets we create are owned and managed within our Integrated Investment Portfolio, delivering stable, recurring income to the Group. Our development earnings, both commercial and residential, are largely reinvested into the development pipeline, with our growing distribution funded by income from passive investments and property management.

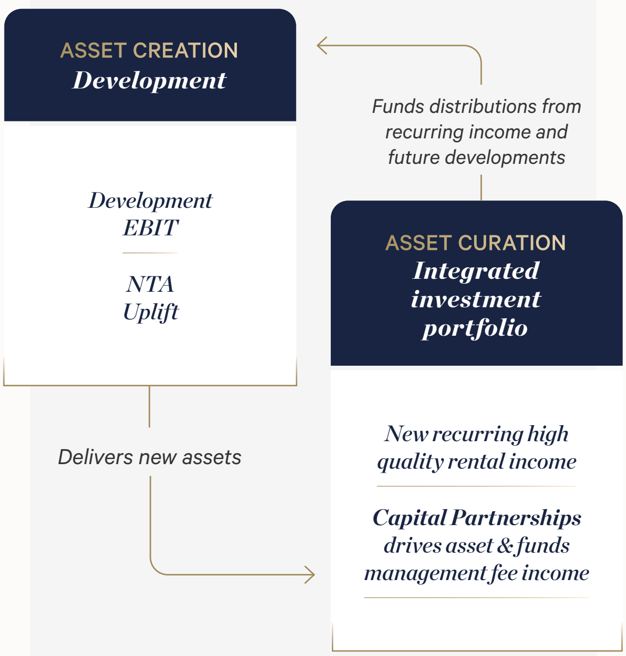
Our in-house asset creation capability:

> delivers NTA uplift, development profit, management fees and new, high-quality recurring income to the Group;

> reduces risk across supply chain, construction costs; and

> allows us to incorporate customer feedback into front-end design, while driving sustainable outcomes from the beginning of a project's lifecycle.

Integrated Model Delivering Outperformance



VALUE CREATED OVER THE PAST NINE YEARS

6.2% pa
NTA GROWTH

~$120m
NEW RECURRING ANNUAL INCOME

~$1.3bn
CREATED VALUE

$5.4bn[1]
NEW ASSETS

HOW THE INTEGRATED MODEL DELIVERS VALUE IN CONSTRUCTION

Mirvac is one of a few tier-one builders in Australia, and we have a rich corporate memory across the team that has ensured the continual refinement of our processes and systems. As with many other aspects of our business, our integrated model offers a number of key benefits for our construction team.

For example:

> our integrated model provides us with considerably more pipeline visibility than other main contractors, allowing for critical procurement decisions to be made early in a project's lifecycle;

> we have experienced teams across each stage of delivery. Our cost planners, design managers and commercial teams are in constant dialogue, enabling us to more accurately forecast budgets for future projects;

> the bulk of our pricing on live projects is market tested by competitive tendering. We carefully screen our subcontractors for their capability and financial capacity to perform, and we typically use fixed price subcontracts; and

> we are nimble by nature. This means we can fast-track designs and align our procurement programs across multiple projects, which allows us to maximise bundle-priced contracts and leverage alliance deals that are in place.

1. Since 2013 and represents 100 per cent share.

OUR INTEGRATED MODEL IN ACTION

Heritage Lanes at 80 Ann Street in Brisbane was completed in April this year. This state-of-the-art 35-level asset offers more than 60,000 square metres of premium office space and was 98 per cent leased on completion, with our major tenant, Suncorp, committing to 66 per cent of the building for a 10-year term.

A world-class workplace in every way, Heritage Lanes used a lower carbon concrete in its construction, has been designed to be all-electric in its operations, and is targeting the highest sustainability credentials. This includes the highest rating of the Green Building Council of Australia's newly released rating tool, 5.5 star NABERS Energy and 4.5 star NABERS Water ratings, and a Platinum Core and Shell WELL Certification.

Heritage Lanes is also at the forefront of smart building technology, with an integrated building platform delivering information from millions of data points throughout the building.

This provides tenants of Heritage Lanes with control over many aspects of their office experience – such as lights, blinds, air-conditioning and security – through mobile apps and integrated AV systems.

But as well as being an outstanding asset, the delivery of Heritage Lanes is a shining example of our integrated model in action. From the very beginning, we were able to respond to Suncorp's design requirements easily because of our internal capability.

"During the bid phase, we essentially redesigned a whole new building across a larger site because that's what Suncorp wanted", says Brett Draffen, Mirvac's Chief Investment Officer and Head of Commercial and Mixed use. "And that was made easier because we had people from all across the business working on this and collaborating as we progressed."

Our integrated model also enabled greater coordination and collaboration between Suncorp, our co-owners, M&G Real Estate, and key trades during the development, which meant the project team was able to respond to design changes in real-time – a clear advantage over a traditional delivery model. This was aided by key stakeholders, including the architect, our co-owners, and our development and construction teams, having access to a 3D building information modelling, which resulted in a higher rate of clash detection and services co-ordination.

And by leveraging our integrated model, we were able to deliver Heritage Lanes ahead of initial feasibilities, despite the numerous challenges presented by COVID-19 and global supply chain shortages.

Now completed and forming a part of the Integrated Investment Portfolio, Heritage Lanes will deliver recurring income to the Group, with over $130m of value created for our securityholders.

Our smartest, most sustainable building yet

6%
YIELD ON COST

98%
LEASED ON COMPLETION

$867m
END VALUE

6 Star
GREEN STAR TARGET RATING

Heritage Lanes, 80 Ann Street, Brisbane

PLACE CONTINUED

INTEGRATED INVESTMENT PORTFOLIO

IIP comprises four businesses that deliver stable, recurring income to the Group: Office, Retail, Industrial and Build to Rent. We have approximately $13.5bn[1] of assets on our balance sheet across the portfolio, and $10.2bn of external assets and funds under management. The integration of the four sectors means we have a single view of our customers and scale, delivering a number of benefits and increased efficiencies to the Group, such as streamlined procurement, more diversified innovation, and resilience in investment.

Through our decades of experience, we're able to expertly curate the daily experiences of those who work in our office buildings and logistics assets, shop in our retail centres, or live in our build to rent apartments. Our unwavering focus on sustainability excellence, innovation, and on our occupants' health and wellbeing also means we provide our tenants with modern spaces that serve to make the experience of urban life better.

Our ability to leverage intelligent infrastructure and convert data into insights also helps us to continue to generate positive outcomes for our tenants, customers and our business. It allows us to run our buildings more seamlessly and efficiently and respond to our customers' needs, which is becoming increasingly important as the way we live, work, shop and socialise evolves. At Heritage Lanes, for example, our major tenant, Suncorp, is tightly integrated with the building system so that data flows from the building to their own Workplace Management Platform. This allows them to manage and optimise their space while meeting their ESG targets.

And as we continue to create physical assets and curate the experiences within and around those assets, we are increasingly blending in a digital experience that enhances the physical one. We've developed a Consumer Platform for our build to rent portfolio, for example, and through this, residents at LIV Indigo can download an app and book communal spaces (such as the media room), be notified of when parcels are delivered and then access the parcel room to collect them, and log issues with building management. We will continue to evolve the platform and roll it out across the LIV portfolio as it completes, as well as our other asset classes where appropriate.

OFFICE

Today's workplace is designed to encourage connection, creativity, collaboration, and innovation. We are leading the work revolution through the creation of flexible and adaptable workplaces that have technology and sustainability embedded throughout. Our office portfolio, comprising 98 per cent Premium and A-grade assets, is primarily located in Sydney and Melbourne, which continue to be Australia's economic powerhouses. Our young, modern, and high-quality portfolio that is future-fit has also benefitted from the bifurcation of tenant demand we have seen over the past two years, with assets like those in our portfolio continuing to attract higher occupancy, rents and valuations, and requiring lower capital expenditure.

INDUSTRIAL

Our industrial portfolio is 100 per cent weighted towards Sydney and located in the Western Sydney growth corridor, close to key transport infrastructure. As with our office portfolio, we focus on high-quality assets that provide our customers with flexibility, and through our close relationships with our tenants and our understanding of their business, we are able to develop facilities that allow them to fulfil their objectives and grow.

RETAIL

We own and manage a diverse portfolio of retail assets across Australia's eastern seaboard, and each and every one offers a bespoke environment that reflects the core values and drivers of its community. While COVID-19 impacted foot traffic in our CBD centres and accelerated the trend towards online shopping, our retail centres continue to be a place for social connections and experiences. As we move to a new world of retail, we are focused on merging the physical and digital for our customers and partners to ensure a true omni-channel offering.

BUILD TO RENT

Mirvac has long championed build to rent in Australia, which gives renters flexibility, choice, and convenience. As both the builder and the landlord, we're able to deliver a completely new property experience; one that's designed to remove the downsides that typically come with renting. At our build to rent assets, our customers don't have to pay a bond, have security of tenure, and are allowed to bring a pet and hang pictures on their walls. They're also provided with high-quality amenity, communal spaces, and resident programs to help them connect with their neighbours. Our consistently strong customer survey results and leasing success at our operational asset, LIV Indigo, demonstrate the appeal of this growing asset class.

97.3%
OCCUPANCY

5.6 years
WEIGHTED AVERAGE LEASE EXPIRY

5.00
WEIGHTED AVERAGE CAPITALISATION RATE

1. Includes investment properties under construction and assets classified as held for sale, and excludes AASB 16 lease liability gross up amounts.

Aspect, Kemps Creek, Sydney | Artist's impression

COMMERCIAL & MIXED USE DEVELOPMENT

One of our key competitive advantages is our ability to bring urban assets and precincts to life, and we focus on projects where we can leverage our combined skillset across different asset classes to deliver large-scale, city-shaping urban renewal projects.

At Harbourside in Sydney, for example, we are revitalising a 34-year-old retail asset into a thriving mixed-use precinct that has been designed to bring people together. The proposed $1.8bn redevelopment is expected to deliver approximately 24,000 square metres of office space, 7,000 square metres of retail and 350 luxury apartments. As part of the project, we have also committed to delivering 10,000 square metres of public domain, including a proposed 3,500 square metre new neighbourhood park, as well as a widened waterfront promenade.

At 55 Pitt Street, also in Sydney, we are transforming a B-grade asset into a 63,000 square metre commercial and retail asset, with sustainability and technology featured throughout. As well as demonstrating the strength our unique integrated and diversified capability, our ambition is for these projects to be enduring places recognised by all stakeholders, including our investors, government and the wider community.

Our active commercial development pipeline has a total end value of $12.4bn and comprises large-scale urban renewal projects designed to support the growth and evolution of our cities. The majority of these projects have income in place or are held in capital efficient structures, providing optionality and future value. We focus on substantially de-risking our development pipeline through pre-leasing ahead of development completion. As at 30 June 2022, 42 per cent of our active development pipeline was pre-leased, which also provides us with visibility of future income.

$591

REALISED DEVELOPMENT EBIT IN FY22

4.5%

NTA UPLIFT ON FY21 REPRESENTING 12CPSS

RESIDENTIAL

For 50 years, Mirvac has delivered places of enduring value across Australia's key cities of Sydney, Melbourne, Brisbane and Perth that our customers are proud to call home. We have over 25,350 lots under control across apartments and masterplanned communities, and a reputation for care and quality in everything we do.

Our integrated model is key to our success, and enables us to deliver projects ranging from greenfield sites through to complex urban renewal projects and manage every aspect of development – from site acquisition to design, planning approvals, construction, marketing, and sales. We leverage our integrated capability to bring product to market when market conditions are favourable, and we have a track record of bringing releases forward to capture high demand.

2,523

SETTLEMENTS IN FY22

~2,900

LOTS EXCHANGED

Another advantage of our integrated offering is that we're better placed to mitigate the impacts of supply chain disruption and rising costs, because we can strategically procure across our product lines, with good visibility of our forward pipeline. This will be important in an environment where supply chains are becoming disrupted and de-globalised, and where rising inflation continues to put pressure on the cost of materials.

Our proven ability to restock our pipeline at the right time, in the right place, and for the right price is another key driver of our continued success. The active restocking of our masterplanned communities in FY18 and FY19, for instance, supported settlements in FY21, and will continue to support settlements over the next several years. Similarly, our focus on restocking in our apartments business over the past two years means we are well placed to capture demand from the return of immigration and the forecasted reduction in apartment supply in FY23 and FY24. Our track record of making the right decisions at the right time in the cycle, have benefited, and will continue to benefit, our earnings for many years to come.

HOW WE MEASURE VALUE

> IIP: Occupancy, WALE and WACR
> Commercial & Mixed Use: Development EBIT and NTA uplift
> Residential: Sales and settlements

Olivine, Donnybrook, Victoria

PEOPLE

PEOPLE, CULTURE AND SAFETY

People, culture and safety is one of the five pillars for creating value. By building a culture that is aligned to our values, inclusive and collaborative, we can continue to give Mirvac a competitive advantage, and inspire our people to deliver on our goals and urban strategy.

At Mirvac, we know it's not enough to say that we value our people – we need to demonstrate it too. During the financial year, many of our employees continued to be impacted by government-mandated lockdowns and restrictions. While we'd already learnt to stay connected and productive when working remotely, the isolation and uncertainty of the past financial year took its toll, particularly in terms of mental health and pandemic fatigue.

Fortunately, our embedded flexibility and focus on health and safety, diversity and inclusion, innovation and gender equity ensured we remained an employer of choice in our sector. This year, we were thrilled to win the top spot in the 2022 AFR BOSS Best Places to Work list for the Property, Construction and Transport sector, and to be ranked number one employer in the world for gender equality by Equileap.

Having refreshed our Flexibility Charter last year, FY22 saw us further refine our approach to hybrid working, as those based in our head offices gradually returned to the workplace. Our purpose to Reimagine Urban Life was put to the test, as we reconsidered the role of the office and invested in activations to help our people reconnect safely in a physical space.

Our focus on mental health increased, and we strengthened and expanded our Employee Assistance Program with the adoption of a new support service called Sonder. We completed a thorough review of our safety approach, with a view to progressing towards an increased emphasis on major hazards and psychological health and safety. And while our Employee Engagement Survey was held in the midst of lockdowns last year, the results showed that our people still felt that Mirvac was a great place to work, with 93 per cent of employees saying they were proud to work for Mirvac, 92 per cent happy to recommend Mirvac as a great place to work, and 96 per cent confident that Mirvac is committed to the safety of employees.

Notwithstanding our engagement results, there is no doubt that we are in a more challenging labour market. There is fierce competition for talent (exacerbated by limited skilled migration), putting pressure on turnover and wages. We are proud of our culture, engagement, employment brand and employee value proposition, and we will remain sharply focused on maintaining and lifting these areas into FY23.

PEOPLE AND CULTURE

Our goal is to be the number one employer in the property sector, the place where people want to join, grow and belong.

Flexibility continues to be a key part of this, and in the past 12 months we saw a rapid change in employee expectations around where and how we work. Along with employee surveys, we held 60 one-on-one employee interviews to gauge preferences around working in the office. The overarching response was that the office still has a role, but that employee expectations around flexibility and where they work from have shifted.

In response to this shift, we formalised our approach to hybrid working with a set of flexible working principles. While our office-based people are expected to work from a Mirvac site or office each week, we haven't prescribed a minimum amount of time. Instead, we believe in empowering our people and teams to agree on an approach that works for our customers, teams, and the individual.

Taking care of our people throughout extended lockdowns was another key theme in FY22, and every permanent full-time employee received five 'Thank You Days' of paid leave in recognition of their continued hard work and perseverance during a challenging time.

DIVERSITY AND INCLUSION

Our long-standing focus on diversity and inclusion contributed to achieving 44 per cent of women in senior management, along with a zero pay gap for like-for-like roles for the past six years. While we maintained our well-recognised focus on gender equity in FY22, we also began to broaden our diversity focus at Mirvac. During the financial year, we finalised a new Belonging strategy that continues to build an inclusive culture – one in which differences are embraced and celebrated, and where everyone feels that they belong. As part of this, we will continue to expand on initiatives that focus on LGBTQ+ people, women in construction, First Nations Australians, those with caring responsibilities (in addition to young families), and non-nuclear families (such as SINKs, DINKs, and empty nesters).

LEADERSHIP

We believe the quality of leadership at every level is fundamental to fostering an engaging and positive culture across Mirvac. Through FY22, we continued to focus on creating the best leaders, supported by training and development on our 'Big Five' leadership framework. As part of our Belonging strategy, we are also growing our leaders' capabilities to build inclusive environments through a new Inclusive Leadership Program. The program trains leaders on nine themes of inclusion: mental agility, personal awareness, conviction and drive, cognitive humility, psychological safety, transparency, diverse connections and courage.

In a competitive recruitment market, we are also investing in establishing a deeper, wider pool of talent to create our next generation of asset creators and asset curators.

OUR WORKFORCE AT A GLANCE

HEADCOUNT
1,550

GENDER SPLIT
♀45:55♂

RETENTION OF KEY TALENT
96%

BOARD REPRESENTATION
44% ♀

WOMEN IN SENIOR MANAGEMENT
44% ♀

EMPLOYMENT BY REGION & GENDER

mirvac

Region	Headcount	Gender split
WA	50	♀ 54:46 ♂
QLD	161	♀ 39:61 ♂
NSW	1,053	♀ 46:54 ♂
ACT	7	♀ 57:43 ♂
VIC	279	♀ 42:58 ♂

PAID PARENTAL LEAVE POLICY

20 weeks
for the primary carer

4 weeks
for the non-primary carer

INDUSTRY LEADING DOMESTIC VIOLENCE & FAMILY LEAVE POLICY

Uncapped
paid leave for permanent employees

PEOPLE CONTINUED

INNOVATION

Our innovation program, Hatch by Mirvac, was launched in 2014 and has seen us experiment with over 50 ideas aimed at adding value to our business in an ever-changing world. These have included award-winning initiatives such as Cultivate, where we transformed a basement carpark into an urban farm, as well as Build AI, a digital platform that uses real-time data to enhance safety, quality assurance, and other project outcomes.

By identifying market trends and changing customer needs, we strive to anticipate and make the most of the challenges and opportunities that lie over the horizon. This year, our in-house innovation team, Hatch by Mirvac, continued to partner across the business to reimagine urban life in new ways.

BOARD OF INNOVATORS

During the financial year, Hatch by Mirvac introduced a Board of Innovators: a diverse group of 25 innovation ambassadors drawn from all parts of the business. The Board of Innovators is responsible for analysing key trends and inflection points that could impact our business, assessing their potential impact through a robust disruption framework, and identifying pathways to seize significant opportunities. This forum also provides us with a single view of our innovation pipeline and a platform from which to proactively monitor inflection points.

YOUNG HEARTS BY MIRVAC

In FY22, we partnered with our Residential team to explore how we could reimagine the living experience for young Australians with a disability, so they can live comfortable, autonomous, and enriching lives within our communities.

Young Hearts by Mirvac is an initiative through which we seek to leverage our integrated model to deliver innovative and leading-edge specialist disability accommodation, providing a more diversified product offering within our existing communities.

While still in a pilot phase, the initiative is aimed at improving the lives of people with a disability by providing independent living options that meet their life goals.

In 2021, Mirvac came fourth in the property and construction category of the AFR Boss Most Innovative Companies list, making it the only company to be in the top five in the Property, Construction, Transport category for the past three years.

SAFETY AND WELLBEING

Health, Safety and Environment (HSE) is central to our business, and through an increased focus on major hazards and psychological health and safety, we can continue to take care of our people and stakeholders, and deliver on our strategy and commitments. In FY22, we maintained our high standards of health and safety across the business, stepped up our activities in several key areas, and considered how to improve our approach moving forward. We also launched a comprehensive Wellbeing and Mental Health strategy in FY22 in response to the growing risks relating to mental health.

GREATER MENTAL HEALTH SUPPORT

As part of our Wellbeing and Mental Health strategy, and as we faced a second year of COVID-19 lockdowns and restrictions, we recognised the rising mental health and social risks posed by the pandemic, particularly for younger employees. This led us to overhaul our existing Employee Assistance Program (EAP) and bring Sonder on board as our new provider.

Through Sonder, our people can access 24-hour support from a network of trained safety, health and wellbeing specialists, all year round. Sonder also gives people the option to engage via phone, video call, or text, catering to all communication preferences. In addition, Sonder provides access to a range of wellbeing resources and self-help tools and offers employees real-time information on safety, security threats, or emerging scenarios, in their immediate vicinity.

We also accredited 70 employees as Mental Health First Aiders to establish a support network of people equipped to provide immediate assistance to someone in need of help.

When it came to the physical impacts of COVID-19, we continued to exercise caution even when government restrictions lifted, maintaining CO^2 monitoring in our offices, and ensuring our Incident Management team met weekly to stay abreast of events.

As well as 96 per cent of employees saying that they believe Mirvac is committed to the safety of its employees, 88 per cent agreed that their manager genuinely cares about their wellbeing (November 2021 Employee Engagement Survey).

ADDRESSING SAFETY AT EVERY STAGE OF OUR BUSINESS LIFECYCLE

Our approach to safety continues to be guided by our Mirvac Minimum Requirements (MMRs): a non-negotiable set of standards that either adhere to or exceed legislative standards. These requirements apply to all our employees, contractors, and sub-contractors, and they are carefully administered, governed, monitored and updated.

As we continue to take on larger and more complex projects, our approach to health and safety will adapt accordingly. In light of this, we engaged an independent consultant in FY22 to assess how the increasing complexity could impact our ability to manage both our known and unknown major hazards.

Looking ahead, we will work to evolve our MMRs and embed them further within the operating lifecycle of our business. This whole-of-lifecycle approach will see HSE being further embedded in every key stage of a project, from investment, to design and visioning, construction and operations, with all of our people encouraged to actively enquire and show curiosity when it comes to safety at work.

Building on the work we began last financial year, we will also place an even greater emphasis on psychological health and safety at work, and in particular, focus on work-related psychosocial hazards. Left unmanaged, these risks can significantly impact a person's overall wellbeing.

HOW WE MEASURE VALUE:

- Employee engagement / talent retention
- LTIFR, CIFR
- % of women in senior management

HSE STATISTICS IN FY22

INDICATOR	HSE LEADER ACTIONS	HOURS WORKED	LTIFR	TIMELY REPORTING	WORKERS' COMPENSATION CLAIM COUNT	TRAINING	FATALITIES	CIFR
FY20	178%	9,126,799	2.08	19hrs	13	97.0%	0	0.63
FY21	222%	6,782,607	3.24	22hrs	10	96.0%	0	1.50
FY22	214%	6,794,321	1.18 ✓	25hrs	6	97.2%	0 ✓	0.74
TARGET	100%	N/A	<2	<24hrs	N/A	100%	0	<1.5

Our HSE management systems within construction continued to be certified to ISO 14001, OHSAS 18001, and AS/NZS 4801. Limited assurance has been provided by PricewaterhouseCoopers. Data sets that have been assured are marked with a ✓. For further information visit mirvac.com/sustainability.

PARTNERS

CUSTOMERS AND STAKEHOLDERS

In order to properly *Reimagine Urban Life*, we need to ensure that we take our stakeholders perspectives into account. This includes our customers, our communities, and all levels of government.

Alongside this, we recognise that the environment we're operating in is becoming more complex, and that the requirements of those who lease our assets, rent in our build to rent communities, or purchase one of our homes are constantly changing. We're committed to continuously learning and understanding what the changing wants and needs are of all our stakeholders, and how we can improve our products, services and experiences across all asset classes. Meanwhile, we will continue to focus on being open and transparent with all of our key stakeholders in order to build strong relationships, as well as striving to be a trusted partner.

ENGAGING WITH OUR CUSTOMERS

We have a wide and diverse range of customers across our business, from our office, retail and industrial tenants to our build to rent and residential customers.

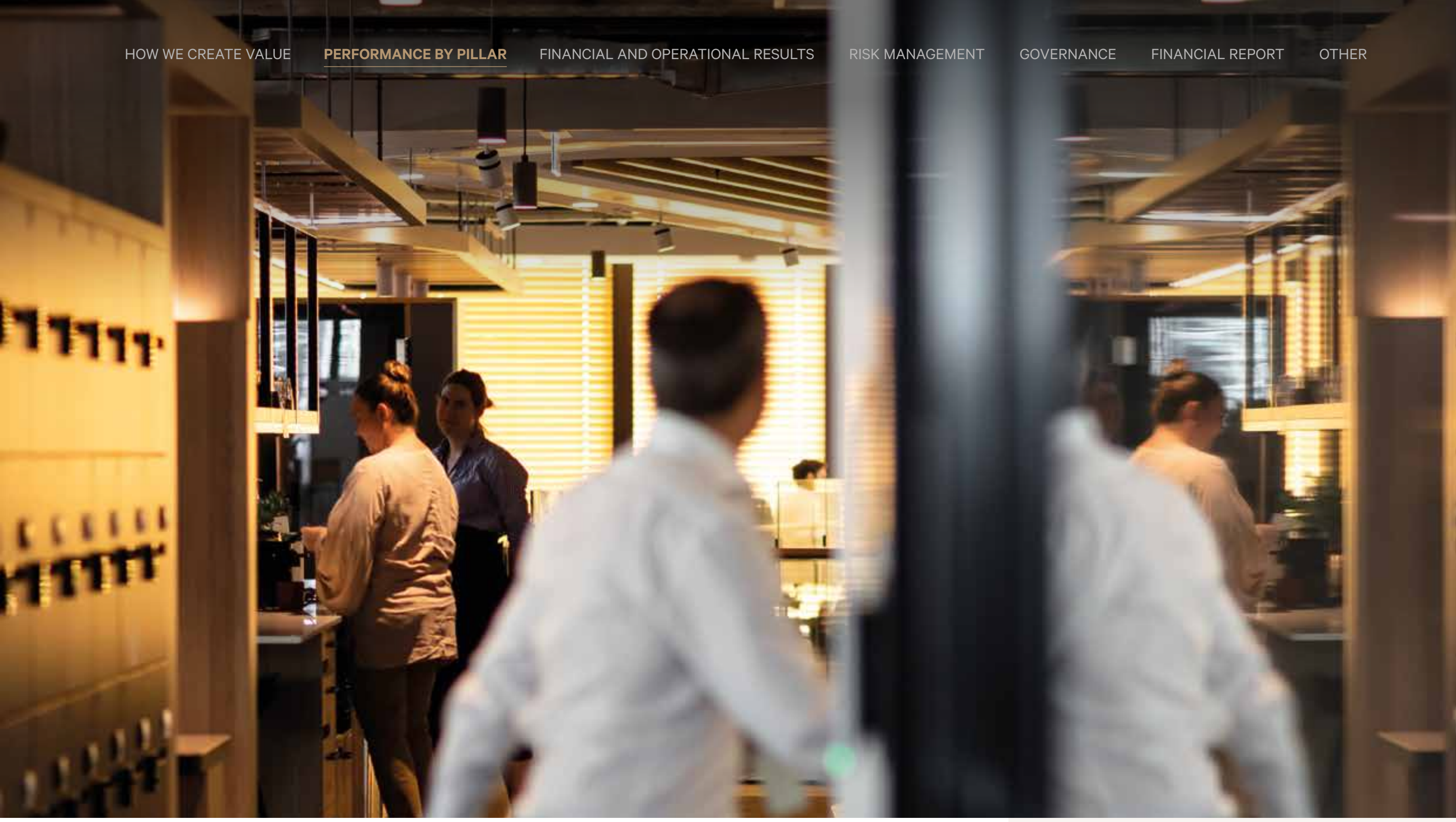
LEVERAGING TECHNOLOGY TO DRIVE INSIGHTS

The foundation of good customer experience is knowing our customers – their needs, motivations, and aspirations. It's also important to understand their pain points or what it is that we can improve on, so we can deliver solutions that make their experience with us easier. By connecting a wide range of data sources, we're able to drive continuous improvements throughout the customer journey, deliver more personalised experiences at scale, make better, data-driven decisions, and create new products, services and revenue streams that leverage our data. In our build to rent business, our Consumer Platform allows us to gather feedback from our customers to get a better understanding of how they utilise their space, and, as we begin to roll it out across the rest of the organisation, will allow us to share our insights across teams.

ADAPTING AND DISRUPTING

The landscape across all of our sectors is changing, and to continue to deliver value to our customers, we need to anticipate their future needs and create changes to remain relevant. In response to the trend towards hybrid working, for example, which accelerated as a result of COVID-19, our IIP team launched the Adaptive Workspace during the financial year. This year-long pilot is aimed at helping us to reimagine the office for our customers as we navigate a new era of work. Comprising a mix of collaborative spaces and quiet zones for focused work, the Adaptive Workspace is hyper-flexible and can be changed depending on the type of work being undertaken.

Within our residential business, our integrated development, design and construction capability has allowed us to nimbly adapt to our customers' increasing need for home offices, multipurpose rooms and larger kitchens, and where there has been opportunity, we've also adapted our apartment projects to introduce shared co-working spaces and wellness facilities.



MERGING PHYSICAL AND DIGITAL EXPERIENCES

Our customers move fluidly between the physical and digital realms as they navigate life and work, and they expect their experiences to be frictionless and accessible across all channels. The demand for digital connectivity, omnichannel engagement, new services, amenity, and the vibrant activation of our places has already challenged us to embrace new capabilities and operating models. Within our retail business, for example, we have introduced WeShow, an Australian-first rapid delivery concept that provides online brands with a physical retail space that enables them to connect with their audience and attract new customers. The customisable, modular store design means that there is no expensive store fit-out, long lease or fixed rent. Retailers are also provided access to sales insights, and are supported by a team of retail experts, including store designers, visual merchandisers, marketing specialists and legal. During FY22, we hosted eight retailers in our WeShow space across four of our centres, and the feedback has been overwhelmingly positive to date.

We've also continued to adopt digital technologies to allow our customers to research and explore our apartment and masterplanned communities projects online, while increasingly sophisticated 3D imaging has enhanced the customer experience in our display galleries, enabling greater visualisation of off-the-plan properties.

MEASURING OUR CUSTOMER IMPACT

Within our Integrated Investment Portfolio, we use Net Promoter Score (NPS) to measure customer experience at key moments of the customer journey and periodically for ongoing customer relationships. In the first half of FY22, we saw NPS slightly decline in each asset class as a result of the impacts of COVID-19, most notably in Build to Rent. These improved, however, as restrictions were lifted and the experiences we were able to deliver to our customers resumed.

Another outcome of our customer focus is ongoing customer loyalty. We have a history or attracting high levels of repeat purchasers at our residential projects, a testament to the care and quality we provide. And in IIP, we have had significant tenures with a number of our customers. At Riverside Quay, our tenant, Nugents, has been with us for over 26 years, while IAG has been with us at 189 Grey Street for 17 years, and UGL has been with us at 40 Miller Street for nine years, and have just signed their third lease term.

HOW WE MEASURE VALUE:

- Net promoter scores
- Customer satisfaction

+40
OFFICE NET PROMOTER SCORE (NPS)

+56
RETAIL CONSUMER NPS

N/A[1]
INDUSTRIAL

+24
BUILD TO RENT RESIDENT NPS

8.9/10
RESIDENTIAL CUSTOMER SATISFACTION

1. Due to an insufficient sample size.

PARTNERS CONTINUED

ENGAGING WITH OUR STAKEHOLDERS

Over the past 50 years, Mirvac has built a reputation as a trusted developer, owner and manager, and partner of choice. We recognise the importance of maintaining strong, healthy relationships with our stakeholders and the communities in which we operate, and we strive to understand their diverse and changing needs in order to develop communities with an enduring legacy. This is because we understand that mutually-beneficial relationships help us look at complex problems from different angles and deliver maximum value where it matters most.

We focus on being open and transparent to generate positive outcomes and know that we are most successful when our project teams take ownership to create genuine relationships; however, we recognise our approach across the business is not always consistent and can be introduced too late in the process. As we look to deliver the largest development pipeline in our history, in an increasingly complex environment, ensuring we maintain and extend our licence to operate will be more important than ever.

In light of this, we developed an integrated stakeholder engagement framework during the financial year that sets out the vision, principles and tools to guide our interactions with our stakeholders. Anchored by an overarching ambition to foster relationships built on respect, trust, and doing what we say we will, its purpose is to:

> set a consistent, One Mirvac approach, with key principles for engagement across all our projects;
> encourage strong, healthy relationships with our stakeholders and the communities in which we operate;
> allows us to actively monitor issues and maximise opportunities;
> facilitate shared learnings from our previous experiences; and
> help us to develop the capability of our people to create a stakeholder-centric culture.

OUR APPROACH TO STAKEHOLDER ENGAGEMENT REFLECTS OUR DIVERSE BUSINESS AND ENCOURAGES REGULAR DIALOGUE WITH:

> governments, agencies, and regulators at all levels;
> our securityholders and the investment community;
> local and national media outlets;
> residents, tenants, and customers;
> community groups, community partners, and the local communities in which we operate or have plans to do business with;
> capital and development partners;
> industry; and
> our employees.

GOVERNMENT

We take pride in having a high level of engagement with all tiers of government. We strive to be a trusted partner of governments by coordinating this engagement across the organisation. We do not make donations to politicians or political parties at any level of government.

Federal, state and local governments set the regulatory environment in which we operate. We maintain a bipartisan approach and actively engage with all levels of government about policy decisions in general and those that affect our properties and projects.

During the financial year, we enhanced our internal government relations and stakeholder engagement structures. This included the introduction of state-based government engagement and advocacy plans to guide our engagement with key stakeholders. These plans ensure coordinated, cross-business policy and project advocacy and ensure consistency in our approach to government engagement.

INDUSTRY

We are a member of a number of industry groups and participate in advocacy on issues affecting our industry, as well as those that may affect our properties. We have representatives on a number of national and divisional committees, join briefings and conferences, and attend professional development courses.

In FY22, we focused on a more coordinated approach to our industry engagement. Recognising the importance of the multitude of macro issues affecting the communities in which we operate, this year we also expanded our membership beyond the property industry groups to business groups, ESG-focused organisations, and think-tanks.

COMMUNITY ENGAGEMENT AT HENLEY BROOK, WA

One of the first things we do when planning a future masterplanned communities project is to identify the existing and future connections the area has to its community through focused community engagement. Creating a positive community legacy is at the core of our purpose to *Reimagine Urban Life*, and this early due diligence makes a significant difference to the finished product.

With a focus on respectful development, our team at Henley Brook in Western Australia took a thoughtful approach to engaging with the Traditional Custodians, the Whadjuk-Noongar people, on whose land the project is located.

Guiding the team were three key objectives: to garner an understanding of the cultural heritage of the site and surrounding areas; foster a meaningful relationship with the Traditional Custodians; and to actively listen to see how the project team could achieve a culturally safe and respectful development at Henley Brook.

The engagement process started with a workshop, which gave our team the opportunity to listen to the stories and knowledge of the Traditional Custodians. Their accounts of Elders past and present allowed for a deeper understanding of the local landscape and the abundance of natural resources in the area.

In May this year, we launched the first open space within the development – Wongin Park – which features an Acknowledgement of Country, along with an art display developed in collaboration with a local primary school, Moorditj Noongar Community College. This was just one of the many ideas that stemmed from the initial engagement workshop.

The community engagement at Henley Brook is a leading example of how we build trusted relationships with our important stakeholder groups. It also embodies our Reconciliation Action Plan principle of Respectful Development, which ensures we work to find ways to reflect the local history in our projects.

PLANET

SUSTAINABILITY

Mirvac is one of Australia's most sustainable companies, and the aim of our *This Changes Everything* sustainability strategy is to be a force for good.

This Changes Everything sets out the way we approach our ESG risks and opportunities so that we can continue to deliver positive outcomes for our people, the planet, our partners and customers, and the communities in which we operate.

We focus on what matters most to us and our stakeholders, and we strive to embed the practice of doing the right thing in our culture. Our people are a big part of our success in sustainability, and they feel the authenticity of our sustainability approach is an important factor in their engagement.

The second iteration of our strategy focused on three areas – reimagining resources, enriching communities, and transparent governance. As a result of our choice to do fewer things better, we have made significant progress and achieved some of our key targets well ahead of schedule.

OUR KEY ACHIEVEMENTS

In the past financial year, we have delivered:

> Carbon emissions: net positive in scope 1 and 2 emissions, nine years ahead of our 2030 target.

> Water: released Planet Positive – Water, our plan to be net positive in water well ahead of our 2030 target.

> Waste: our goal is to send zero waste to landfill by 2030. Key to moving towards this target is making improvements upstream in our process to avoid the waste in the first place. We are recycling 94 per cent of construction waste. In operations, our office and retail portfolios have increased waste diversion from 34 per cent in FY13 to 68 per cent in FY22.

> Social procurement: $14m spent with Indigenous businesses, social enterprises, B-Corps, and charities, bringing our total since FY18 to $42m. This means we have met our goal of spending $30m by 2025, three years early.

> Community investment: independently verified contribution of $9.6m to deliver initiatives that bring people together, such as social infrastructure and events - not just within our assets, but within the broader community.

> Social inclusion: the launch of our second Reconciliation Action Plan, which focuses on how we can contribute to reconciliation in Australia, as well as our National Community Day, which saw 750 employees volunteer on 44 community projects across Australia.

These outcomes are planet and people positive, and they are also driving commercial value for our business. We have conducted a study into the value of our energy efficiency efforts, which showed that having 75 per cent of our office assets rated 5 star NABERS Energy or above in our portfolio delivers [1] $2.4m in annual cost savings, and $43m in valuation uplifts, from an average spend maintenance capital expenditure below 0.5 per cent of asset value.

OUR PERFORMANCE IN FY22

ENVIRONMENT

We have one of Australia's greenest office portfolios, with 18 office assets that have a 5 Star NABERS Energy rating or higher, operating assets that are on 100 per cent renewable energy, and high waste diversion rates across construction and operations.

We don't just set ambitious targets in carbon emissions, waste, and water, we also publish transparent plans with clear timelines around how we'll reach these goals. This year, we completed implementation on the first of these plans, Planet Positive – Carbon, and met our goal to be net positive in scope 1 and 2 carbon emissions nine years ahead of our 2030 target. This constituted our most significant environmental achievement.

The framework for our waste strategy was formed through our second plan, Planet Positive – Waste and Materials, which highlighted the importance of the circular economy waste model.

A standout circularity pilot was conducted during the financial year at our development site, 55 Pitt Street in Sydney, where we took approximately 900 cubic metres of furniture and fit-out materials, and diverted it from landfill. This initiative extended the life of more than 1,740 items from the site – worth an estimated $174,000 – which were either relocated, reused, or recycled by local charities, businesses, and homes.

We are on track to procuring 25 per cent recycled content (concrete and steel) and to halving development waste. Since 2013, we've been looking at how we can use methods of Design for Manufacture and Assembly (DFMA) across our projects, which as well as helping us to reduce waste, delivers reduced program schedules, less management of trades onsite, and fewer safety risks. Most recently, 26 homes were constructed using DFMA at Woodlea in Rockbank, Victoria and in 2022, 45 homes at Georges Cove, Moorebank in Sydney.

And in March this year, we released the third in our series of environmental plans, Planet Positive – Water, which sets out how we will reduce and reuse water, as well as influence consumption behaviour, to achieve net positive water ahead of our 2030 target. The plan is focused on three areas:

1. Efficiency – improving water efficiency at our assets (where we have operational control), using the recognised NABERS Water ratings.
2. Offsets – using captured and recycled water at our masterplanned communities projects where we can reduce drinking water demand.
3. Influence – leveraging our materials and electricity procurement volumes and choices to help achieve even more significant water savings.

1. Annual saving and valuation uplift based on office assets under operational management. Office assets with 5 star NABERS Energy or above and average spend maintenance capital expenditure, based on Mirvac's ownership. Further details can be found in "Our Methodology" section of our report, *Building Climate Resilience*.

ENERGY, GHG, WATER, WASTE

Emissions tC02e	FY13	FY20	FY21	FY22	FY22 Source data
Scope 1					
Natural gas	2,697	4,422	4,430	5,028	97,573GJ
Refrigerants	1,383	1,827	1,083	1,311	858kg
Diesel	2,333	1,017	701	677	250,013L
Petrol	646	112	97	87	37,700L
LPG	7	79	31	21	13,380L
Total Scope 1	**7,066**	**7,457**	**6,342**	**7,125**	
Scope 2 (market-based)[1]					
Electricity		44,532	12,660	0	86,289,241 kWh
Total scope 2		**44,532**	**12,660**	0	
Total scope 1+2		**51,989**	**19,002**	**7,125**	
Voluntary carbon offsets		—	—	7,225	
Net scope 1 + 2[2]		51,989	19,002	-100	
Renewable electricity %		45%	84%	100%	
Potable water usage					
Retail	492,216	468,170	406,320	337,166	
Office & Industrial	349,597	436,614	295,338	291,049	
Build to rent				22,609	
Total (kL)	**841,813**	**904,784**	**701,658**	**650,824**	
Total waste					
Construction	35,565	14,387	8,780	7,667	
Investment	12,833	23,939	20,230	17,647	
Total	**48,398**	**38,326**	**29,010**	**25,314**	
Construction				94% Recycled	6% Landfill
Investment				68% Recycled	32% Landfill

1. We began reporting market-based electricity in FY19. Location-based scope 2 and scope 3 emissions are included in the ESG Analyst Toolkit.
2. This means we now offset 100 more tonnes of scope 1 and scope 2 carbon emissions than we emit, meeting our Net Positive Carbon by 2030 target.

MIRVAC'S CLIMATE-RELATED RISKS AND OPPORTUNITIES

This year, we released our fourth climate resilience report which details the ways in which we are addressing our climate-related risks and opportunities, in line with the requirements set out by the Taskforce for Climate-related Financial Disclosures.

This report provides a clear and transparent update on the progress that we have achieved to date, our plans moving forward, as well as an outline of the physical and transition risks and opportunities we face.
The full report can be downloaded here: www.mirvac.com/sustainability

PLANET CONTINUED

SOCIAL

We have a longstanding commitment to measuring our social impact. This includes our voluntary spend on community engagement, community investment, social procurement, community partnerships, and advocacy.

We know that delivering upfront amenity at our assets supports vibrant and thriving communities, and we aim to give back through our annual National Community Day – which ran again in FY22 for the seventh time – and by helping those who are more vulnerable in the communities in which we operate.

We are proud to provide unlimited, fully-paid volunteer leave for all employees, and with recent natural disasters, such as bushfires and floods, our people have stepped up to lend a hand. Together with a corporate donation, and a commitment to quadruple our employee donations, we contributed $115,000 via GIVIT to support people impacted by the 2022 floods.

Since 2018, we have spent $42m in social procurement, exceeding our target to spend $30m by 2025, and putting us well on our way to achieving our goal of directing $100m to the social sector by 2030. This year alone, we spent $14m in social procurement, which includes buying from social enterprises, Indigenous businesses, B-Corps, and charities. In doing so, we are helping to change lives, and with $9.6m spent in verified community investment in FY22, we have been recognised as the number one best workplace to give back by GoodCompany.

Our second Reconciliation Action Plan, which was launched in July last year, provides a framework through which we are working to meaningfully embed reconciliation in the way we do business. As land developers, we have a special opportunity to listen to and recognise First Nations Australians as part of how we build upon the rich histories of the communities in which we work.

In FY22, in line with the Modern Slavery Act 2018, we released our second Modern Slavery Statement that looks at our exposure to one of the worst forms of human rights violations, modern slavery, and where it may be present in our operations and our supply chains. We remain focused on establishing effective governance structures and building our capability to address this important issue.

We are proud of the progressive human rights policies we have in place, including our gender equality focus and our inclusion and diversity policies, and in 2021 we published our first Human Rights Commitment.

FY22 ENRICHING COMMUNITIES

$9,620,691
OF COMMUNITY INVESTMENT
(including $397,260 of management costs)

$7,986,582
CASH DONATIONS

$1,038,139
VALUE OF HOURS OF SUPPORT

BUSINESS FOR SOCIETAL IMPACT
CORPORATE CITIZENSHIP
VERIFIED
2022

$198,710
IN-KIND CONTRIBUTIONS

$646,620
LEVERAGE CONTRIBUTIONS

Artist's impression | The Langlee, Sydney

GOVERNANCE

We recognise the important role we play in making good investment choices, buying better materials and being diligent about the integrity of our supply chain. We're forming partnerships with values-aligned organisations and leveraging our good track record to attract both capital and debt. ESG choices are embedded in our key investment decisions, monitored regularly by several senior oversight groups, and the whole company is held to account on the basis that we're delivering on our ESG promises.

We have maintained excellent ESG disclosures and performance, including an AAA rating from MSCI, an Advanced rating from the United Nations Global Compact, and a Negligible risk rating from Sustainalytics.

We align our targets with the following United Nations Sustainable Development Goals (UNSDG):

This year, we were proud to join 22 of Australia's largest companies in signing up to the new Corporate Emissions Reduction Transparency (CERT) reporting pilot, administered by the Clean Energy Regulator, making it easier to compare carbon and renewable energy targets.

WHAT'S NEXT?

Having reached our goal to be net positive in scope 1 and 2 carbon emissions, as well as our target to triple community investment, both ahead of schedule, we've now taken the opportunity to refresh our ESG strategy and consider where the next set of targets will lead.

After undertaking extensive consultation, both across our business and externally, we identified several ways in which we think we can continue to 'change everything.' This third iteration of *This Changes Everything* brings together our obsession with regenerative cities with the needs of our stakeholders and the capability of our people to focus on our planet, our communities, and our shared values.

The next stage of our strategy will include a sharp focus on scope 3 emissions with a view to collaborating with suppliers and customers to accelerate emissions reduction, as well as a significant step up in our community activities. We anticipate sharing more information about these later in 2022.

We also continue to work on other climate-related activities, such as further strengthening our strategic resilience to the future impacts of climate change through the implementation of the TCFD Framework, and through our in-house minimum design guidelines.

In addition, we are significantly stepping up our social performance with a commitment to create a strong sense of belonging in our communities. We look forward to sharing our progress and impact of this work with our securityholders through a refreshed social performance scorecard in FY23.

HOW WE MEASURE VALUE:

- Water, waste and emissions performance
- MSCI and Sustainalytics ratings
- Social procurement spend
- Community investment delivered

FY22 FINANCIAL AND OPERATIONAL RESULTS

The financial year 2022 (FY22) began under COVID-19-induced lockdowns (particularly in Sydney and Melbourne), which caused significant disruptions to operations across our business, largely concentrated to our CBD-based office and retail assets.

This was followed by extreme wet weather along the eastern seaboard during the second half of the financial year, which impacted project delivery and led to the flooding of Toombul Shopping Centre in Brisbane. In a macro context, global geopolitical instability had (and continues to have) a systemic impact on supply chains and energy costs, leading to accelerated inflation and central banks rapidly tightening monetary policies.

Despite these headwinds, we delivered a strong set of financial results in FY22. Our operating profit increased by 8 per cent to $596m. This translated into earnings of 15.1 cents per stabled security (cpss), which is in line with our market guidance of at least 15.0 cpss.

Key drivers of our operational result were:

> growth in the Integrated Investment Portfolio NOI from newly completed office developments, including Locomotive Workshop, South Eveleigh, Sydney, combined with a lower COVID-19 impact;

> lost NOI due to the disposal of non-core assets, including 340 Adelaide Street, Brisbane in FY21, and Cherrybrook Village, Tramsheds and Quay West Carpark (all in Sydney);

> development profit contribution from the delivery of Locomotive Workshop, South Eveleigh, Sydney and Heritage Lanes, Brisbane; and

> residential settlements of 2,523 lots, which was in line with market guidance.

Statutory profit for the financial year was $906m, a $5m increase on FY21. This was supported by asset revaluations within our office, industrial and retail portfolios of $305m, offset by a $216m write-down of Toombul Shopping Centre.

	FY22 $m	FY21 $m	MOVEMENT $m
Investment EBIT	570	576	(6)
Development EBIT	285	201	84
Segment EBIT	855	777	78
Unallocated overheads	(82)	(73)	(9)
Group operating EBIT	773	704	69
Operating profit after tax	596	550	46
Development revaluation gain	70	121	(51)
Investment property revaluation	305	274	31
Other non-operating items	(65)	(44)	(21)
Statutory profit attributable to stapled securityholder	906	901	5
KEY PERFORMANCE METRICS			
EPS (cpss)	15.1	14.0	1.1
DPS (cpss)	10.2	9.9	0.3
Net tangible assets ($ per stapled security)	2.79	2.67	0.12

CASH FLOW

The Group's operating cash flow in FY22 of $896m was up $261m (or 41 per cent) on FY21, driven by an increase in cash receipts from Commercial & Mixed Use for Locomotive Workshop, South Eveleigh in Sydney and 80 Ann Street, Brisbane, as well as Residential development projects, including receipts predominantly from Victorian MPC and apartments.

Investing cash outflows decreased by $73m to $436m, driven by proceeds from the sale of Cherrybrook Shopping Village, Tramsheds, and Quay West Carpark, all in Sydney, together with the proceeds from the sale of the Tucker Box hotel portfolio.

This was offset by payments for investment properties under construction, including Aspect, Kemps Creek and 55 Pitt Street in Sydney, Flinders West Office and LIV Aston in Melbourne, and 80 Ann Street in Brisbane, along with development contributions for Switchyard Industrial Estate, Auburn in Sydney.

Financing cash outflows were $19m, resulting in a $314m lower net cash outflow compared to FY21, driven by a lower repayment of borrowings. This was offset by higher distributions paid to securityholders during the period.

1. These statements are future looking and based on our reasonable assumptions at the time they were made. They include possible outlooks for our operating environments, but are subject to external factors outside of Mirvac's control.

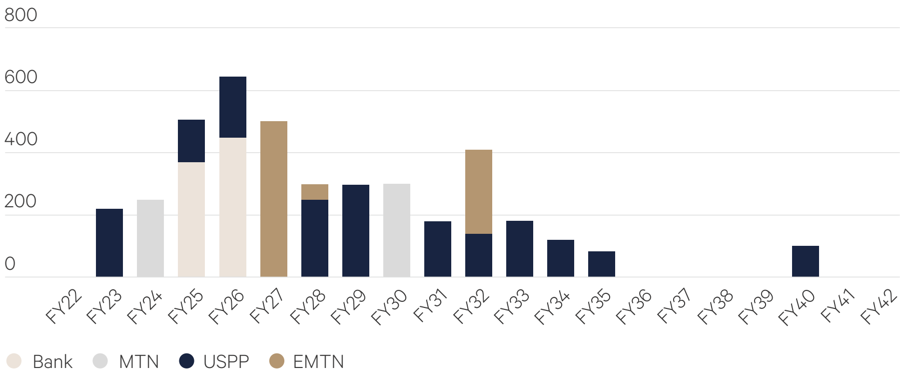
CAPITAL MANAGEMENT

Our approach to capital management in FY22 ensured we maintained ample liquidity and financial flexibility to manage the continuing impacts of COVID-19. Our capital position remains strong, despite the volatility in markets, and we are continuing to deploy capital to advance our record development pipeline for the benefit of securityholders. Key outcomes of our capital management focus in FY22 included:

> a well-diversified maturity profile, which has delivered a weighted average debt maturity of 5.6 years, with only $220m of debt facilities due for repayment in the next 12 months;
> A- and A3 credit ratings with stable outlooks from Fitch Ratings and Moody's Investor Services maintained;
> $1.4bn of cash and undrawn debt facilities at 30 June 2022; and
> gearing at the lower end of our target range of 20-30 per cent.

	FY22	FY21	MOVEMENT
Gearing (%)[1]	21.3	22.8	(1.5)
Liquidity ($m)	1,368	867	501
Weighted average debt maturity (years)	5.6	6.6	(1.0)
Net debt ($m)	3,532	3,582	(50)
Average borrowing rate (% per annum)[2]	3.9	3.4	0.5
Credit rating Fitch Ratings and Moody's Investor Services	A-/A3	A-/A3	—

DRAWN DEBT MATURITIES AS AT 30 JUNE 2022



THIRD-PARTY CAPITAL

During the financial year, third-party capital was introduced to new co-investments in stabilised assets, fund-through structures with development delivery on completion, and full shared development risk. The acquisition by M&G Real Estate (M&G) of a 49.9 per cent interest of 200 George Street, Sydney and the finalisation of M&G's acquisition of Investa Commercial Property Fund's 25 per cent interest in 400 George Street, Sydney facilitated the appointment of Mirvac as trustee, investment and property manager of significant investments. We also entered into an investment management agreement with leading domestic superannuation fund Australian Retirement Trust, commencing management of the $0.8bn direct property portfolio.

Post 30 June 2022, Mirvac secured management rights to the AMP Capital Wholesale Office Fund. The portfolio comprises 11 Prime grade assets concentrated to Sydney and Melbourne. It is expected that we will become trustee by mid-October this year. As a result of the transaction, our third-party capital under management will grow by approximately 75 per cent to approximately $17.9bn.

In the residential business, we entered into a Joint Venture with Supalai Australia Holdings Pty Ltd (Supalai) for the Smiths Lane Project in Melbourne. The Smiths Lane Joint Venture comprises over 2,100 lots and includes parks, public open spaces, and community facilities. Supalai is the Australian arm of Supalai Public Company Limited, a leading Thai real estate development company listed on the Thai Stock Exchange.

Interest and support for our asset creation activities remains positive. This includes the next wave of the commercial and mixed use development pipeline opportunities at 7 Spencer Street, Melbourne, 200 Turbot Street, Brisbane, and 55 Pitt Street, Sydney, allowing considerable opportunities for growth in capital partnership activity.

GROUP OUTLOOK[1]

As we learn to live with COVID-19, uncertainty in macroeconomic and geopolitical environments continue. As demonstrated throughout the pandemic, the quality of our integrated investment portfolio, our reputation as a market-leading residential developer, and the value of our commercial and mixed use development pipeline will enable us to continue our long-term track record of delivering strong returns to securityholders through the cycle.

In FY23, our key strategic priorities are to progress our $12.4bn commercial and mixed use development pipeline, secure strategically aligned capital partnerships, continue to increase our funds under management, and deliver our residential programs and settlements. Of increasing importance in volatile conditions, we will continue to focus on maintaining a disciplined approach to capital management, building a strong balance sheet, protecting our credit rating, and holding sufficient liquidity to capitalise on opportunities as they emerge. We will also target $1.3bn of non-core asset sales, with proceeds supporting the next generation of assets that deliver development profit, generate new recurring income, and improve the quality of our portfolio.

Subject to no material change in the operating environment, the Group is targeting operating earnings in FY23 of at least 15.5 cents per stapled security (cpss)[3] and distributions of at least 10.5cpss.

1. Net debt (at foreign exchange hedged rate) / tangible assets – cash.
2. Reflects average borrowing cost at end of period. Weighted average cost of debt for FY22 was 3.4 per cent (FY21: 3.8 per cent).
3. Assumes a weighted average cost of debt of approximately 4.6 per cent over FY23.

FY22 FINANCIAL AND OPERATIONAL RESULTS CONTINUED

COMMERCIAL & MIXED-USE DEVELOPMENT

We substantially progressed our Commercial & Mixed Use Development pipeline in FY22, completing two major projects – the refurbishment of the Locomotive Workshop, South Eveleigh, Sydney and Heritage Lanes, Brisbane. Profit recognition from these two projects contributed to a higher Commercial and Mixed Use Development EBIT in FY22 compared to FY21, along with valuation gains generated from our retained ownership interest in each.

Our overall development revaluation gain of $70m in FY22 recognises the value created from our development activities, and in FY22 related to the fair value gain on investment properties under construction (namely, Switchyards in Auburn) and the initial fair value uplift from independent valuations of Heritage Lanes and the Locomotive Workshop.

In addition to the completion of Heritage Lanes and the Locomotive Workshop, we advanced a number of key office and mixed use projects. Demolition commenced at 55 Pitt Street in Sydney, with civil works due to commence in 1Q23, and at Harbourside, Sydney, we issued all vacant possession notices, with demolition due to commence in the second half of FY23.

A number of our industrial developments across Sydney progressed, with construction commencing at Switchyard Industrial Estate in Auburn in FY22 (58 per cent pre-committed[1]) and development approval received at Aspect in Kemps Creek (48 per cent pre-committed[1]). At Aspect, we have committed to delivering our first net positive embodied carbon development, with 5 Star and 6 Star Green Star ratings on the first two buildings being targeted. Construction for this estate is expected to commence in 1H23[2].

Further, we have approximately $1bn of build to rent developments under construction, including LIV Anura in Brisbane, LIV Aston and LIV Munro in Melbourne. Construction at LIV Munro (490 apartments) remained on track through FY22, and is expected to complete in 2Q23, and pre-leasing expected to commence in the first quarter of FY23. LIV Anura (396 apartments) and LIV Aston, Melbourne (474 apartments) also continued to progress, and we received planning approval for LIV Albert Fields, Brunswick (474 apartments). When the current development pipeline completes, we will have close to 2,200 apartments across our build to rent platform.

	FY22 $m	FY21 $m	MOVEMENT $m
Commercial & Mixed Use EBIT	90	33	57
Development revaluation gain	70	121	(51)
Total Commercial & Mixed Use return	**160**	**151**	**9**
KEY METRICS			
Total development pipeline[3]	**12,452**	**12,283**	**169**
Committed development pipeline	2,197	1,949	248
Invested capital[4]	195	304	(109)

COMMERCIAL & MIXED USE OUTLOOK[1]

Office

Despite ongoing uncertainty around the impacts of the COVID-19 pandemic, tenant and capital demand for modern, well-located office buildings in CBD locations remains strong, supporting our substantial office and mixed use pipeline. While there is uncertainty around the longer-term impacts of the pandemic and the adoption of hybrid work practices, there is positive tenant enquiry for new office buildings that offer the latest in sustainability, wellness and technology features and facilitate collaboration, and our secured office and mixed use development pipeline is well placed to benefit from this trend.

Industrial

We continue to see strong customer demand for our industrial developments, in a market with ongoing elevated demand and very low vacancy. This strong customer interest continues to support the roll-out of our Sydney-based industrial development pipeline, secured on attractive terms, which includes Switchyard Industrial Estate in Auburn, Aspect Industrial Estate at Kemps Creek, and Elizabeth Enterprise Precinct at Badgery's Creek.

Build to Rent

Metropolitan rental markets continue to rapidly improve, being well timed to match delivery of our secured pipeline of build to rent projects between FY23 and FY25. This is expected to be supported by record low unemployment rates, low rental vacancy, rising levels of migration, and population growth in cities, while broader apartment supply is expected to moderate further.

1. Including non-binding heads of agreements.
2. Subject to factors outside Mirvac's control, such as planning outcomes and market demand.
3. Represents 100 per cent of expected end value/revenue, subject to various factors outside of Mirvac's control, such as planning, market demand and COVID-19 uncertainties.
4. Excludes investment properties under construction.

INTEGRATED INVESTMENT PORTFOLIO

Our high-quality, modern portfolio of assets that require low capital expenditure remained resilient, despite the headwinds caused by COVID-19. Extended lockdowns in the first half of the year impacted our CBD retail assets in particular, however, we saw an uptick in sales and leasing activity as conditions normalised over the second half of the year, supported by the reopening of international and domestic borders, along with strong employment growth. As a result, solid occupancy and a long WALE were maintained, while limited lease expiries have positioned us well for the future. Cash collections also improved in the second half of FY22 to 97 per cent across the portfolio.

EBIT for IIP was down 1 per cent on FY21, as a result of the loss of income at 55 Pitt Street, Harbourside Shopping Centre, and 34 Waterloo Road, Macquarie Park (all in Sydney) due to redevelopment, as well as lower income due to the sale of Tramsheds, Cherrybrook Village and Quay West Car Park (all in Sydney), in addition to the sale of 340 Adelaide Street, Brisbane in FY21. The non-core assets sold in FY22 achieved an average premium to book value of 43 per cent, with the proceeds from these sales to be redeployed into our active development pipeline.

EBIT in FY22 also reflected a $12m COVID-19-related impact (FY21: $20m), largely related to Retail, as well as an increase in management and administration expenses related to the investment in our technology platform.

These losses were offset by income contributions from 477 Collins Street, Melbourne and The Foundry at South Eveleigh, Sydney, increased EBIT at LIV Indigo, and increased asset and funds management EBIT to $33m.

Despite macroeconomic and geopolitical headwinds, strong capital demand supported asset revaluation gains of $305m, and our weighted average capitalisation rate tightened by 17 basis points to 5.00 per cent, with valuation gains of $224m in Office (up 2.9 per cent), $207m in Industrial (up 14 per cent), and a revaluation loss of ($126m) in Retail (down 4.3 per cent), primarily driven by Toombul, Brisbane ($216m net revaluation decrease) following flood impacts in February this year.

	FY22 $m	FY21 $m	MOVEMENT $m
Net operating income	581	581	0
Office	369	366	3
Industrial	*55*	*56*	*(1)*
Retail	*153*	*157*	*(4)*
Build to Rent and other	*4*	*2*	*2*
Assets and funds under management EBIT	33	30	3
Management and administration expenses	(44)	(35)	(9)
Investment EBIT	570	576	(6)
Investment property revaluation [2]	305	274	31
Total Integrated Investment Portfolio return	**875**	**850**	**25**

PORTFOLIO METRICS	FY22	FY21	MOVEMENT
Investment property portfolio value [3] ($m)	13,492	12,379	1,113
Weighted average capitalisation rate (%)	5.00	5.17	(0.17)
Occupancy (%) [4]	97.3	97.4	(0.1)
Cash collection (%)	97	98	(1)
Weighted average lease expiry (years) [5]	5.6	5.6	—
Leasing (sqm)	110,879	144,003	(33,124)

IIP OUTLOOK [1]

Office

Momentum within Australia's major markets continues to improve as we learn to live with COVID-19. Leasing volumes are increasing, and in aggregate, businesses that made leasing decisions through the pandemic have taken more space than they have vacated, and this space has generally been taken in higher quality assets, supporting our view that the flight to quality theme will continue. Our portfolio, which is 99 per cent weighted to Prime assets and has an average age of 9.8 years, is well placed to benefit from this trend.

Industrial

Operating fundamentals remain positive in the industrial sector, with strong occupier demand and tight vacancy resulting in positive rental growth. Capital demand remains firm, with recent transactional evidence supporting a tightening of capitalisation rates across our Industrial portfolio over the past 12 months. Our industrial portfolio, which is 100 per cent occupied and located in Sydney, is expected to benefit from market rent growth and continued capital demand for high quality, well located industrial assets.

Retail

Convenience-based and out-of-trade retail assets continued to show an improvement over the second half of the financial year, supported by a more stable operating environment. CBD-based retail remains a challenge and has been slower to recover from the impact of COVID-19 restrictions, with foot traffic remaining well below pre-COVID-19 levels. Our urban based retail assets are well placed to benefit from the resumption of migration, as well as the normalisation of trading conditions.

Build to Rent

Market conditions across the build to rent sector are buoyant, with residential vacancy nearing 16-year lows and renters expected to be one of the fastest growing cohorts of the residential market. As one of the pioneers of build to rent in Australia, we have benefited from ongoing feedback from our customers at our completed asset, LIV Indigo in Sydney, which reached a stabilised 98 per cent leased in FY22. We expect that this will position us well for the upcoming release of our second build to rent asset, LIV Munro in Melbourne, which is expected to complete in the second quarter of FY23.

1. These statements are future looking and based on our reasonable assumptions at the time they were made. They include possible outlooks for our operating environments, but are subject to external factors outside of Mirvac's control.
2. Excludes development revaluation gain and includes Mirvac's share in the joint ventures and associates (JVA) revaluation of investment properties, which is included within share of net profit of JVAs.
3. Includes investment properties under construction, assets classified as held for sale, Mirvac's share of JVA investment properties, and AASB 16 lease liability gross up amounts.
4. By area, excludes Build to Rent.
5. By income, excludes Build to Rent.

FY22 FINANCIAL AND OPERATIONAL RESULTS CONTINUED

RESIDENTIAL

Residential EBIT in FY22 was higher than FY21, due to settlements of 2,523 residential lots being weighted towards stronger EBIT contributing projects across masterplanned communities (MPC) and apartments. The main contributors were our masterplanned communities at Smiths Lane, Woodlea, Tullamore, and Olivine in Melbourne, along with our apartment project, Voyager, also in Melbourne. In addition to this, Residential EBIT benefitted from a joint venture with Supalai to deliver the Smiths Lane project, which we entered into during the financial year.

Positive sales momentum – particularly at MPC projects in Melbourne in the first half of the year – contributed to 2,898 exchanges in FY22. This was down 17 per cent on FY21, however, represents a normalisation of market conditions following 18 months of unprecedented demand.

Overall, 83 per cent of sales were in MPC, while owner-occupiers continued to represent the largest segment of purchasers at 74 per cent, a testament to our focus on delivering well designed, owner-occupier product.

We released 2,748 residential lots throughout the financial year, with 70 per cent of all released lots pre-sold. This included the launch of six major apartment projects. As a result, our pre-sales increased to $1.6bn[1], providing good visibility of future earnings. Defaults at Voyager in Melbourne resulted in a default rate of 2.7 per cent. Excluding Voyager, defaults remained low at 0.2 per cent.

Our development margin of 25 per cent was above our through-cycle target.

The addition of 1,600 lots to our residential development pipeline, including Cobbitty in Sydney's south-west, supports our future near-term release profile.

RESIDENTIAL OUTLOOK[1]

While market momentum has normalised as a result of rising interest rates and inflation, underlying fundamentals remain strong. This includes low unemployment, above average wage growth, rising overseas migration, tight rental vacancy, low supply, compelling relative affordability of new product, and strong household balance sheets. We continue to experience good demand from owner-occupiers focused on high-quality, well-located, designed product with good amenity.

Against this backdrop, we expect to launch a further six major apartment projects over FY23, including:

- 699 Park Street, Melbourne, a premium offering of 168 apartments overlooking Princes Park;
- the next stage at Yarra's Edge in Melbourne, comprising 191 apartments, and our most premium offering in the precinct to date;
- our newly acquired site on 31 Queens Road, Melbourne, a boutique offering of 110 apartments overlooking Albert Park;
- Isle, the next stage at our premium Waterfront Newstead precinct in Brisbane, comprising 133 apartments;
- O'Connell House, the fourth stage at Ascot Green, comprising 128 apartments; and
- the last stages at NINE by Mirvac, Willoughby, comprising 107 apartments.

This launch profile, complemented by a further release of over 2,000 MPC lots, is expected to elevate pre-sales in the coming years and contribute to future residential earnings.

KEY METRICS	FY22	FY21	MOVEMENT
Residential EBIT ($m)	195	168	27
Lots released	2,748	3,319	(517)
Lots exchanged	2,898	3,375	(477)
Lots settled	2,523	2,526	(3)
Pre-sales secured ($m)	1,635	1,215	420
Defaults (%)	2.7	2.7	—
Gross development margin (%)	25	26	(1)
Pipeline lots	25,352	26,569	(1,217)


Olivine, Donnybrook, Victoria

1. Represents Mirvac's share of total pre-sales and includes GST.
2. These statements are future looking and based on our reasonable assumptions at the time they were made. They include possible outlooks for our operating environments, but are subject to external factors outside of Mirvac's control.

Artist's impression | Isle waterfront, Brisbane

RISK AND RISK MANAGEMENT

RISK GOVERNANCE

The Mirvac Board is responsible for ensuring the effectiveness of Mirvac's risk management framework. This framework outlines our governance, risk appetite, accountability for risk management, and operational resilience, and is consistent with the Australian and New Zealand standard on risk management (ISO 31000:2018).

The Board has charged our leadership team with the responsibility for managing risk across the Group and implementing mitigation strategies under the direction of the CEO & Managing Director, supported by other senior executives. Each business unit is responsible for identifying and managing their risks. An enterprise-wide risk management system is in place to drive consistency in risk recording and reporting.

The Group Risk function is responsible for embedding the risk management framework, advising business units on risk management plans, and consolidating risk reporting to senior executives, the Audit, Risk & Compliance Committee, and the Board. A strong risk management culture is the key element underpinning the risk management framework.

In FY22, we faced a challenging and uncertain operating environment. Global supply chains were disrupted, interest rates and inflation increased, as did geopolitical tensions, competition for talent intensified, climate risks accelerated, and we began learning to live with COVID-19. We will continue to work on positioning the Group for long-term success by managing the risks that have the potential to impact the achievement of our targeted financial outcomes.

The Risk Management Policy is available on our website: https://www.mirvac.com/about/corporate-governance

RISK MANAGEMENT: OUR PRINCIPAL RISKS AND OPPORTUNITIES

A number of the risks and opportunities we face in delivering our strategic plan are set out in the table below. They are largely related to our portfolio of assets and are typical of a property group. These are not the only risks associated with Mirvac. The risks are grouped by theme, rather than order of importance.

KEY RISKS AND OPPORTUNITIES	HOW WE'RE ADDRESSING THEM
INVESTMENT PERFORMANCE	
Our business is impacted by the value of our property portfolio. This can be influenced by many external aspects outside our direct control, including the health of the economy and the strength of the property market.	We collaborate with aligned investors to leverage capability and develop recurring income streams. Prudent capital decisions are based on due diligence and market research to ensure investor confidence is retained. Buying and selling at the right time in the property cycle has enabled us to deliver sustainable returns to our securityholders. We have a disciplined approach to acquisitions, and are mindful of the fundamentals needed to maintain growth through our sustainable and diversified urban-focused business model.
MACRO-ENVIRONMENT	
Mirvac is impacted by changing domestic and international economic and macroprudential and regulatory measures, which impact access to capital, investor activity, and foreign investment.	We monitor a wide range of macro-economic, property market and capital market indicators and use trend analysis to assess macro-economic changes, and we are attentive to these shifts. We maintain a robust balance sheet and appropriate gearing to ensure we can respond to unforeseen economic shocks.
SOCIAL RESPONSIBILITY	
In an Australian context of low institutional trust, we must maintain and enhance trust and reputation to retain a social licence to operate.	We provide consistent, high-quality communication, and transparent and responsible reporting. We have committed to proactively sharing our progress as a business to help us earn and retain trust. We track trust and reputation through stakeholder research and are pleased to see strong results. We provide good earnings visibility, guidance and full disclosure to our securityholders so they can make informed choices.
SUPPLY CHAIN	
With a broad range of suppliers providing an equally diverse range of goods and services, our stakeholders can be directly and indirectly impacted by the practices of our suppliers, and the materials they're supplying.	We have well-established process and oversight bodies to manage key areas, such as modern slavery, worker exploitation, material import risk, high-risk materials, and cyber security. We are elevating our controls to identify and mitigate our exposure to these risks and ensure full compliance to emerging legislation. Supply chain disruption, accelerated by COVID-19, geopolitical tensions, and the impact of cost-escalation and labour shortages in the construction industry, are actively managed through supply continuity plans and alternative supply arrangements.
PLANNING AND REGULATION	
Our activities can be affected by government policies in many ways, from local decisions regarding zoning and developments, right through to the national position on immigration.	We take the lead to have proactive and constructive engagements with all levels of government to ready our business to respond to changing community expectations. Approval timeframes are built into project delivery plans and are actively managed to minimise the impact on returns.

KEY RISKS AND OPPORTUNITIES	HOW WE'RE ADDRESSING THEM
IMPACTS OF CLIMATE CHANGE	
Climate change can not only affect our assets, it can affect our business operations. It is vital that we respond to the implications of climate change by implementing appropriate adaptation and mitigation strategies for the portfolio, as well as building resilience throughout the business.	We regularly assess our portfolio for climate risk and resilience and we report under the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We strive to design developments and major renovations to a high standard for green building and community certifications, as well as energy and water performance ratings. In FY22, we met our ambition to be net positive carbon for our scope 1 and 2 emissions nine years ahead of schedule, and we were the first Australian property company to reach a net positive target.
CAPITAL MANAGEMENT	
Maintaining a diversified capital structure to support delivery of stable investor returns and maintain access to equity and debt funding.	We have a capital management framework that is approved and monitored by the Board. The framework aims to address the market, credit and liquidity risks, while also meeting the Group's strategic objectives. We seek to maintain an investment-grade credit rating of A-/A3 to reduce the cost of capital and diversify our sources of debt capital. Our target gearing ratio is between 20 and 30 per cent.
HEALTH AND SAFETY	
Maintaining the health, safety and wellbeing of our people is our most important duty of care obligation, and critical to our ongoing success.	We continue to pursue safety excellence and to improve the overall wellbeing of our employees, our suppliers, our community, and the environment. During FY22, we continued to strengthen our health and safety practices and culture, while recognising that the ongoing management and response to COVID-19 will continue for the foreseeable future (particularly with respect to mental health).
PEOPLE	
We require a motivated, high-performing, and capable workforce to deliver business strategy and a desired culture.	We focus on having the right culture and capabilities, so that our people are engaged and enabled to deliver on our strategy, particularly in an uncertain and changing operating environment, in which labour markets are currently constrained. We have a range of programs aimed at creating great leaders, growing and retaining key talent, and fostering a diverse and inclusive workplace, and have been defining, measuring and curating our desired culture for some time. Our remuneration strategy is designed to attract the best talent, and motivate and retain individuals, while aligning to the interests of executives, securityholders and community expectations.
DIGITAL DISRUPTION	
Technology is changing our world at a rapid pace. It is important we embrace new digitally-enabled ways of working and enhance customer experiences to maintain relevance and continue to innovate.	A core element of our strategy is understanding and preparing for disruption, and building a resilient business. We are committed to ensuring that we have the right people, processes, and systems to take advantage of disruption and to create a competitive advantage. Our innovation program, Hatch, ensures that we continue to innovate in a meaningful way. We also continue to invest in people and technology to ensure that digital experiences are continually evolving.
BUSINESS RESILIENCE	
It is crucial we have the ability to manage a major incident causing physical or information disruption in a timely and efficient manner, and that we adapt to changes in our operating markets.	We have an embedded operational resilience program that enables the business to effectively manage and continue business-critical processes during an event that impacts the business. This includes breaches to our information systems and/or damage to physical assets that could cause significant damage to our business and reputation.
CYBER RISK	
Cyber security and information privacy are an increasing risk for our business given the dynamic nature of these threats, and the importance of safeguarding intellectual property, Information and Operational Technology systems, contractual agreements, and employee and customer information.	We have a cyber security strategy and framework (which aligns to the National Institute of Standards and Technology cyber security framework) to prevent and detect cyber threats and respond and recover from cyber-related incidents.
KEY PARTNERS	
Our partners play a vital role in our business and our sustained success is driven by the strength of these relationships. It is crucial that we build long-term relationships that are driven by trust, transparency and shared values.	Our partner relationships are based on delivering mutual benefits to all parties. Our value creation model has a focus on trusted partnerships and enables the delivery of our strategy through the partner lens. Fit-for-purpose governance frameworks are in place to manage our capital partnerships.

GOVERNANCE

BOARD OF DIRECTORS

DIRECTORS' EXPERIENCE AND AREAS OF SPECIAL RESPONSIBILITY

The members of the Mirvac Board and their qualifications, experience and responsibilities are set out below:

DR JOHN MULCAHY
PhD (Civil Engineering), FIEAUST, MAICD

Independent Non-Executive Chair

> Chair of the Nomination Committee
> Member of the Audit, Risk and Compliance Committee
> Member of the Human Resources Committee
> Member of the Health, Safety, Environment & Sustainability Committee

John Mulcahy was appointed a Non-Executive Director of Mirvac in November 2009 and the Independent Non-Executive Chair in November 2013. John has more than 30 years of leadership experience in financial services and property investment. John is the former Managing Director and Chief Executive Officer of Suncorp-Metway Limited. Prior to joining Suncorp-Metway, John held a number of senior executive roles at Commonwealth Bank, including Group Executive, Investment and Insurance Services. He also held a number of senior roles during his 14 years at Lend Lease Corporation, including Chief Executive Officer, Lend Lease Property Investment and Chief Executive Officer, Civil and Civic.

John is currently a Director of ALS Limited (formerly Campbell Brothers Limited) (appointed February 2012), Zurich Australian Insurance subsidiaries, Deputy Chair of GWA Group Limited (appointed November 2010) and Chair of ORIX Australia Corporation Limited.

John is a former Director and Chair of Coffey International Limited (September 2009 to January 2016), a former Director of The Shore Foundation Limited and former Guardian of the Future Fund Board of Guardians.

SUSAN LLOYD-HURWITZ
BA (Hons), MBA (Dist)

Chief Executive Officer & Managing Director (CEO/MD) – Executive

Susan Lloyd-Hurwitz was appointed Chief Executive Officer & Managing Director in August 2012 and a Director of Mirvac Board in November 2012.

Prior to this appointment, Susan was Managing Director at LaSalle Investment Management. Susan has also held senior executive positions at MGPA, Macquarie Group and Lend Lease Corporation, working in Australia, the US and Europe.

Susan is the Chair of the Green Building Council of Australia, a Director of the Business Council of Australia, member of the NSW Public Service Commission Advisory Board, a member of the INSEAD Global Board and a Trustee of the Australian Museum Foundation.

Susan holds a Bachelor of Arts (Hons) from the University of Sydney and an MBA (Distinction) from INSEAD (France).

CHRISTINE BARTLETT
BSc, MAICD

Independent Non-Executive

> Chair of the Human Resources Committee
> Member of the Audit, Risk and Compliance Committee
> Member of the Nomination Committee

Christine Bartlett was appointed a Non-Executive Director of Mirvac in December 2014. She is currently a Director of Reliance Worldwide Corporation Limited (appointed November 2019), Sigma Healthcare Limited (appointed March 2016) and TAL Life Limited (appointed January 2017).

Christine is currently a member of the UNSW Australian School of Business Advisory Council.

Christine is a former Director of iCare (February 2018 to February 2021), GBST Holdings Ltd (June 2015 to November 2019) and Director (2007 to 2019) and Chair (2016 to 2019) of The Smith Family.

Christine is an experienced chief executive officer and senior executive, with extensive line management experience gained through roles with IBM, Jones Lang LaSalle and National Australia Bank Limited. Her executive career has included Australian, regional and global responsibilities based in Australia, the USA and Japan. Christine brings a commercial perspective, especially in the areas of financial discipline, identifying risk, complex project management, execution of strategy, fostering innovation and taking advantage of new emerging technologies.

Christine holds a Bachelor of Science from the University of Sydney and has completed senior executive management programs at INSEAD.

JANE HEWITT
BAS Land Economics, MAICD

Independent Non-Executive

> Member of the Audit, Risk and Compliance Committee
> Member of the Health, Safety, Environment & Sustainability Committee

Jane Hewitt was appointed a Non-Executive Director of Mirvac in December 2018. Jane has over 27 years of experience in real estate development and asset management. She founded UniLodge in 1996 and pioneered the corporatisation and professional development and management of student accommodation facilities on and off University campuses in Australia and New Zealand.

As an entrepreneur and founder, Jane has extensive operational experience and a strong track record in developing successful partnerships in real estate and business ventures. She developed UniLodge into an operation with assets of approximately $1 billion.

Since 2012, Jane has worked on a number of non-profit ventures in housing, homelessness and youth disadvantage. She is Chair of the Beacon Foundation and is a board member of the National Housing Investment Finance Corporation.

JAMES M. MILLAR AM
BCom, FCA, FAICD

Independent Non-Executive

> Chair of the Audit, Risk and Compliance Committee
> Member of the Nomination Committee

James M. Millar was appointed a Non-Executive Director of Mirvac in November 2009. He is the former Chief Executive Officer of Ernst & Young (EY) in the Oceania Region, and was a Director on their global board.

James commenced his career in the Insolvency & Reconstruction practice at EY, being involved in a number of sizeable corporate workouts. He has qualifications in both business and accounting.

James is currently the Chair of the Export Finance Australia and Cambooya Pty Ltd, and a Director of Credit Corp Group Limited. James serves a number of charities and is Chair of the Vincent Fairfax Family Foundation and Director of Vincent Fairfax Ethics in Leadership Foundation.

James is a former Director of Forestry Corporation of NSW (February 2013 to June 2022); Macquarie Media Limited (April 2015 to October 2019), Fairfax Media Limited (July 2012 to December 2018), Slater & Gordon Ltd (December 2015 to December 2017) and former Chair of The Smith Family.

SAMANTHA MOSTYN AO

BA, LLB

Independent Non-Executive

- Member of the Human Resources Committee
- Member of the Nomination Committee
- Member of the Health, Safety, Environment & Sustainability Committee

Samantha Mostyn was appointed a Non-Executive Director of Mirvac in March 2015. Samantha is currently a corporate advisor and Director of GO Foundation and Alberts Group.

Samantha has significant experience in the Australian corporate sector both in executive and non-executive capacities, in particular in the areas of human resources, corporate and government affairs, sustainability management and diversity.

Samantha has held senior executive positions including Group Executive Culture and Reputation, IAG and Global Head HR and Culture, Cable & Wireless in London. She serves on the Australian faculty of the Cambridge University Business & Sustainability Leadership Program.

Samantha is a former Director of Virgin Australia Holdings Limited (September 2010 to May 2019), Transurban Holdings Limited (December 2010 to November 2021), Cover-More Group Limited (December 2013 to April 2017), Sydney Theatre Company, National Sustainability Council, National Mental Health Commission, Carriageworks, Sydney Swans, Commissioner with the Australian Football League, Deputy Chair of the Diversity Council of Australia and Chair of an Australian APRA regulated Citibank subsidiary board.

PETER NASH

BComm, FCA, F Fin

Independent Non-Executive

- Member of the Audit, Risk and Compliance Committee
- Member of the Health, Safety, Environment & Sustainability Committee

Peter Nash was appointed a Non-Executive Director of Mirvac in November 2018. Peter is currently the Chair of Johns Lyng Group Limited (appointed October 2017), Director of Westpac Banking Corporation (appointed March 2018), ASX Limited (appointed June 2019), Koorie Heritage Trust and General Sir John Monash Foundation.

Peter was a Senior Partner with KPMG until September 2017, having been admitted to the partnership of KPMG Australia in 1993. He served as the National Chair of KPMG Australia from 2011 until August 2017, where he was responsible for the overall governance and strategic positioning of KPMG in Australia. In this role, Peter also served as a member of KPMG's global and regional boards. Peter's previous positions with KPMG included Regional Head of Audit for Asia Pacific, National Managing Partner for Audit in Australia and Head of KPMG Financial Services.

Peter has worked in geographically diverse and complex operating environments providing advice on a range of topics, including business strategy, risk management, business processes and regulatory change. Peter has also provided financial and commercial advice to many government businesses at both a federal and state level. Peter is a former member of the Business Council of Australia and its Economic and Regulatory Committee.

ROBERT SINDEL

BEng, MBA, GAICD, FIEAust

Independent Non-Executive

- Chair of the Health, Safety, Environment & Sustainability Committee
- Member of the Human Resources Committee
- Member of the Nomination Committee

Robert Sindel was appointed a Non-Executive Director of Mirvac in September 2020. He has 30 years of experience in the construction industry both in Australia and the United Kingdom as well as experience operating in high-risk industries. Most recently, Rob has held roles in senior executive management and leadership, in the building industry supply chain, manufacturing, sales and marketing in business-to-business environments and strategic management.

Robert is currently the Chair of Orora Limited (appointed February 2020), a Non-Executive Director of Boral Limited (appointed September 2020) and is a Member of Australian Business Community Network Foundation (appointed April 2020) and the Yalari NSW Advisory Committee (appointed August 2017).

Rob is the former Managing Director and Chief Executive Officer of CSR Limited (January 2011 to September 2019), a former Member of UNSW Australian School of Business Advisory Council and a former Director of Green Building Council of Australia.

DAMIEN FRAWLEY

Independent Non-Executive

- Member of the Audit Risk and Compliance Committee
- Member of the Human Resources Committee

Damien Frawley was appointed a Non-Executive Director of Mirvac on 1 December 2021. Damien has wide-ranging experience in investment management and asset management in real estate and infrastructure in Australia and offshore as well as public markets.

From 2012 to 2022, Damien was the CEO of Queensland Investment Corporation (QIC), one of Australia's leading investment managers. He has led the Queensland Government-owned global institutional investment manager for the past 9 years, retiring as CEO in 2022.

In June 2022, Damien was appointed as Chair of Host-Plus Pty Limited and Queensland Treasury Corporation Capital Markets.

Damien has over 35 years of experience in the financial services sector, with a strong focus on developing and executing strategy. Prior to his QIC role, Damien was the country head of BlackRock Australia. Damien's career has also included roles at Merrill Lynch Investment Management, Barclays Global Investors and Citibank.

MICHELLE FAVELLE

BBus, FGIA

Company Secretary

Michelle Favelle was appointed as Company Secretary in December 2019, having joined Mirvac in February 2018 as Deputy Group Company Secretary. She has over 20 years of corporate experience and has held a range of governance and company secretary roles in the property, financial services, media and not-for-profit sectors. She holds a Bachelor of Business and is a fellow of the Governance Institute of Australia.

DIRECTORS' REPORT

The Directors of Mirvac Limited present their report, together with the consolidated financial report of Mirvac Group (Mirvac or Group) for the year ended 30 June 2022. Mirvac comprises Mirvac Limited (parent entity) and its controlled entities, which include Mirvac Property Trust and its controlled entities.

PRINCIPAL ACTIVITIES

The principal continuing activities of Mirvac consist of real estate investment, development, third party capital management and property asset management across three segments: Integrated Investment Portfolio, Commercial & Mixed Use and Residential.

DIRECTORS

The Directors of Mirvac in office at any time during the financial year and up to the date of this report together with information on their qualifications and experience are set out on pages 46 to 47. The number of board and board committee meetings held and attended by Directors of which they were members during the year ended 30 June 2022 is detailed below.

REMUNERATION REPORT

The Remuneration report as required under section 300A (1) of the *Corporations Act 2001* is set out on pages 51 to 71 and forms part of the Directors' report.

MEETINGS OF DIRECTORS

The number of Directors' meetings held and attended by each Director during the year ended 30 June 2022 is detailed below:

	Board		Audit, Risk & Compliance Committee[1]		Human Resources Committee[1]		Nomination Committee[1]		Health, Safety, Environment & Sustainability Committee[1]	
Director	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
John Mulcahy (Chair)	13	13	6	6	5	5	5	5	6	6
Susan Lloyd- Hurwitz (CEO/MD)	13	13	—	—	—	—	—	—	—	—
Christine Bartlett	13	13	6	6	5	5	5	5	—	—
Jane Hewitt	13	13	6	6	—	—	—	—	6	6
James M. Millar AM	13	13	6	6	—	—	5	5	—	—
Samantha Mostyn AO	13	12	—	—	5	4	5	5	6	6
Peter Nash	13	13	6	6	—	—	—	—	6	5
Robert Sindel	13	13	—	—	5	5	1	—	6	6
Damien Frawley[2]	6	6	4	4	3	3	—	—	—	—

1. Voluntary attendances at meetings by Directors who were not committee members are not included.
2. Damien Frawley was appointed as Director on 1 December 2021.

OTHER DIRECTORSHIPS

Details of all directorships of other listed companies held by each Director in the three years immediately before 30 June 2022 are as follows:

Director	Company	Date appointed	Date ceased
John Mulcahy	ALS Limited (formerly Campbell Brothers Limited)	February 2012	Current
	GWA Group Limited	November 2010	Current
Susan Lloyd-Hurwitz	Nil		
Christine Bartlett	GBST Holdings Ltd	June 2015	November 2019
	Reliance Worldwide Corporation Limited	November 2019	Current
	Sigma Healthcare Limited	March 2016	Current
Jane Hewitt	Nil		
James M. Millar AM	Credit Corp Group Limited	December 2021	Current
	Macquarie Media Limited	March 2015	October 2019
Samantha Mostyn AO	Transurban Holdings Limited	December 2010	October 2021
Peter Nash	ASX Limited	June 2019	Current
	Johns Lyng Group Limited	October 2017	Current
	Westpac Banking Corporation	March 2018	Current
Robert Sindel	Boral Limited	September 2020	Current
	Orora Limited	March 2019	Current
Damien Frawley[1]	Nil		

1. Damien Frawley was appointed as Director on 1 December 2021.

ACTIVE GOVERNANCE

BOARD GOVERNANCE

Mirvac is committed to ensuring that its operations, procedures and practices reflect high standards of corporate governance, to foster a culture that values ethical behaviour, integrity, and respect. This ensures that Mirvac is well placed to protect the interests of its stakeholders.

In addition to the regular program of meetings, briefings and site tours, the Board continued to strengthen and enhance its corporate governance practices and oversight during FY22 in the following key areas:

Board Succession Planning

Ensuring that the Board maintains the right combination of skills and experience is critical in driving the Group's strategic objectives and to maintaining appropriate oversight of the performance of the business. Accordingly, a comprehensive succession planning program and transitioning of Directors continued with the oversight of the Board and the Nomination Committee during FY22, including:

> the appointment of Damien Frawley as a Non-Executive Director in December 2021, complementing the Board's skills and experience in investment management, asset management, financial services and strategy; and

> continuation of proactive Board succession planning, in particular following the announcement at the 2021 AGM by the Chair of the Board, Dr John Mulcahy that he, and the Chair of the Audit, Risk & Compliance Committee (ARCC), James M. Millar AM, both being the longest serving Directors anticipate retiring from the Board before their next re-election in 2024.

Director Education

As part of ensuring that the Board maintains the right combination of skills and experience, each year the Nomination Committee approves and oversees the continuing professional development programs for Directors. The FY22 education program was developed with reference to the results of the 2021 Board self-evaluation, and focused on health and safety, innovation, digital technology, and corporate culture.

A key component of the Board's FY22 education program was a four-day immersive, future-focused agenda aimed at educating and challenging the Board's thinking about advancements and technologies that might influence how people will live, work and play, and ultimately, Mirvac's strategic ambitions. This program was delivered via a mix of interstate site visits, externally facilitated presentations and interactive workshops, and was attended by Directors and Executive Leadership Team members.

Health and Safety

Established in 2021, the Board's Health, Safety, Environment & Sustainability (HSE&S) Committee has continued to evolve its oversight of the health and safety of Mirvac's people and the key strategies, systems, policies, and practices that are in place in this critically important area. Quarterly site visits and deep dive presentations are an integral part of this Committee's role, which functions to drive health, safety and sustainability outcomes and performance, as well as to demonstrate the practical application of Mirvac's HSE&S policy and culture.

Environment and Sustainability

During FY22, Mirvac continued to deliver on its commitment to have a positive impact on the planet, its people, customers and the communities in which it operates, most notably by achieving its ambitious plan to become net positive in carbon nine years ahead of schedule. During the year, the Board approved Mirvac's Planet Positive Water commitment which sets out how Mirvac will achieve a net positive water target well ahead of its initial 2030 target.

The Board's strong support of these commitments was supplemented by the HSE&S Committee's monitoring and oversight of Mirvac's sustainability strategy and performance reporting, as well as attending site visits and briefings. For example, Mirvac's successful pilot of a waste reduction at its 55 Pitt Street development in Sydney, which was the subject of an HSE&S Committee deep dive briefing, resulted in approximately 900 cubic metres of furniture and fit-out materials diverting from landfill.

Inclusion and Diversity

During FY22 the Human Resources Committee (HRC) maintained oversight of diversity and inclusion initiatives and people metrics, in support of Mirvac's commitment to fostering an inclusive and diverse workplace.

Gender equality remains a clear priority, and as at 30 June 2022, women held 44 per cent of Board positions, exceeding the target of 40 per cent, with 45 per cent of women representing Mirvac's workforce.

Core to Mirvac's overall people strategy is to foster a sense of belonging by broadening the types of diversity we focus on through an inclusive leadership and culture. Following the HRC's review of a refreshed belonging strategy during the year, the Board participated in a new, externally facilitated inclusive leadership program focused on the true themes of inclusion, which will be rolled out to all teams at Mirvac.

COMPLIANCE

Mirvac's governance arrangements and practices met the requirements of the fourth edition of the Australian Securities Exchange (ASX) Corporate Governance Council Corporate Governance Principles and Recommendations (the ASX Principles) during FY22. Further information on our corporate governance policies and practices are contained in our 2022 Corporate Governance Statement located at www.mirvac.com/about/corporate-governance.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

A review of the operations of the Group during the financial year and the results of those operations are detailed in the FY22 Financial and Operational Results section on pages 36 to 40 of the report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Details of the state of affairs of the Group are disclosed on pages 36 to 40. Other than those matters disclosed, there were no significant changes to the state of affairs during the financial year under review that are not otherwise disclosed in this annual report.

EVENTS OCCURRING AFTER THE END OF THE YEAR

On 18 July 2022, the unitholders of AMP Capital Wholesale Office Fund (AWOF) approved a resolution for Mirvac Funds Management Australia Limited to become the trustee of the fund. Effective around mid-October 2022, Mirvac will become the investment manager of AWOF and property manager in respect of AWOF's wholly owned assets. As a result of this appointment, Mirvac's third-party capital under management will grow by $7.7bn. In addition, Mirvac will offer a total of $500m of liquidity with an expectation that this will be utilised within six months of the transition date.

No other events have occurred since the end of the year which have significantly affected or may significantly affect Mirvac's operations, the results of those operations, or Mirvac's state of affairs in future years.

DISTRIBUTIONS

Distributions paid or payable by the Group for the year ended 30 June 2022 were 10.2 cents per stapled security (2021: 9.9 cents per stapled security). Refer to note E1 in the consolidated financial statements.

ENVIRONMENTAL REGULATIONS

Mirvac and its business operations are subject to compliance with both commonwealth and state environment protection legislation. The Board is satisfied that adequate policies and procedures are in place to ensure Mirvac's compliance with the applicable legislation. In addition, Mirvac is also subject to the reporting requirements of the *National Greenhouse and Energy Reporting Act 2007* and *Building Energy Efficiency Disclosure Act 2010*. Mirvac is not aware of any incidents that have resulted in material non-compliance with environmental regulations during the financial year.

TAX GOVERNANCE STATEMENT

Mirvac has adopted the Board of Taxation's Tax Transparency Code (TTC). As part of the TTC, Mirvac has published a Tax governance Statement (TGS) which details Mirvac's corporate structure and tax corporate governance systems. Mirvac's TGS for the year ended 30 June 2022 can be found on Mirvac's website at: www.mirvac.com/about/corporate-governance.

FRAUD, BRIBERY AND CORRUPTION

Mirvac has zero tolerance regarding fraud, bribery and corruption and requires all employees and service providers to adhere to the highest standards of honesty and integrity in the conduct of all its activities. Mirvac will uphold all laws relevant to countering bribery, fraud and corruption in the jurisdictions in which it operates.

Any allegation of a person from within or associated with Mirvac (notwithstanding the capacity in which they are acting), acting in a manner inconsistent with this statement will be treated seriously, regardless of the seniority of those involved. Disciplinary action including dismissal may result. Where it is believed that a criminal offence may have been committed, the police and other relevant bodies may be informed.

NON-AUDIT SERVICES

From time to time, Mirvac may engage its external auditor, PricewaterhouseCoopers, to perform services additional to their statutory audit duties. Details of the amounts paid or payable to PricewaterhouseCoopers for audit and non-audit services provided during the year ended 30 June 2022 are set out in note H4 to the consolidated financial statements.

In accordance with the advice received from the ARCC, the Board is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

> all non-audit services were reviewed by the ARCC to ensure they did not affect the impartiality and objectivity of the auditor; and

> none of the services undermined the general principles relating to auditor independence as set out in Accounting Professional & Ethical Standards 110 *Code of Ethics for Professional Accountants*, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risk and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 72 and forms part of the Directors' report.

ROUNDING OF AMOUNTS

The amounts in the consolidated financial statements have been rounded off to the nearest million (m) dollars in accordance with A*SIC Corporations Instrument 2016/191*.

This statement is made in accordance with a resolution of the Directors.

Susan Lloyd-Hurwitz

Susan Lloyd-Hurwitz Director

Sydney

11 August 2022

REMUNERATION REPORT

1 MESSAGE FROM THE HUMAN RESOURCES COMMITTEE (HRC)

The HRC is pleased to present securityholders with the FY22 Remuneration Report. This report sets out Mirvac's approach to remuneration for its executives and in particular the link between Mirvac's strategy and its remuneration framework, the link between performance and reward, and remuneration outcomes for senior executives. The HRC has oversight of Mirvac's People Strategy, Culture and key Human Resources practices. Mirvac's remuneration framework is an integral component of our People Strategy.

PEOPLE AND CULTURE KEY HIGHLIGHTS

The HRC has for many years recognised Mirvac's culture as a key source of competitive advantage, a differentiator for attracting and retaining the best talent in our sector, and a driver of employee, team and organisational performance. Throughout the COVID-19 pandemic, our purpose, culture, and values have guided our decision making and actions, including our values to 'do the right thing' and to 'put people first'.

Key highlights for the year include:

> Mirvac ranked number one globally in Equileap's Global Report on Gender Equality;
> awarded AFR Boss Best Place to Work for the property sector;
> supported our people through the COVID-19 pandemic, with increased communications and initiatives to support physical and mental wellbeing. This included providing employees with 'Thank You Days', which provided a week of paid leave in recognition of our people's continued hard work and perseverance during a challenging time;
> maintained employee engagement in the top-quartile of companies globally;
> maintained a like-for-like zero gender pay gap for the sixth year in a row;
> maintained female representation above targets, including 44 per cent of senior leadership roles held by women;
> retained 96 per cent of key talent, notwithstanding a highly competitive labour market, and secured preferred candidates for a number of senior General Manager appointments, reflecting the strength of our employer brand in securing top talent;
> supported employees facing cost of living pressures, providing employees earning <$100k with an average remuneration review increase of 5.3 per cent, effective 1 July 2022; and
> refreshed our People Strategy, including updating our talent approach and approving a new Belonging Strategy that aims to maintain our leadership in gender diversity while expanding our focus and initiatives to ensure Mirvac remains a place where everyone belongs.

More on our People Strategy and how this supports Mirvac's performance can be found in the People section, page 24.

Supporting our people through ongoing uncertainty

Our people have shown remarkable strength, resilience and dedication throughout FY22. We are committed to supporting our people, focusing on their wellbeing, resilience and engagement, and continuing – even in lock-down or in a hybrid working environment – to be the #1 employer in our sector and a place where people want to join, grow and belong.

REMUNERATION REPORT

1 MESSAGE FROM THE HUMAN RESOURCES COMMITTEE (HRC) CONTINUED

REMUNERATION OUTCOMES FOR FY22

The remuneration outcomes for FY22 reflect the intended operation of the remuneration framework. At the heart of Mirvac's remuneration framework is our commitment to deliver competitive remuneration for excellent performance in order to attract the best, and motivate and retain talented individuals, while aligning the interests of executives and securityholders. It does this through:

> incentives based on the achievement of financial measures and strategic objectives that reflect key goals critical to sustained organisational success;
> consideration of business and operational risk through the design of performance objectives, clawbacks and the exercise of Board discretion;
> incentives, and a minimum securityholding requirement, that align the interests of executives to those of securityholders;
> vesting periods for deferred incentives that reflect the time horizons over which Mirvac invests, while providing appropriate stretch and incentive for executives;
> best-practice governance and ensuring remuneration outcomes are reasonable taking into account community and stakeholder expectations; and
> target remuneration levels and remuneration outcomes that appropriately reflect the challenge and complexity of being an active developer and of being an integrated and diverse property company.

As in previous years, we have maintained a financial gateway of 90 per cent of budget for the Group STI Pool to open, which the HRC believes is important in aligning financial performance with individual STI outcomes. Pleasingly, the gateway opened for FY22, reflecting the performance of the Group. STI outcomes (detailed pages 55 to 57) reflect financial performance and performance against the non-financial strategic priorities on the Group Scorecard.

The Long-term Performance Plan (LTP) vested at 40 per cent for Executive KMP:

> The relative Total Shareholder Return (TSR) metric did not vest as a result of Mirvac's securityprice performance. While the Board are disappointed with this relative result, the outcome for executives is aligned to securityholders and demonstrates the alignment between performance and reward that our remuneration framework is designed to deliver; and
> The ROIC component vested at 66.67 per cent based on the communicated/approved methodology. The Board determined this vesting outcome for the ROIC component, taking into account the ROIC performance, which exceeded WACC over the three-year performance period (the primary driver of the vesting calculation) and taking into account the outcomes delivered by management over the performance period, including steering Mirvac through the pandemic; protecting the balance sheet; de-risking future earnings; rapid growth of the Build to Rent business and pipeline; and delivering on critical non-financial outcomes over the three-year period, including Mirvac becoming net positive carbon for its scope 1 and 2 emissions nine years early and Mirvac being ranked the Best Place to Work in the property sector.

There were no significant changes made to our remuneration approach in FY22. As always, Mirvac conducts a detailed review of our executive remuneration framework each year. While the Board prefers stability in the framework and avoids one-off retention awards to supplement the approach, we believe a full review ensures the approach remains fit for purpose. Notwithstanding the more challenging trading conditions for FY23, the Board and Management believe that the current STI and LTP design remains fit for purpose, including a financial gateway for the STI plan, use of TSR and ROIC as the LTP measures, and maintaining ROIC exceeding WACC as a key component of our LTP design.

2 WHO IS COVERED BY THIS REPORT

This report covers the key management personnel (KMP) of Mirvac, who are the people responsible for determining and executing Mirvac's strategy. This includes both the Executive KMP (the CEO/MD, CFO and heads of business units who are part of the ELT) as well as Non-Executive Directors.

For FY22, the KMP were:

Non-Executive Directors

John Mulcahy	Chair
Christine Bartlett	Non-Executive Director
Damien Frawley	Non-Executive Director since 1 December 2021
Jane Hewitt	Non-Executive Director
James M. Millar AM	Non-Executive Director
Samantha Mostyn AO	Non-Executive Director
Peter Nash	Non-Executive Director
Robert Sindel	Non-Executive Director

Executive KMP

Susan Lloyd-Hurwitz	CEO/MD
Brett Draffen	Chief Investment Officer
Campbell Hanan	Head of Integrated Investment Portfolio
Stuart Penklis	Head of Residential
Courtenay Smith	CFO

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

REMUNERATION REPORT

3 KEY QUESTIONS

Key questions	Mirvac approach	Further information
REMUNERATION IN FY22		
How is Mirvac's performance reflected in this year's remuneration outcomes?	Mirvac's reward framework aims to align the interests of our employees with those of our securityholders and stakeholders. The remuneration outcomes reflect a pay-for-performance approach that considers a number of factors, including Group, team and individual performance, as well as behaviours that help build and protect Mirvac's culture and reputation. **Short-term**: Mirvac has delivered strong performance with both operating profit and ROIC outperforming targets, and the strategic objectives were either met or exceeded, see pages 55 to 57. A Group operating profit gateway is applied, such that no STI pool is funded unless operating profit is at least 90 per cent of plan. Subject to the gateway being met, the STI pool is funded up to a maximum of 6 per cent of operating profit. The FY22 operating profit was above both the gateway and plan, and the HRC approved a Group STI score of 113 per cent, down from 123 per cent in FY22. **Long-term**: The three-year performance period for the FY20 Long-term Performance Plan (LTP) completed on 30 June 2022. The FY20 LTP was divided into two components, with 40 per cent tested against relative TSR and 60 per cent tested against ROIC, both over a three-year period. Mirvac's absolute TSR performance was below the median of the comparator group and as a result this portion of the award did not vest. The Board determined that the ROIC component of the award has vested at 66.67 per cent taking into account the ROIC performance exceeding WACC over the three-year performance period (the primary driver of the vesting calculation) and the outcomes delivered by management over the performance period, including: steering Mirvac through the pandemic; protecting the balance sheet; de-risking future earnings; rapid growth of the Build to Rent business and pipeline; and delivering on critical non-financial outcomes over the three-year period including Mirvac becoming net positive carbon nine years early and Mirvac being ranked the 'Best Place to Work' in our sector. Total vesting of the FY20 LTP for Executive KMP is 40 per cent.	**Section 4** Page 55
What changes have been made to the remuneration structure in FY22?	**Fixed remuneration**: There were no increases to the fixed remuneration or total target remuneration for any Executive KMP during FY22. **Short-term incentives**: There were no changes to STI methodology. Consistent with prior years, the STI pool has a gateway requirement of Group operating profit being at least 90 per cent of target, and the pool funding is moderated by the Board based on the achievement of a scorecard of strategic objectives. **Long-term incentives**: Following the suspension of the ROIC hurdle for the FY21 LTP award, the Board determined the performance measures for the FY22 LTP award to KMP would revert to relative TSR and ROIC: 40 per cent weighting for relative TSR; and 60 per cent weighting for ROIC. The performance period of the FY22 LTP began on 1 July 2021 and will end on 30 June 2024. **Minimum securityholding requirement**: The minimum securityholding requirement for Non-Executive Directors has increased from 50,000 securities to 100 per cent of base fees. Non-Executive Directors will have three years from their date of appointment to the Board, or for current Non-Executive Directors three years from September 2021, to acquire securities up to the minimum.	**Section 6** Page 58
Are any changes planned for FY23?	**Fixed remuneration**: Stuart Penklis, Head of Residential, has received a fixed pay increase from $800,000 to $950,000 per annum, effective 1 July 2022. While Mirvac generally does not provide year-on-year increases to senior executives' fixed remuneration, the adjustment was made after benchmarking this role relative to both external market and internal peers, and the broader scope of his role. **Variable remuneration**: There are no significant changes planned for FY23. However, in line with previous years, the Board will review and adjust (if necessary) the threshold and stretch performance levels for the performance objectives applicable to the STI and LTP awards.	**Section 6** Page 58

REMUNERATION REPORT

3 KEY QUESTIONS CONTINUED

Key questions	Mirvac approach	Further information
REMUNERATION FRAMEWORK		
Where does Mirvac's remuneration sit relative to the market?	Fixed and variable pay are both aimed at the market median, with remuneration opportunities for outstanding performance extending up to the 75th percentile of the market.	**Section 6** Page 58
What proportion of remuneration is 'at risk'?	The majority of Executive KMP's remuneration is based on performance and is therefore at risk. The remuneration package for the CEO/MD is 70 per cent performance-related pay, and for other Executives the remuneration package is, on average, 58 per cent performance-related pay.	**Section 5** Page 58
Are there any clawback provisions for incentives?	Yes, the Board has the ability to claw back incentives in the event of a material financial misstatement, any misconduct that is, or may be, harmful to the Group, and/or gross negligence.	**Section 6** Page 58
What is Mirvac's minimum securityholding requirement?	The minimum securityholding requirement is: > 150 per cent of fixed remuneration for the CEO/MD; > 100 per cent of fixed remuneration for other Executives; and > 100 per cent of base fees for Non-Executive Directors. Executives have five years from the commencement of their role on the ELT, or for current Executives five years from 1 July 2018, to establish their Mirvac security ownership to the minimum. Non-Executive Directors have three years from their date of appointment to the Board to acquire securities up to the minimum.	**Section 12** Page 67 **Section 16** Page 71
SHORT-TERM INCENTIVES		
Are any STI payments deferred?	Yes, 25 per cent of STI for Executives are awarded as rights over Mirvac securities, half of which vest in one year and half in two years. If the Executive resigns before the vesting period ends, the rights do not vest and are forfeited.	**Section 5** Page 58 **Section 6** Page 60
Are STI payments capped?	Yes, an Executive's STI is capped at double their STI target, achievable only in circumstances of both exceptional individual and Group performance.	**Section 6** Page 59
LONG-TERM INCENTIVES		
What are the performance measures for the LTP plan?	For the FY20 and FY22 LTP awards, performance is measured over a three-year period with 40 per cent of the award subject to relative TSR, and 60 per cent of the award subject to ROIC, with the Board having overarching discretion to ensure vesting outcomes are appropriately aligned to performance. For the FY21 LTP award, performance is measured over the period 1 October 2020 to 30 June 2023 with 100 per cent of the award subject to relative TSR, with the Board having overarching discretion to ensure vesting outcomes are appropriately aligned to performance.	**Section 6** Page 60
Does the LTP have re-testing?	No, there is no re-testing.	**Section 6** Page 60
Are dividends/distributions paid on unvested LTP awards?	No, dividends/distributions are not paid on unvested LTP awards. This ensures that Executives are only rewarded when performance hurdles have been achieved at the end of the performance period.	**Section 6** Page 60
Is the size of LTP grants increased in light of performance conditions?	No, there is no adjustment to reflect the performance conditions. The grant price for allocation purposes is not reduced based on performance conditions. Mirvac uses a 'face value methodology' for allocating performance rights to each Executive KMP, being the average security price for the month leading up to grant, discounted for the assumed value of dividends and distributions not paid during the three-year performance period.	**Section 6** Page 60
Can LTP participants hedge their unvested LTP?	Consistent with the *Corporations Act 2001*, participants are prohibited from hedging their unvested performance rights.	**Section 6** Page 61
Does Mirvac buy securities or issue new securities for security-based awards?	For deferred STI awards, securities are purchased on-market. For LTP awards, the Board has discretion to issue new securities or buy existing securities on-market.	**Section 6** Pages 60 and 61
Does Mirvac issue share options?	No, Mirvac uses performance rights for the deferred STI and LTP awards.	**Section 6** Pages 60 and 61
EXECUTIVE KMP SERVICE AGREEMENTS		
What is the maximum an executive can receive on termination?	Executive KMP termination entitlements are limited to 12 months' fixed remuneration.	**Section 14** Page 69

REMUNERATION REPORT

4 OUR REMUNERATION STRATEGY AND THE LINK TO BUSINESS STRATEGY AND PERFORMANCE

Mirvac's remuneration strategy is designed to support and reinforce its business strategy. The at-risk components of remuneration are tied to measures that reflect the successful execution of our business strategy in both the short and long term.

Our strategic drivers are reflected in STI performance measures and LTP performance measures, so Mirvac's actual performance directly affects what executives are paid.

Our pillars for creating value ...	... are reflected in incentive performance measures	Commentary on actual performance	Achievement
PERFORMANCE FINANCIAL	**LTP PERFORMANCE MEASURES**		
	RELATIVE TOTAL SHAREHOLDER RETURN (TSR) Measures the performance of Mirvac securities over time, relative to other entities in a comparison group.	Mirvac's absolute TSR performance was below the median relative to its comparator group.	Below target
	RETURN ON INVESTED CAPITAL (ROIC) Reflects how efficiently Mirvac is using its assets to generate earnings. It is calculated by dividing Total Return by average Invested Capital over the three-year period.	Mirvac's average annual ROIC was 6.4 per cent over the three-year period.	Within target range
	STI PERFORMANCE MEASURES		
	OPERATING PROFIT Reflects how much revenue the business has generated for the year, less operating costs and represents a key driver of securityholder value.	In FY22, operating profit was $596m up from $550m in FY21.	Within target range
	RETURN ON INVESTED CAPITAL (ROIC) Reflects how efficiently Mirvac is using its capital to generate earnings. It is calculated by dividing Total Return by average Invested Capital.	In FY22, ROIC was 6.9 per cent up from 6.8 per cent in FY21.	Within target range
	OTHER PERFORMANCE MEASURES	**EPS** In FY22 EPS (cpss) was 15.1. **DPS** In FY22 DPS (cpss) was 10.2. **Capital Management** > As at 30 June 2022, weighted average debt maturity of 5.6 years, with only $220m of debt maturing in FY23 and $250m in FY24; > A- and A3 credit ratings with stable outlooks from Fitch Ratings and Moody's Investor Services maintained; > $1.4bn of cash and undrawn debt facilities at 30 June 2022; and > gearing at the lower end of our preferred range of 20-30 per cent. More recently, in July 2022, we were delighted to secure management rights to the AMP Capital Wholesale Office Fund (AWOF), featuring a high-quality office portfolio valued at over $7.7bn. As a result of the transaction, our third-party capital under management will grow to approximately $17.9bn, which is an approximate 75 per cent increase on our funds under management as at 30 June 2022.	Within target range

REMUNERATION REPORT

4 OUR REMUNERATION STRATEGY AND THE LINK TO BUSINESS STRATEGY CONTINUED

Our pillars for creating value ...	... are reflected in incentive performance measures	Commentary on actual performance	Achievement
PLACE **ASSET CREATION AND CURATION**	**STRATEGY EXECUTION** Ensures management delivers on core initiatives relating to Group strategy and operating model. Measures include performance against Group-or divisional-specific initiatives and/or integrated projects.	**Commercial & Mixed Use** > Completed two major projects – the refurbishment of the Locomotive Workshop, South Eveleigh, Sydney and Heritage Lane, Brisbane; and > Advanced key office and mixed use projects at 55 Pitt Street in Sydney and at Harbourside, Sydney. **Integrated Investment Portfolio** > Approximately $13.8bn of assets on our balance sheet across the IIP portfolio; > $10.2bn of external assets and funds under management; and > 5.6 years WALE, 97.3 per cent occupancy and 5.0 WACR. **Residential** > Settlements of 2,523 lots; > Positive sales momentum was demonstrated by 2,898 exchanges; and > Released 2,748 residential lots, with 70 per cent of all released lots pre-sold. As a result, our pre-sales increased to $1.6bn, providing good visibility of future earnings.	Within target range
PEOPLE **PEOPLE, CULTURE AND SAFETY**	**PEOPLE & LEADERSHIP** Have an engaged and motivated workforce with superior skills and capabilities. There is a strong correlation between high levels of employee engagement and a positive culture with securityholder returns. Measures include engagement, key talent retention, gender diversity and flexibility targets.	People & Leadership targets set were either met or exceeded: > ranked number one employer in the world for gender equality by Equileap; > 2022 AFR BOSS Best Places to Work for the Property, Construction and Transport sector; > maintained employee engagement in the top quartile of companies globally; > strong scores on leadership and culture in employee surveys, including 93 per cent favourable score on the statement 'I am proud to work at Mirvac' and 92 per cent of employees happy to recommend Mirvac as a great place to work; > achieved 44 per cent women in senior management; > maintained a zero like-for-like gender pay gap for the sixth year; and > retention of 96 per cent of employees identified as key talent.	Above target
	INNOVATION LEADERSHIP A culture of innovation will drive and safeguard long-term securityholder returns. Measures include performance against agreed innovation missions.	> Young Hearts by Mirvac is an initiative aimed at improving the lives of people with a disability by providing independent living options that meet their life goals. While still in a pilot phase, we seek to leverage our integrated model to deliver innovative and leading-edge specialist disability accommodation, providing a more diversified product offering within our existing communities; and > Introduced a Board of Innovators: a diverse group of innovation ambassadors from across the business who are responsible for analysing key trends and inflection points that could impact our business, and identify pathways to seize significant opportunities.	Within target range

	HSE
	Mirvac is committed to providing a safe workplace for its employees, suppliers and communities.
	Measures include Lost Time Injury Frequency Rate, Critical Injury Frequency Rate, and timely incident reporting.
		> Performance against key metrics:
		  > CIFR of 0.74 against a target of less than 1.5;
		  > LTIFR of 1.18 against a target of less than 2;
		> In our most recent engagement survey, 96 per cent of employees said they believe Mirvac is committed to the safety of employees, and 88 per cent agreed that their manager genuinely cares about their wellbeing;
		> We launched our new 'Work Well, Stay Well' strategy, which includes:
		  > Mental Health First Aid Training with over 70 certified trainers across the business;
		  > the overhaul of our Employee Assistance Program, which included partnering with a new provider, Sonder, provides a range of wellbeing resources and support from a network of trained safety, health and wellbeing specialists 24 hours a day, 365 days a year; and
		> Ongoing COVID-19 response management to safeguard the safety of our people and our stakeholders, and the continuity of our business operations.
			Above target

REMUNERATION REPORT

4 OUR REMUNERATION STRATEGY AND THE LINK TO BUSINESS STRATEGY CONTINUED

Our pillars for creating value ...	... are reflected in incentive performance measures	Commentary on actual performance	Achievement
PARTNERS **CUSTOMERS AND STAKEHOLDERS**	**CUSTOMER & INVESTOR SATISFACTION** Provide customers and investors with an experience that delivers excellence, consistently exceeds expectations and engenders loyalty. Represents how well Mirvac is meeting the expectations of key external stakeholders. Measures include retail customer, office tenant and residential customer satisfaction surveys, as well as qualitative feedback from key institutional investors and third-party capital investors.	Mirvac uses Net Promoter Score (NPS) to measure customer experience at key moments of the customer journey and periodically for ongoing customer relationships. In the first half of FY22, we saw NPS slightly decline in each asset class as a result of the impacts of COVID-19, most notably in Build to Rent. These improved, however, as restrictions were lifted and the experiences we were able to deliver to our customers resumed. Overall, NPS across the business in FY22 was: > +56% Retail consumer; > +40% Office; and > +24% Build to Rent. Within our Residential business, 30 per cent of apartment purchasers in FY22 had bought with Mirvac before, a testament to the care and quality we provide. Read more about Customers and Stakeholders on pages 28 to 31.	Within target range
PLANET **SUSTAINABILITY**	**SUSTAINABILITY** Mirvac's sustainability strategy, *This Changes Everything*, sets out the way we approach our environmental, social and governance (ESG) risks and opportunities so that we can continue to deliver positive outcomes for our people, the planet, our partners and customers, and the communities in which we operate. We focus on six material issues: > Climate change, target: net positive carbon by 2030; > Natural resources, targets: net positive water and zero waste to landfill by 2030; > Our communities, target: net positive legacy; > Social inclusion, target: $100m investment in social sector by 2030; > Our people, target: highly engaged, capable, and diverse workforce; and > Trusted partner, target: most trusted owner and developer.	Achieved a sustainability score of 96 per cent against a hurdle of 80 per cent. Highlights include: > Carbon emissions: net positive in scope 1 and 2 emissions, nine years ahead of our 2030 target; > Water: released Planet Positive – Water, our plan to be net positive in water well ahead of our 2030 target; > Waste: on track to halving development waste and buying 25 per cent recycled content in major materials; > Social procurement: $14m spent with Indigenous businesses, social enterprises, B-Corps, and charities, bringing our total since FY18 to $42m. This means we have met our $30m by 2025 goal, three years early; > Community investment: $9.6m in independently verified investment delivered, which includes initiatives such as social infrastructure and events and activities that bring people together – not just within our assets but within our broader community; > Released our second Modern Slavery Statement; and > Embedded our second Reconciliation Action Plan across Mirvac. Read more about Sustainability at Mirvac on pages 32 to 35.	Above target

	Incentive outcomes
HOW PERFORMANCE DIRECTLY AFFECTS WHAT EXECUTIVES ARE PAID	**LTP OUTCOMES** LTP vesting outcome for Executive KMP in FY22 = 40 per cent **STI OUTCOMES** CEO/MD STI outcome in FY22 = 130 per cent of target Average STI in FY22 for other eligible Executives = 130 per cent of target

REMUNERATION REPORT

5 EXECUTIVE KMP REMUNERATION AT MIRVAC

Mirvac's executive remuneration approach is strongly performance focused. A significant proportion of executive remuneration is based on sustained performance, aligned with the business strategy.

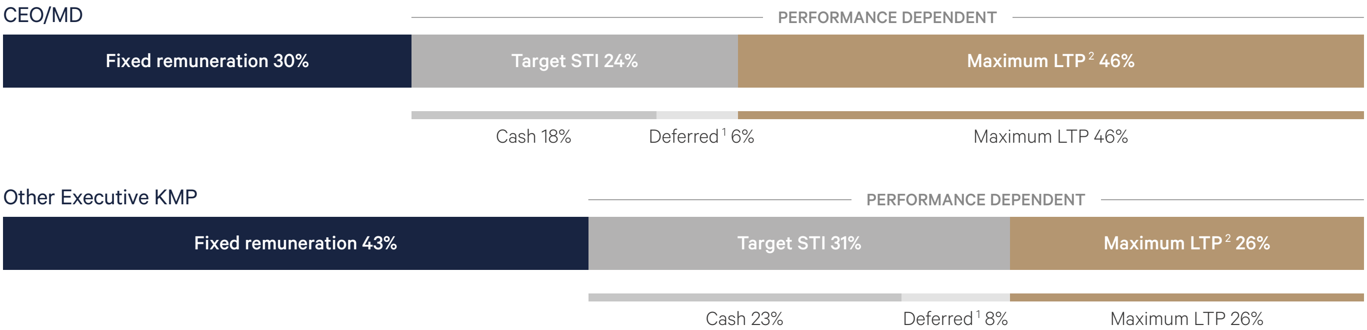
Executive remuneration at Mirvac is:

> performance based:
  > the remuneration package for the CEO/MD is 70 per cent performance related pay;
  > the remuneration package for other Executive KMP is, on average, 58 per cent performance related pay is therefore at risk;
> equity focused:
  > 52 per cent of the CEO/MD's total remuneration is paid in equity;
  > about one-third of other Executive KMP members' total remuneration is paid in equity;
> encouraging an ownership mindset through equity-based incentives (above) and minimum securityholding requirements:
  > the CEO/MD is required to hold 150 per cent of fixed remuneration as Mirvac securities;
  > other Executive KMP are required to hold 100 per cent of their fixed remuneration as Mirvac securities;
> multi-year focused:
  > 50 per cent of STI deferral is subject to a one-year holding lock and the remaining 50 per cent to a two-year holding lock; and
  > LTP performance is measured over a three-year period.

REMUNERATION MIX

The graphs below set out the remuneration structure and mix for the CEO/MD and other Executive KMP members at Mirvac for FY22:

6 HOW REMUNERATION IS STRUCTURED



1. Deferred STI: 50% deferred for 12 months and 50% deferred for 24 months. Subject to clawback.
2. LTP granted as performance rights with performance measured over a three-year period. Subject to clawback.

Mirvac's executive remuneration framework adopts a market positioning strategy designed to attract and retain talented employees, and to reward them for delivering strong performance. The market positioning strategy also supports fair and equitable outcomes among employees.

FIXED REMUNERATION

Fixed remuneration acts as a base-level reward for a competent level of performance. It includes cash salary, compulsory superannuation and any salary-sacrificed items (including fringe benefits tax).

The Board engages its independent remuneration advisor, as needed, to provide external remuneration benchmarking data as input into setting remuneration for Executive KMP, ensuring that remuneration remains competitive. When determining the relevant market for each role, Mirvac considers the companies from which it sources talent, and to whom it could potentially lose talent:

For business roles

> primary comparison group: the A-REIT, plus Lendlease; and
> secondary comparison group: general industry with a similar market capitalisation (50 per cent to 200 per cent of Mirvac's 12-month average market capitalisation).

For corporate roles

> primary comparison group: general industry with a similar market capitalisation (50 per cent to 200 per cent of Mirvac's 12-month average market capitalisation). The use of general industry reflects the greater transferability of skills for these roles; and
> secondary comparison group: specific peers in the A-REIT, plus Lendlease.

REMUNERATION REPORT

6 HOW REMUNERATION IS STRUCTURED CONTINUED

STI: HOW DOES IT WORK?

Purpose

Motivate and reward employees for contributing to the delivery of annual business performance.

Value

	Target	Maximum
CEO/MD	80 per cent of fixed remuneration	160 per cent of fixed remuneration
Other Executive KMP	70-80 per cent of fixed remuneration	140-160 per cent of fixed remuneration

Group STI scorecard/ pool funding

Gateway: Group operating profit must be at least 90 per cent of plan before any STI payments are made.

STI pool funding: Subject to the gateway being met, the STI pool is funded up to a maximum of 6 per cent of operating profit.

Pool moderation: The Board has discretion to moderate the above calculated outcome based on achievement of strategic objectives (see below). The objectives are quantitative in nature and are set in line with the short- and medium-term strategic objectives.

SCORECARD

At the start of the year, a scorecard of objectives is agreed with management. At the end of the year, the Board makes a rigorous assessment, taking into account quantitative and qualitative factors. The Board has discretion to increase or decrease the pool funding taking into account performance against these strategic objectives and the Group's risk framework and tolerance.

Our performance against targets will be disclosed retrospectively as we have done this year on pages 55 and 57, noting that some of the targets for individual strategic objectives are not disclosed as they are commercially sensitive.

Measure	Rationale for using	Measurement
Financial performance	Reflects how much revenue the business has generated for the year, less operating costs, and represents a key driver of securityholder value.	Operating profit AFFO
Capital efficiency	Reflects how efficiently Mirvac is using its capital to generate earnings, and the alignment of business strategy to create sustainable value for securityholders.	ROIC Progress on strategic capital allocation initiatives, and third-party funds under management growth.
Strategy execution and operational excellence	Ensures management delivers on core initiatives relating to Group strategy and operating model.	Measures include performance against Group or divisional specific initiatives and/or integrated projects.
Customer and investor satisfaction	Represents how well Mirvac is meeting the expectations of key external stakeholders.	Measures include retail customer, office tenant and residential customer satisfaction surveys, as well as qualitative feedback from key institutional investors and third-party capital investors.
People & Leadership	There is a strong correlation between high levels of employee engagement and a positive culture with securityholder returns.	Measures include engagement, key talent retention, gender diversity and flexibility targets.
Innovation leadership	A culture of innovation will drive and safeguard long-term securityholder returns.	Measures include performance against agreed innovation missions.
HSE&S leadership	Mirvac is committed to providing a safe workplace for its employees, suppliers and communities and to ensuring its activities do not have an adverse impact on the environment.	Measures include Lost Time Injury Frequency Rate, Critical Incident Frequency Rate, timely incident reporting and sustainability targets.
Risk	Alignment of remuneration/reward and prudent risk-taking. The scorecard includes specific risk objectives and the HRC makes an overall assessment of how each individual ELT member has managed risk before approving individual STI outcomes.	Measures include an assessment of risk culture and compliance (including training and open audit items), with a broad view of risk, including financial and non-financial risks and reputation matters.

Individual performance objectives

Each Executive KMP agrees an individual scorecard of performance objectives at the start of the year against which their performance will be assessed. Individual performance objectives are set based on the specific responsibilities for each role and include specific risk objectives, and an assessment by the HRC at year-end on risk leadership and risk outcomes.

Performance assessment

When determining executive remuneration outcomes, the Board use their judgement and oversight to consider a range of quantitative and qualitative factors to ensure outcomes align to business performance, investor outcomes, and stakeholder expectations.

Individual awards are proposed by the CEO/MD, endorsed by the HRC and approved by the Board. For the CEO/MD, the HRC proposes the STI award for Board approval.

REMUNERATION REPORT

6 HOW REMUNERATION IS STRUCTURED CONTINUED

STI: HOW DOES IT WORK?	
Delivery/deferral	For Executive KMP: > 75 per cent is paid as cash; and > 25 per cent of any STI award is deferred into performance rights over Mirvac securities (granted on the same date as the cash payment is made). The rights vest in two tranches: 50 per cent after one year and 50 per cent after two years. If the deferred rights vest, entitlements are satisfied by the purchase of existing securities on-market. Executives are expected to retain the resulting securities they receive until they satisfy the minimum securityholding guidelines.
Termination/ forfeiture	The deferred portion of a STI award is forfeited if an employee resigns or is dismissed for performance reasons prior to the vesting date. Unvested deferred STI awards may be retained if an employee leaves due to circumstances such as retirement, redundancy, agreed transfer to an investment partner, total and permanent disablement or death.
Clawback policy	The policy gives the Board the ability to claw back incentives in the event of a material financial misstatement, any misconduct that is, or may be, harmful to the Group, and/or gross negligence.
Hedging	Consistent with the *Corporations Act 2001*, participants are prohibited from hedging their unvested performance rights.

LTP: HOW DOES IT WORK?	
Purpose	Assist in attracting and retaining the required executive talent; focus executive attention on driving sustainable long-term growth; and align the interests of executives with those of securityholders.
Value	The maximum LTP opportunity during FY22 was equivalent to: CEO/MD 150 per cent of fixed remuneration Other Executive KMP 50-90 per cent of fixed remuneration
Instrument	Awards under this plan are made in the form of performance rights. A performance right is a right to acquire one fully paid Mirvac security provided a specified performance hurdle is met. No dividends/distributions are paid on unvested LTP awards. This ensures that Executives are only rewarded when performance hurdles have been achieved at the end of the performance period.
Grant value/price	Mirvac uses a 'face value methodology' for allocating performance rights to each Executive KMP, being the average security price for the month leading up to grant, discounted for the assumed value of dividends and distributions not paid during the three-year performance period. The grant price for allocation purposes is not reduced based on performance conditions.
Performance period	Performance is measured over a three-year period. The FY22 grant has a performance period commencing 1 July 2021 and ending 30 June 2024.
Performance hurdle for FY22 grant	The HRC reviews the performance conditions annually to determine the appropriate hurdles based on Mirvac's strategy and prevailing market practice. Two performance measures apply to the LTP grants made during FY22: **Relative TSR**: (40 per cent of the LTP allocation) Relative TSR is used because it is an objective measure of securityholder value creation and is widely understood and accepted by the various key stakeholders. Mirvac's TSR performance is measured relative to a comparison group consisting of Mirvac's primary market competitors (the A-REIT) as this is aligned to the peer group in which we compete for capital. **ROIC**: (60 per cent of the LTP allocation) ROIC is used because it is aligned to Mirvac's strategic drivers, in particular financial performance and capital efficiency. ROIC is calculated as Total Return divided by average Invested Capital. The vesting schedule set out below reflects the Board's view that vesting of the ROIC component ought to commence on the achievement of Mirvac's WACC, the point at which management create value for securityholders, with full vesting on achieving a premium above WACC. The premium to WACC for the ROIC component of the FY22 award was one per cent, which at the time represented both significant stretch and value creation for securityholders. After calculating the outcome based on the vesting schedule detailed below, the Board shall have +/-20 per cent discretion to adjust the vesting outcomes for the ROIC performance hurdle to ensure vesting outcomes reflect management's performance over the performance period.

REMUNERATION REPORT

6 HOW REMUNERATION IS STRUCTURED CONTINUED

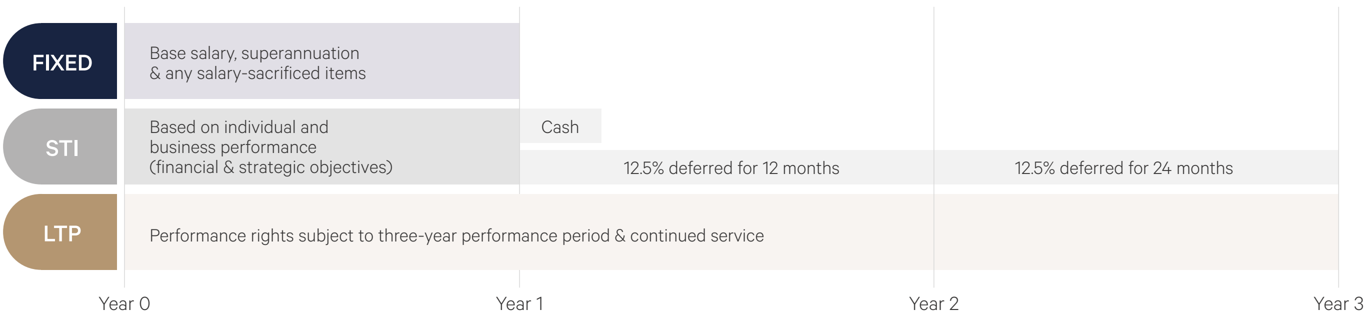
LTP: HOW DOES IT WORK?

Vesting schedule for FY22 grant	Relative TSR		ROIC	
	Relative TSR (percentile)	**Percentage of ROIC-tested rights to vest**	**Average annual ROIC (%)**	**Percentage of ROIC tested rights to vest**
	< 50th	Nil	< WACC	Nil
	50th	50%	Between WACC and WACC + 0.2%	Pro-rata between 0% and 50%
	> 50th to 75th	Pro-rata between 50% and 100%	Between WACC + 0.2% and WACC + 0.4%	Pro-rata between 50% and 75%
	75th and above	100%	Between WACC + 0.4% and WACC + 1.0%	Pro-rata between 75% and 100%
			> WACC + 1.0%	100%

Vesting/delivery	Vesting of LTP grants is dependent on achieving relative TSR performance and ROIC targets over the period 1 July 2021 to 30 June 2024, with the Board having overarching discretion to ensure vesting outcomes are appropriately aligned to performance. The performance rights will automatically exercise if and when the Board determines the performance conditions are achieved. If the performance rights vest, entitlements are satisfied by either an allotment of new securities to participants or by the purchase of existing securities on-market. Any performance rights that do not vest at the end of the performance period will lapse. There is no re-testing. Executive KMP members will be expected to retain the resulting securities until they satisfy the minimum securityholding guidelines.
Termination/ forfeiture	Resignation or dismissal: all unvested performance rights are forfeited. Retirement, redundancy, agreed transfer to an investment partner, total and permanent disablement or death: the HRC determines the number of rights that will lapse or are retained, subject to both the original performance period and hurdles. Change of control event: the Board, in its absolute discretion, determines the number of performance rights that vest, if any, taking into account the performance from the date of grant to the event.
Clawback policy	The policy gives the Board the ability to claw back incentives in the event of a material financial misstatement, any misconduct that is, or may be, harmful to the Group, and/or gross negligence.
Dilution	Dilution that may result from securities being issued under Mirvac's LTP plan is capped at the limit set out in ASIC Class Order 14/1000, which provides that the number of unissued securities under those plans must not exceed 5 per cent of the total number of securities of that class as at the time of the relevant offer.
Hedging	Consistent with the *Corporations Act 2001*, participants are prohibited from hedging their unvested performance rights.

REMUNERATION DELIVERY

The graphs below set out the remuneration structure so that a substantial portion of remuneration is delivered as equity through STI and LTP, encouraging an ownership mindset and aligning the interests of the executives with those of our securityholders:



REMUNERATION REPORT

7 BUSINESS AND EXECUTIVE REMUNERATION OUTCOMES

HOW THE GROUP'S PERFORMANCE HAS TRANSLATED INTO STI AWARDS

Mirvac's financial performance directly affects the STI awards in two ways:

> **Gateway**: Group operating profit must be at least 90 per cent of plan before any STI payments are made; and

> **STI pool funding**: Subject to the gateway being met, the STI pool is funded up to a maximum of 6 per cent of operating profit.

The Board then has discretion to moderate the calculated outcome based on achievement of strategic objectives.

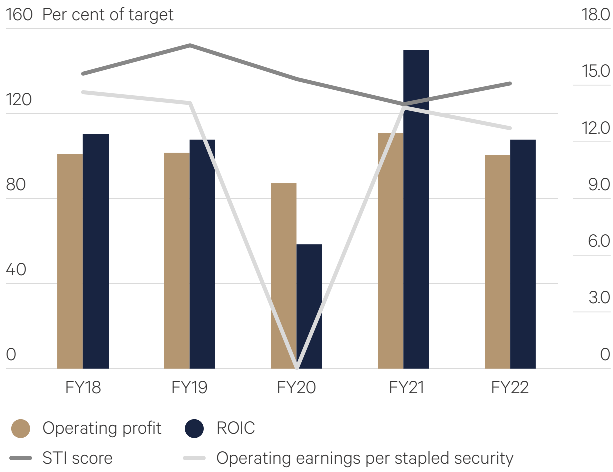
Performance was strong across the Group in FY22, with operating profit outperforming the target set by the Board. The Group's STI scorecard of 113 per cent (of a potential 150 per cent) reflects the strong financial results.

This graph shows how the average STI outcome for all employees has been closely tied to financial performance on operating profit and ROIC.

Financial performance in each case is expressed as a percentage of the business target set for the year, while the STI outcome represents the average STI award to participants that year as a percentage of target.

The diagram below sets out Mirvac's performance and the resulting STI outcomes:

Financial performance vs average STI outcome



GATEWAY ACHIEVED (AT LEAST 90% OF TARGET OPERATING PROFIT ACHIEVED)

OPERATING PROFIT + STRATEGIC OBJECTIVES

STI pool funding: Subject to the gateway being met, the STI pool is funded up to a maximum of 6 per cent of operating profit.

Pool moderation: The HRC can moderate the score, up or down, based on achievement of strategic objectives to ensure STI awards are consistent with Mirvac's remuneration strategy, and is appropriately aligned to business performance, investor outcomes, and stakeholder expectations.

FY22 STI outcome: The HRC approved a Group STI score of 113 per cent of target (from a maximum potential pool of 150 per cent of target). FY22 cash STI pool – $35.8m (6 per cent of Mirvac's operating profit).

Fixed remuneration × Individual STI target × Group STI score (0-150%) × Individual STI score (0-150%) = Individual STI award (capped at 200% of target)

Each Executive KMP is awarded an individual STI score between zero and 150 per cent of their target. Scores are based on an assessment of their performance for the year against their individual objectives.

When determining executive remuneration outcomes, the Board use their judgement and oversight to consider a range of quantitative and qualitative factors to ensure outcomes align to business performance, investor outcomes, and stakeholder expectations.

STEP 1
Calculated STI pool outcomes

STEP 2
Assessment of Group scorecard outcomes

STEP 3
Consider other factors affecting performance that are not reflected in the scorecard

STEP 4
Apply judgement ensuring outcomes align to investor outcomes, stakeholder expectations, Mirvac Values

REMUNERATION REPORT

7 BUSINESS AND EXECUTIVE REMUNERATION OUTCOMES CONTINUED

HOW THE GROUP'S PERFORMANCE HAS TRANSLATED INTO LTP AWARDS

Mirvac's financial and security price performance directly affects the vesting of the LTP awards. For the FY20 award:

> 40 per cent of the LTP is subject to a relative TSR performance measure; and

> 60 per cent is subject to a ROIC performance measure.

Vesting of LTP grants is dependent on achieving relative TSR performance and ROIC targets over a three-year period, with the Board having over-arching discretion to ensure vesting outcomes are appropriately aligned to performance.

In the three years to 30 June 2022:

> Mirvac's absolute TSR performance was below the median of the comparator group and as a result the relative TSR component did not vest;

> the Group's three-year average ROIC performance was 6.4 per cent, exceeding WACC over the same period, with the Board determining that 66.67 per cent of the ROIC component vested; and

> as a result, total vesting of the FY20 LTP for Executive KMP is 40 per cent.

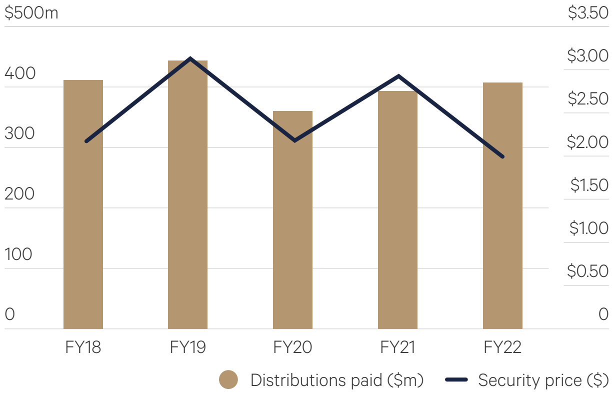
The diagram below sets out the Group's performance and the resulting LTP outcomes for the Executive KMP:

FY20 LTP GRANTS TO ELIGIBLE PARTICIPANTS AND RELATIVE TSR AND ROIC PERFORMANCE HURDLES SET

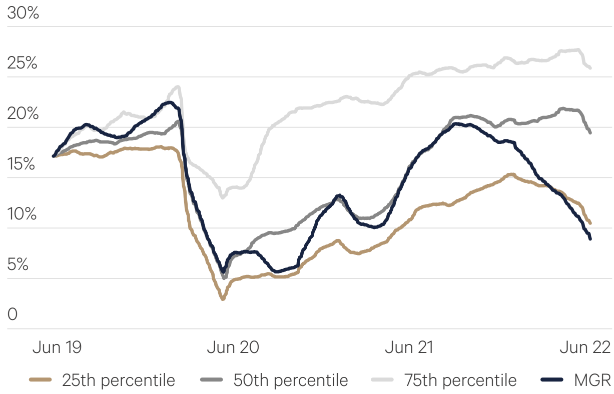
30 June 2022: three-year performance period ends for the FY20 grants and performance is measured for relative TSR and ROIC

RELATIVE TSR

Mirvac's security price & distributions over the past five years



Mirvac's Total Shareholder Return (1 July 2019 – 30 June 2022)



Mirvac's absolute TSR performance was below the median relative to the comparator group.
None of the performance rights linked to the relative TSR measure vested.

+

ROIC

ROIC performance

Performance over the three-year period:

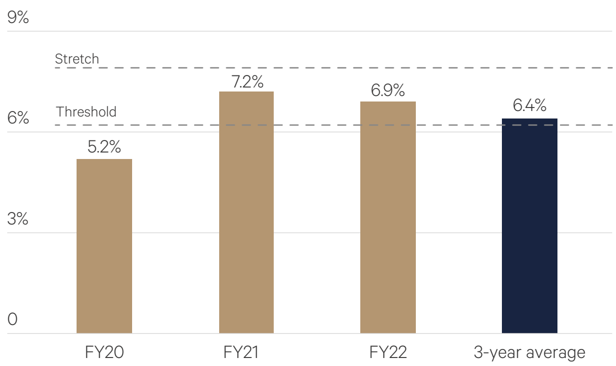
> FY20 performance was significantly impacted by COVID-19 resulting in the threshold performance hurdle not being met;

> FY21 and FY22 performance exceeded the threshold;

> Mirvac's average annual ROIC over the three-year performance period was 6.4 per cent, resulting in the threshold target being exceeded; and

> the WACC methodology used for determining vesting has been independently validated by an independent advisor.

Mirvac's ROIC performance over the three years



66.67 per cent of the performance rights linked to the ROIC measure vested.

=

40 PER CENT OF THE TOTAL FY20 LTP AWARD VESTED FOR EXECUTIVE KMP

REMUNERATION REPORT

7 BUSINESS AND EXECUTIVE REMUNERATION OUTCOMES CONTINUED

EXECUTIVE KMP VESTING OUTCOMES FOR THE PAST THREE YEARS

A summary of vesting under Mirvac's performance-based equity grants that have vested in the last three years is shown in the following table:

Grant year	Performance hurdle	Performance period	Performance period ended	Vested %
FY18	Relative TSR and ROIC	3 years	30 June 2020	43.4
FY19	Relative TSR and ROIC	3 years	30 June 2021	76.0
FY20	Relative TSR and ROIC	3 years	30 June 2022	40.0

PAST FINANCIAL PERFORMANCE

The table below provides summary information on the Group's earnings and securityholders' wealth for the five years to 30 June 2022:

	FY22	FY21	FY20	FY19	FY18
Profit attributable to the stapled securityholders of Mirvac ($m)	**906**	827	558	1,019	1,089
Operating profit ($m)[1]	**596**	550	602	631	608
Distributions paid ($m)	**404**	390	357	440	408
Security price at 30 June ($)	**1.98**	2.92	2.17	3.13	2.17
Statutory EPS – basic (cents)	**23.0**	21.0	14.2	27.6	29.4
Operating earnings per stapled security (EPS) – diluted (cents)	**15.1**	14.0	15.3	17.1	15.6

1. Consistent with the financial statements disclosures, the FY18 operating profit has been updated to $608m as a result of the 1 July 2018 operating profit definition change.

8 SUMMARY OF FY22 REMUNERATION

CEO/MD remuneration	The CEO/MD's remuneration was not changed during FY22. Remuneration for the CEO/MD in the table in section 9 decreased to $3.5m from $5.9m in FY21 due to: > STI at 130 per cent of target for FY22 v 166 per cent of target for FY21; > 40 per cent vesting of the FY20 LTP award v 76 per cent vesting of the FY19 LTP award; and > the decrease in security price ($1.98 at 30 June 2022 v $2.92 at 30 June 2021). The CEO/MD has not had an increase to her fixed remuneration since she commenced in 2012.
Fixed and total target remuneration	There were no increases to the fixed remuneration or total target remuneration for any Executive KMP during FY22.
STI	Strong results across all operating metrics resulted in an above target STI pool of 113 per cent, down from 123 per cent in FY22. The STI pool in FY22 was driven by: > operating profit of $596m outperforming the target set by the Board, up from $550m in FY22; and > strong performance against the scorecard of the strategic objectives (see pages 55 to 57).
LTP	Vesting of LTP grants is dependent on achieving relative TSR performance and ROIC targets over a three-year period, with the Board having over-arching discretion to ensure vesting outcomes are appropriately aligned to performance. The three-year performance period for the FY20 LTP completed on 30 June 2022. Mirvac's absolute TSR performance was below the median of the comparator group and as a result none of the relative TSR component of the award vested. The Board determined that the ROIC component of the award has vested at 66.67 per cent taking into account the ROIC performance exceeding WACC over the three-year performance period (the primary driver of the vesting calculation) and the outcomes delivered by management over the performance period, including: steering Mirvac through the pandemic; protecting the balance sheet; de-risking future earnings; rapid growth of the Build to Rent business and pipeline; and delivering on critical non-financial outcomes over the three-year period, including Mirvac becoming net positive carbon nine years early and Mirvac being ranked the 'Best Place to Work' in our sector. Total vesting of the FY20 LTP for Executive KMP is 40 per cent.
Non-Executive Director fees	No changes.

REMUNERATION REPORT

9 ACTUAL REMUNERATION RECEIVED IN FY22

The following table sets out the actual value of the remuneration received by Executive KMP members during the year.

The figures in this table are different from those shown in the accounting table in section 10, which includes an apportioned accounting value for all unvested STI and LTP grants during the year (some of which remain subject to satisfaction of performance and service conditions and may not ultimately vest). The table below, on the other hand, shows:

> **cash STI**: the cash portion of any STI payments to be made in September 2022 in recognition of performance during FY22;

> **deferred STI vested**: the value of the deferred STI from prior years that vested in FY22 (being the number of rights that vested multiplied by the security price on the vesting date); and

> **LTP vested**: the value of performance rights having a performance period that ended 30 June 2022 (being the number of performance rights that vested multiplied by the security price on 30 June 2022, being the last business day of the performance period).

ACTUAL REMUNERATION RECEIVED IN FY22

	Year	Fixed remuneration[1] $	Cash STI $	Deferred STI vested $	LTP vested $	Other[1] $	Total $
Executive KMP							
Susan Lloyd-Hurwitz	**FY22**	**1,500,000**	**1,169,315**	**193,457**	**610,274**	**24,617**	**3,497,663**
	FY21	1,500,000	1,494,450	330,308	2,573,813	24,648	5,923,219
Brett Draffen	**FY22**	**950,000**	**676,305**	**124,254**	**231,904**	**15,768**	**1,998,231**
	FY21	950,000	946,485	212,148	978,048	21,459	3,108,140
Campbell Hanan[2]	**FY22**	**950,000**	**704,485**	**92,797**	**108,492**	**15,446**	**1,871,220**
	FY21	899,167	828,175	158,439	457,566	15,478	2,358,825
Stuart Penklis	**FY22**	**800,000**	**593,250**	**92,797**	**108,492**	**17,383**	**1,611,922**
	FY21	800,000	697,410	147,106	457,566	12,977	2,115,059
Courtenay Smith[3]	**FY22**	**800,000**	**498,330**	**112,821**	**—**	**12,627**	**1,423,778**
	FY21	252,174	162,842	—	—	4,689	419,705

1. Includes long service leave accrued during the year.
2. Campbell Hanan received a fixed remuneration increase from $800,000 to $950,000 per annum effective 1 October 2020.
3. Courtenay Smith commenced employment with Mirvac as CFO on 8 March 2021.

EXECUTIVE KMP STI AWARDS IN FY22

The following table shows the actual STI outcomes (including any deferred component) for each of the Executive KMP for FY22:

	STI target % of fixed remuneration	STI max % of fixed remuneration	Actual STI % max	STI forfeited % max	Actual STI (total) $
Executive KMP					
Susan Lloyd-Hurwitz	80	160	65	35	1,559,087
Brett Draffen	80	160	59	41	901,740
Campbell Hanan	70	140	71	29	939,313
Stuart Penklis	70	140	71	29	791,000
Courtenay Smith	70	140	59	41	664,440

REMUNERATION REPORT

10 TOTAL REMUNERATION IN FY22

The following statutory table shows the total remuneration for the Executive KMP for FY21 and FY22. These disclosures are calculated in accordance with the accounting standards and accordingly differ from the information presented in the actual remuneration received in FY22 table in section 9.

		Short-term benefits			Post-employment	Security-based payments		Other long-term benefits			
	Year	Cash salary and fees[1] $	Cash STI[2] $	Non-cash benefits[3] $	Super-annuation contributions $	Value of LTP rights[4] $	Value of Deferred STI rights[4] $	Long service leave[5] $	Termination benefits $	Total remuneration $	Performance related remuneration % of total remuneration
Executive KMP											
Susan Lloyd-Hurwitz	**FY22**	**1,476,432**	**1,169,315**	**—**	**23,568**	**1,533,475**	**431,313**	**24,617**	**—**	**4,658,720**	**67%**
	FY21	1,478,306	1,494,450	—	21,694	1,625,342	188,498	24,648	—	4,832,938	68%
Brett Draffen	**FY22**	**917,410**	**676,305**	**9,494**	**23,568**	**718,938**	**314,172**	**15,296**	**—**	**2,675,183**	**64%**
	FY21	919,284	946,485	15,154	21,694	617,630	120,174	15,327	—	2,655,748	63%
Campbell Hanan	**FY22**	**926,432**	**704,485**	**—**	**23,568**	**309,000**	**239,017**	**15,446**	**—**	**2,217,948**	**56%**
	FY21	877,473	828,175	—	21,694	303,942	100,055	15,478	—	2,146,817	57%
Stuart Penklis	**FY22**	**766,696**	**593,250**	**14,453**	**23,568**	**272,617**	**201,278**	**12,666**	**—**	**1,884,528**	**57%**
	FY21	778,306	697,410	—	21,694	288,949	89,117	12,977	—	1,888,453	57%
Courtenay Smith[6]	**FY22**	**765,109**	**498,330**	**11,323**	**23,568**	**142,074**	**209,719**	**12,627**	**—**	**1,662,750**	**51%**
	FY21	242,224	162,842	—	9,950	18,216	72,176	4,689	—	510,097	50%

1. Cash salary and fees includes accrued annual leave paid out as part of salary.
2. Cash STI relates to cash portion of STI awards accrued for the relevant year and payable in September following the end of the relevant financial year.
3. Non-cash benefits include salary-sacrificed benefits and related fringe benefits tax where applicable.
4. Valuation of rights is conducted by an independent advisor. Lower STI values in FY21 is a result of no STI in FY20, therefore no deferral vesting in future periods.
5. Long service leave relates to amounts accrued during the year.
6. Courtenay Smith commenced employment with Mirvac as CFO on 8 March 2021.

11 LTP GRANTS IN FY22

The table below shows LTP grants made during FY22, subject to performance conditions over the performance period 1 July 2021 to 30 June 2024. Accounting standards require the estimated valuation of the grants be recognised over the performance period. The minimum value of the grant is nil if the vesting conditions are not met. The maximum value is based on the estimated fair value calculated at the time of the grant and amortised in accordance with the accounting standard requirements.

Executive KMP	LTP max as a % of fixed remuneration	Performance measure	Number of performance rights granted	Fair value per performance right $	Maximum total value of grant[1] $
Susan Lloyd-Hurwitz		Relative TSR	342,889	1.36	467,015
		ROIC	514,335	1.96	1,008,281
Total	**150**		**857,224**		**1,475,296**
Brett Draffen		Relative TSR	130,298	1.36	177,466
		ROIC	195,447	1.96	383,146
Total	**90**		**325,745**		**560,612**
Campbell Hanan		Relative TSR	72,387	1.36	98,591
		ROIC	108,582	1.96	212,860
Total	**50**		**180,969**		**311,451**
Stuart Penklis		Relative TSR	60,958	1.36	83,025
		ROIC	91,437	1.96	179,249
Total	**50**		**152,395**		**262,274**
Courtenay Smith		Relative TSR	60,958	1.36	83,025
		ROIC	91,437	1.96	179,249
Total	**50**		**152,395**		**262,274**

1. The value of performance rights reflects the fair value at the time of grant. For the LTP grants subject to ROIC, 75 per cent vesting is assumed in the above valuation.

REMUNERATION REPORT

11 LTP GRANTS IN FY22 CONTINUED

Key inputs used in valuing performance rights granted during FY22 were as follows:

Grant date	30 November 2021	Exercise price	$nil
Performance hurdles	Relative TSR and ROIC	Expected life	2.6 years
Performance period start	1 July 2021	Volatility	36.80%
Performance period end	30 June 2024	Risk-free interest rate (per annum)	1.05%
Security price at grant date	$2.86	Dividend/distribution yield (per annum)	3.46%

The valuation of rights is conducted by an independent advisor. The fair value is determined using a Monte-Carlo simulation for the relative TSR component and a Binomial tree methodology for the ROIC component.

12 EQUITY INSTRUMENT DISCLOSURES RELATING TO EXECUTIVE KMP

SECURITYHOLDINGS

Executives are expected to establish and maintain a minimum securityholding (excluding performance rights) to the value of 150 per cent of fixed remuneration for the CEO/MD and 100 per cent of fixed remuneration for all other Executives. Executives have five years from the date they commenced their role on the ELT to build up their securityholding to the expected level.

As at 30 June 2022, the number of ordinary securities in Mirvac held by Executive KMP, including their personally related parties, is set out below:

Executive KMP	Balance 1 July 2021	Changes	Balance 30 June 2022	Value 30 June 2022 $	Minimum securityholding guideline $	Date securityholding to be attained [1]
Susan Lloyd-Hurwitz	5,020,678	44,613	5,065,291	10,029,276	2,250,000	June 2021
Brett Draffen	845,000	195,077	1,040,077	2,059,352	950,000	June 2021
Campbell Hanan	420,344	70,000	490,344	970,881	950,000	June 2021
Stuart Penklis [2]	215,727	126,548	342,275	677,705	800,000	May 2022
Courtenay Smith [3]	—	45,218	45,218	89,532	800,000	March 2026

1. Attainment date is based on the minimum securityholding requirement effective from FY19.
2. Stuart Penklis had met the minimum securityholding guideline based on security price during the year, and is expected to meet the guideline with future vesting and security price growth.
3. Courtenay Smith has five years from the date she commenced in March 2021 to build up her securityholding to the expected level.

OPTIONS

No options (i.e. a right to acquire a security upon payment of an exercise price) were granted as remuneration during FY22 and no unvested or unexercised options are held by Executive KMP as at 30 June 2022.

PERFORMANCE RIGHTS HELD DURING THE YEAR

The number of performance rights in Mirvac held during the year by each Executive KMP, including their personally related parties, is set out below:

		LTP		Deferred STI		
Executive KMP	Balance 1 July 2021	Rights issued	Rights vested/ forfeited relating to performance period ended 30 June 2022	Rights issued	Rights vested/ forfeited	Balance 30 June 2022
Susan Lloyd-Hurwitz	1,850,357	857,224	(770,547)	181,145	(62,398)	2,055,781
Brett Draffen	719,501	325,745	(292,808)	114,725	(40,077)	827,086
Campbell Hanan	381,704	180,969	(136,986)	100,384	(29,931)	496,140
Stuart Penklis	347,790	152,395	(136,986)	84,534	(29,931)	417,802
Courtenay Smith	180,872	152,395	—	19,738	(45,218)	307,787

REMUNERATION REPORT

12 EQUITY INSTRUMENT DISCLOSURES RELATING TO EXECUTIVE KMP CONTINUED

Details of the movement in the number and value of performance rights held by Executive KMP during the year are set out below:

						Vested			Lapsed		
Executive KMP	Plan	Grant date	Number of rights granted	Value at grant date[1] $	Vesting date	Number of rights	% of total grant	Value of rights $	Number of rights	% of total grant	Value of rights $
Susan Lloyd-Hurwitz	STI	30 Sep 19	62,398	176,996	30 Sep 21	62,398	100%	176,996	—	0%	—
	LTP	2 Dec 19	770,547	1,684,444	30 Jun 22	308,219	40%	716,936	462,328	60%	967,508
	LTP	3 Dec 20	1,017,412	1,649,225	30 Jun 23	—		—	—		—
	STI	31 Aug 21	90,573	273,735	31 Aug 22	—		—	—		—
	STI	31 Aug 21	90,572	265,156	31 Aug 22	—		—	—		—
	LTP	30 Nov 21	857,224	1,475,296	30 Jun 24	—		—	—		—
Total			**2,888,726**	**5,524,852**		**370,617**		**893,932**	**462,328**		**967,508**
Brett Draffen	STI	30 Sep 19	40,077	113,681	30 Sep 21	40,077	100%	113,681	—	0%	—
	LTP	2 Dec 19	292,808	640,089	30 Jun 22	117,123	40%	272,435	175,685	60%	367,654
	LTP	3 Dec 20	386,616	626,705	30 Jun 23	—		—	—		—
	STI	31 Aug 21	57,363	173,366	31 Aug 22	—		—	—		—
	STI	31 Aug 21	57,362	167,931	31 Aug 22	—		—	—		—
	LTP	30 Nov 21	325,745	560,612	30 Jun 24	—		—	—		—
Total			**1,159,971**	**2,282,384**		**157,200**		**386,116**	**175,685**		**367,654**
Campbell Hanan	STI	30 Sep 19	29,931	84,901	30 Sep 21	29,931	100%	84,901	—	0%	—
	LTP	2 Dec 19	136,986	299,457	30 Jun 22	54,794	40%	127,454	82,192	60%	172,003
	LTP	3 Dec 20	214,787	348,170	30 Jun 23	—		—	—		—
	STI	31 Aug 21	50,192	151,693	31 Aug 22	—		—	—		—
	STI	31 Aug 21	50,192	146,941	31 Aug 22	—		—	—		—
	LTP	30 Nov 21	180,969	311,451	30 Jun 24	—		—	—		—
Total			**663,057**	**1,342,613**		**84,725**		**212,355**	**82,192**		**172,003**
Stuart Penklis	STI	30 Sep 19	29,931	84,901	30 Sep 21	29,931	100%	84,901	—	0%	—
	LTP	2 Dec 19	136,986	299,457	30 Jun 22	54,794	40%	127,454	82,192	60%	172,003
	LTP	3 Dec 20	180,873	293,195	30 Jun 23	—		—	—		—
	STI	31 Aug 21	42,267	127,742	31 Aug 22	—		—	—		—
	STI	31 Aug 21	42,267	123,740	31 Aug 22	—		—	—		—
	LTP	30 Nov 21	152,395	262,274	30 Jun 24	—		—	—		—
Total			**584,719**	**1,191,309**		**84,725**		**212,355**	**82,192**		**172,003**
Courtenay Smith	STI	26 Mar 21	45,218	106,579	8 Mar 22	45,218	100%	106,579	—	0%	—
	STI	26 Mar 21	45,218	103,233	8 Mar 23	—		—	—		—
	LTP	26 Mar 21	90,436	127,515	30 Jun 23	—		—	—		—
	STI	31 Aug 21	9,869	29,827	31 Aug 22	—		—	—		—
	STI	31 Aug 21	9,869	28,892	31 Aug 22	—		—	—		—
	LTP	30 Nov 21	152,395	262,274	30 Jun 24	—		—	—		—
Total			**353,005**	**658,320**		**45,218**		**106,579**	**—**		**—**

1. The calculation of the value of performance rights used the fair value as determined at the time of grant. For the LTP grants subject to ROIC performance, the initial accounting treatment assumes 75 per cent vesting, which is reflected in the above valuation.

13 OTHER TRANSACTIONS WITH KMP

There are a number of transactions between KMP and the Group. On occasions, Directors and other KMP participate in arrangements available to directly purchase Mirvac developed residential property. These transactions are made on terms equivalent to those that prevail in arm's length transactions and are at market rates.

As set out in the Directors' report, a number of the Directors of Mirvac are also Directors of other companies. On occasions, the Group may purchase goods and services from or supply goods and services to these companies. These transactions are undertaken on normal commercial terms and conditions and the Director or other KMP does not directly influence these transactions.

REMUNERATION REPORT

14 SERVICE AGREEMENTS FOR EXECUTIVE KMP

Each Executive KMP member, including the CEO/MD, has a formal contract, known as a service agreement. These agreements are of a continuing nature and have no fixed term of service.

There were no changes to the service agreements for Executive KMP in FY22.

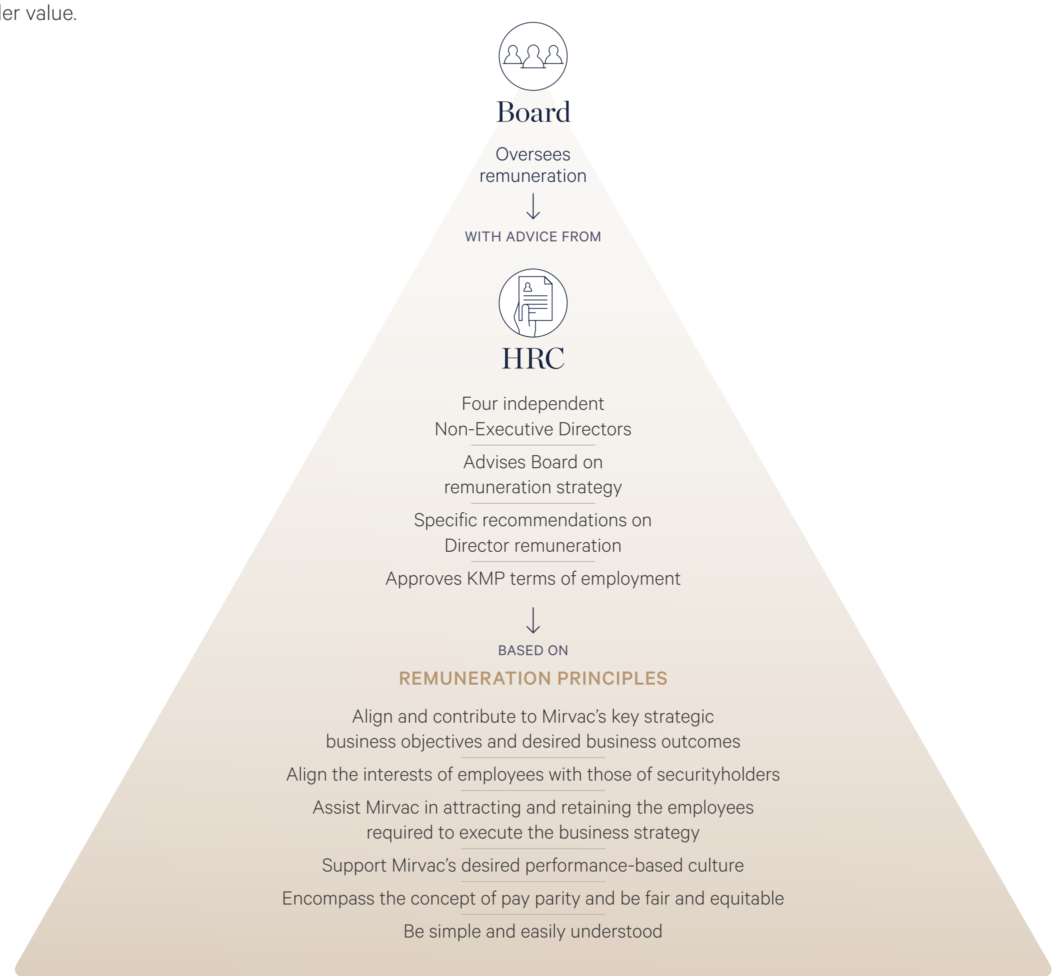
The key terms of the service agreements for the CEO/MD and other Executive KMP members are summarised below:

		Notice period		
	Contract term	Employee	Group	Termination payment[1]
Susan Lloyd-Hurwitz	No fixed term	6 months	6 months	6 months
Other Executive KMP	No fixed term	3 months	3 months	9 months

1. Payable if Mirvac terminates employee with notice, for reasons other than unsatisfactory performance.

15 GOVERNANCE AND HOW REMUNERATION DECISIONS ARE MADE

The Board, the HRC, advisors and management work closely to apply our remuneration principles and ensure our strategy supports sustainable securityholder value.



The HRC has appointed EY as its external remuneration advisor. EY provides both information on current market practice and independent input into key remuneration decisions.

EY's terms of engagement include specific measures designed to protect its independence. To effectively perform its role, EY needs to interact with members of Mirvac management, particularly those in the Human Resources team. However, to ensure independence, members of Mirvac's management are precluded from requesting services that would be considered to be a 'remuneration recommendation' as defined by the *Corporations Act 2001*.

During FY22, the HRC were provided with:

> market remuneration benchmarking and information, used as an input to the annual review of Executive KMP remuneration; and

> regulatory updates and market trend analysis.

No remuneration recommendations were provided by EY or any other advisor during the year.

REMUNERATION REPORT

16 NON-EXECUTIVE DIRECTORS' REMUNERATION

APPROACH TO NON-EXECUTIVE DIRECTOR FEES

In contrast to Executive KMP remuneration, the remuneration of Mirvac's Non-Executive Directors is not linked to performance. This is consistent with Non-Executive Directors being responsible for objective and independent oversight of the Group.

Mirvac Limited's Constitution provides that Non-Executive Directors may determine their own remuneration, but the total amount provided to all Directors (not including the CEO/MD and any other Executive Directors) must not exceed the sum agreed by securityholders at a general meeting.

The maximum aggregate remuneration of $2.25m per annum was approved by securityholders at the 2014 AGM.

Non-Executive Directors have not received any fees other than those described in this section, and do not receive bonuses or any other incentive payments or retirement benefits.

The Non-Executive Directors are reimbursed for expenses properly incurred in performing their duties as a Director of Mirvac.

The schedule of fees for Non-Executive Directors during FY22 is set out in the table below and fees are annual fees, unless otherwise stated:

Board/committee	$
Mirvac Limited and Mirvac Funds Limited Board Chair	480,000[1]
Mirvac Limited and Mirvac Funds Limited Board member	185,000
ARCC, HRC and HSE&E Chair	30,000[2]
Committee member	18,000[3]
Due Diligence Committee (per diem fee)	4,000

1. Chair fee covers all Board and committee responsibilities.
2. The ARCC, HRC and HSE&E Chair fee is in addition to the committee member fee.
3. The single committee fee is paid once for all committee memberships.

ACTUAL REMUNERATION FOR NON-EXECUTIVE DIRECTORS

		Short-term benefits	Post-employment[1]	
	Year	Cash salary and fees $	Superannuation contributions $	Total $
Non-Executive Directors				
John Mulcahy	**FY22**	**456,432**	**23,568**	**480,000**
	FY21	458,306	21,694	480,000
Christine Bartlett[2]	**FY22**	**211,818**	**21,182**	**233,000**
	FY21	202,240	19,213	221,453
Damien Frawley[3]	**FY22**	**107,652**	**10,765**	**118,417**
	FY21	—	—	—
Jane Hewitt	**FY22**	**184,545**	**18,455**	**203,000**
	FY21	185,388	17,612	203,000
James M. Millar AM	**FY22**	**211,818**	**21,182**	**233,000**
	FY21	212,785	20,215	233,000
Samantha Mostyn AO	**FY22**	**184,546**	**18,454**	**203,000**
	FY21	188,911	14,089	203,000
Peter Nash	**FY22**	**199,540**	**3,460**	**203,000**
	FY21	189,791	13,209	203,000
Robert Sindel[4]	**FY22**	**229,028**	**3,972**	**233,000**
	FY21	160,302	15,229	175,531
Total	**FY22**	**1,785,379**	**121,038**	**1,906,417**
	FY21	1,597,723	121,261	1,718,984

1. Relates to payments required under superannuation legislation.
2. Christine Bartlett was appointed Chair of the HRC on 19 November 2020.
3. Damien Frawley joined the Board as a Non-Executive Director on 1 December 2021.
4. Robert Sindel joined the Board as a Non-Executive Director on 1 September 2020, and was appointed Chair of the HSE&E Committee on 15 April 2021.

REMUNERATION REPORT

16 NON-EXECUTIVE DIRECTORS' REMUNERATION CONTINUED

MINIMUM SECURITYHOLDING FOR NON-EXECUTIVE DIRECTORS AND ACTUAL SECURITYHOLDING

In order to further strengthen the alignment of interests between Non-Executive Directors and securityholders, the Board established minimum Mirvac Securityholding Guidelines, which recommend Non-Executive Directors build up to a minimum securityholding level. In December 2017, this minimum securityholding level was increased from 25,000 Mirvac securities to 50,000 Mirvac securities, and in September 2021 this was further increased to 100 per cent of base fees. Non-Executive Directors appointed to the Mirvac Board will have three years to establish their securityholding to the minimum level from their date of appointment, or for Non-Executive Directors who were appointed to the Board prior to FY22 three years from September 2021, to acquire securities up to the minimum.

In addition to this minimum securityholding requirement, in FY18, a voluntary Non-Executive Director Fee Sacrifice Rights Plan was introduced to further encourage Directors to build an ownership stake in Mirvac.

	Balance 1 July 2021	Changes	Balance 30 June 2022	Minimum securityholding requirement $	Date securityholding to be attained
Non-Executive Directors					
John Mulcahy	105,172	—	105,172	480,000	September 2024
Christine Bartlett	65,172	15,000	80,172	185,000	September 2024
Damien Frawley [1]	—	—	—	185,000	December 2024
Jane Hewitt	50,000	20,000	70,000	185,000	September 2024
James M. Millar AM	55,172	—	55,172	185,000	September 2024
Samantha Mostyn AO	74,045	—	74,045	185,000	September 2024
Peter Nash	65,123	17,597	82,720	185,000	September 2024
Robert Sindel	70,000	20,198	90,198	185,000	September 2024

1. Damien Frawley joined the Board as a Non-Executive Director on 1 December 2021.

17 ADDITIONAL REQUIRED DISCLOSURES

OTHER BENEFITS

Fees paid by Mirvac for Directors' and Officers' liability insurance are not itemised for each Director as their disclosure would breach the terms of the policy.

Executives and Directors (including Non-Executive Directors) are entitled to participate in arrangements available to directly purchase Mirvac developed residential property. These transactions are made on terms equivalent to those that prevail in arm's length transactions and are at market rates.

TERMS USED IN THIS REMUNERATION REPORT

Term	Meaning
A-REIT	S&P/ASX 200 Australian Real Estate Investment Trust Index.
Clawback	Mirvac's clawback policy gives the HRC the ability to claw back incentives in the event of a material financial misstatement, for misconduct that is, or may be, harmful to the Group, and/or gross negligence. The clawback provisions apply to unvested STI and LTP awards received after the introduction of the policy in February 2013.
Executive KMP	Includes the CEO/MD, CFO, Chief Investment Officer, Head of Integrated Investment Portfolio and the Head of Residential.
Executives	Members of Mirvac's Executive Leadership Team (including the Executive KMP).
Invested Capital	Invested Capital equals investment properties, inventories and indirect investments, less fund-through adjustments (deferred revenue) and deferred payment for land. Average Invested Capital is the average of the current period and the prior two reporting periods.
KMP	Key management personnel are those people with authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.
Performance right	A right to a Mirvac security at the end of a performance period, subject to the satisfaction of performance measures.
ROIC	ROIC is calculated as Total Return divided by average Invested Capital.
Total Return	Total Return is the profit for the year attributable to securityholders adjusted for development interest costs and other interest costs; net gain or loss on financial instruments; and income tax expense.
TSR	Total Shareholder Return measures the percentage growth in a company's security price together with the value of dividends/distributions received during the period, assuming that all of those dividends/distributions are reinvested into new securities.

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration

As lead auditor for the audit of Mirvac Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mirvac Limited and the entities it controlled during the period.

V. Papageorgiou

Voula Papageorgiou
Partner
PricewaterhouseCoopers

Sydney
11 August 2022

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FINANCIAL REPORT

Mirvac Group comprises Mirvac Limited (ABN 92 003 280 699) and its controlled entities (including Mirvac Property Trust (ARSN 086 780 645) and its controlled entities).

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $m	2021 $m
Revenue	B2	**2,306**	1,808
Other income			
Revaluation of investment properties	C2	**347**	392
Share of net profit of joint ventures and associates	C3	**109**	109
Gain on sale of assets		**16**	2
Gain on financial instruments	B2	**64**	68
Total revenue and other income		**2,842**	2,379
Development expenses		**1,152**	779
Cost of goods sold interest	B3	**24**	17
Inventory write-downs and losses	B3	**15**	12
Selling and marketing expenses		**46**	34
Investment property expenses and outgoings	B3	**212**	200
Depreciation and amortisation expenses		**83**	71
Impairment loss on receivables	B3	**24**	20
Employee and other expenses	B3	**204**	177
Finance costs	B3	**96**	112
Loss on financial instruments	B3	**—**	23
Loss on disposal of assets		**1**	—
Profit before income tax		**985**	934
Income tax expense	B5	**78**	35
Profit from continuing operations		**907**	899
Profit for the year is attributable to:			
Stapled securityholders	B1	**906**	901
Non-controlling interests		**1**	(2)
Other comprehensive income/(loss) that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges	E3	**17**	(16)
Other comprehensive income/(loss) for the year		**17**	(16)
Total comprehensive income for the year		**924**	883
Total comprehensive income for the year is attributable to:			
Stapled securityholders		**923**	885
Non-controlling interests	G3	**1**	(2)
		924	883

Earnings per stapled security (EPS) attributable to stapled securityholders		**Cents**	**Cents**
Basic EPS	H2	**23.0**	22.9
Diluted EPS	H2	**23.0**	22.9

The above consolidated statement of comprehensive income (SoCI) should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	2022 $m	2021 $m
Current assets			
Cash and cash equivalents		**558**	117
Receivables	F1	**144**	117
Inventories	C4	**622**	632
Derivative financial assets	D4	**63**	—
Other assets		**42**	43
Assets classified as held for sale	C2	**—**	133
Total current assets		**1,429**	1,042
Non-current assets			
Receivables	F1	**30**	97
Inventories	C4	**1,639**	1,461
Investment properties	C2	**12,189**	11,821
Investments in joint ventures and associates	C3	**1,481**	783
Derivative financial assets	D4	**178**	248
Other financial assets	F2	**73**	78
Other assets		**49**	222
Property, plant and equipment		**13**	11
Right-of-use assets	F6	**28**	17
Intangible assets	F3	**79**	78
Deferred tax assets	B5	**17**	55
Total non-current assets		**15,776**	14,871
Total assets		**17,205**	15,913
Current liabilities			
Payables	F4	**730**	503
Deferred revenue	B2	**17**	54
Borrowings	D2	**281**	—
Derivative financial liabilities	D4	**—**	5
Lease liabilities	D2	**8**	4
Provisions	F5	**232**	223
Current tax liabilities	B5	**42**	—
Total current liabilities		**1,310**	789
Non-current liabilities			
Payables	F4	**571**	367
Deferred revenue	B2	**3**	1
Borrowings	D2	**3,930**	3,922
Lease liabilities	D2	**72**	64
Derivative financial liabilities	D4	**116**	99
Provisions	F5	**11**	12
Total non-current liabilities		**4,703**	4,465
Total liabilities		**6,013**	5,254
Net assets		**11,192**	10,659
Equity			
Contributed equity	E2	**7,527**	7,510
Reserves	E3	**23**	13
Retained earnings		**3,576**	3,070
Total equity attributable to the stapled securityholders		**11,126**	10,593
Non-controlling interests	G3	**66**	66
Total equity		**11,192**	10,659

The above consolidated statement of financial position (SoFP) should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

		Attributable to stapled securityholders					
	Note	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interests $m	Total equity $m
Balance 30 June 2020		7,503	28	2,559	10,090	51	10,141
Profit for the year		—	—	901	901	(2)	899
Other comprehensive loss for the year		—	(16)	—	(16)	—	(16)
Total comprehensive income for the year		—	(16)	901	885	(2)	883
Transactions with owners of the Group							
Security-based payments							
Expense recognised – EEP	E2	1	—	—	1	—	1
Expense recognised – LTI and STI	E4	—	9	—	9	—	9
LTI vested	E2/E4	6	(7)	—	(1)	—	(1)
STI vested	E4	—	(1)	—	(1)	—	(1)
Distributions	E1	—	—	(390)	(390)	—	(390)
Non-controlling interests of subsidiary	G3	—	—	—	—	17	17
Total transactions with owners of the Group		7	1	(390)	(382)	17	(365)
Balance 30 June 2021		7,510	13	3,070	10,593	66	10,659
Balance 1 July 2021		**7,510**	**13**	**3,070**	**10,593**	**66**	**10,659**
Profit for the year		**—**	**—**	**906**	**906**	**1**	**907**
Other comprehensive income for the year		**—**	**17**	**—**	**17**	**—**	**17**
Total comprehensive income for the year		**—**	**17**	**906**	**923**	**1**	**924**
Transactions with owners of the Group							
Security-based payments							
Expense recognised – EEP	E2	**1**	**—**	**—**	**1**	**—**	**1**
Expense recognised – LTI and STI	E4	**—**	**13**	**—**	**13**	**—**	**13**
LTI vested	E2/E4	**15**	**(15)**	**—**	**—**	**—**	**—**
STI vested	E4	**—**	**(1)**	**—**	**(1)**	**—**	**(1)**
Legacy schemes vested	E2	**1**	**—**	**—**	**1**	**—**	**1**
Transfer from SBP reserve for unvested awards	E4	**—**	**(4)**	**4**	**—**	**—**	**—**
Distributions	E1	**—**	**—**	**(404)**	**(404)**	**—**	**(404)**
Non-controlling interests of subsidiary	G3	**—**	**—**	**—**	**—**	**(1)**	**(1)**
Total transactions with owners of the Group		**17**	**(7)**	**(400)**	**(390)**	**(1)**	**(391)**
Balance 30 June 2022		**7,527**	**23**	**3,576**	**11,126**	**66**	**11,192**

The above consolidated statement of changes in equity (SoCE) should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $m	2021 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**2,461**	2,221
Payments to suppliers and employees (inclusive of GST)		**(1,531)**	(1,533)
		930	688
Interest received		**6**	6
Distributions received from joint ventures and associates		**95**	84
Distributions received		**1**	1
Interest paid		**(130)**	(144)
Income tax paid		**(6)**	—
Net cash inflows from operating activities	D3	**896**	635
Cash flows from investing activities			
Payments for investment properties		**(792)**	(631)
Proceeds from sale of investment properties		**231**	85
Repayments of loans from unrelated parties		**22**	51
Payments for property, plant and equipment		**(7)**	(3)
Contributions to joint ventures		**(70)**	(12)
Proceeds from joint ventures and associates		**163**	5
Payments for software under development		**(1)**	(2)
Proceeds from/(payments for) investments		**9**	(2)
Proceeds from acquisitions of subsidiary, net of cash acquired	G4	**11**	—
Deconsolidation of cash and cash equivalents upon disposal of controlled entities	G4	**(2)**	—
Net cash outflows from investing activities		**(436)**	(509)
Cash flows from financing activities			
Proceeds from borrowings		**1,711**	2,224
Repayments of borrowings		**(1,320)**	(2,264)
Distributions paid		**(402)**	(307)
Proceeds from stapled securities issued		**—**	1
Proceeds from non-controlling interests		**—**	17
Distributions paid to non-controlling interests		**(1)**	—
Principal element of lease payments		**(7)**	(4)
Net cash outflows from financing activities		**(19)**	(333)
Net increase/(decrease) in cash and cash equivalents		**441**	(207)
Cash and cash equivalents at the beginning of the year		**117**	324
Cash and cash equivalents at the end of the year		**558**	117

The above consolidated statement of cash flows (SoCF) should be read in conjunction with the accompanying notes.

A BASIS OF PREPARATION

MIRVAC GROUP – STAPLED SECURITIES

A Mirvac Group stapled security comprises one Mirvac Limited share 'stapled' to one unit in Mirvac Property Trust (MPT) to create a single listed security traded on the ASX. The stapled securities cannot be traded or dealt with separately. Mirvac Limited (the deemed parent entity) and Mirvac Funds Limited (as responsible entity for MPT) have common directors and operate as Mirvac Group. Mirvac Limited and MPT have a Deed of Cooperation to recharge each other on a cost recovery basis, where permitted by law, to maintain the best interests of Mirvac as a whole.

The stapled security structure will cease to operate on the first of:

> Mirvac Limited or MPT resolving by special resolution in a general meeting, and in accordance with its Constitution, to terminate the stapled security structure; or

> Mirvac Limited or MPT commencing winding up.

The ASX reserves the right (but without limiting its absolute discretion) to remove entities with stapled securities from the official list if their securities cease to be stapled together, or either one or more stapled entities issues any equity securities of the same class that are not stapled.

Mirvac Limited and MPT remain separate legal entities in accordance with the *Corporations Act 2001*. For accounting purposes, Mirvac Limited has been deemed the parent entity of MPT.

STATEMENT OF COMPLIANCE

These consolidated financial statements are general purpose financial statements. They have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001* and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

BASIS OF PREPARATION

Mirvac Group is a for-profit entity for the purposes of preparing the financial statements.

These financial statements have been prepared on a going concern basis, using historical cost conventions except for investment properties, investment properties under construction (IPUC), derivative financial instruments and other financial assets and financial liabilities which have been measured at fair value.

All figures in the financial statements are presented in Australian dollars and have been rounded to the nearest million (m) dollars in accordance with *ASIC Corporations Instrument 2016/191*, unless otherwise indicated.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires estimation and judgement. The areas involving a higher degree of estimation or judgement are discussed in the following notes:

	Note
Revenue	B2
Income tax	B5
Investment properties	C2
Investments in joint ventures and associates	C3
Inventories	C4
Fair value measurement of financial instruments	D6
Security-based payments	E4
Intangible assets	F3

COMPARATIVE INFORMATION

Where necessary, comparative information has been restated to conform to the current year's disclosures.

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

Amended standards and interpretations adopted by the Group for the year ended 30 June 2022 have not had a significant impact on the current period or any prior period and are not likely to have a significant impact in future periods. These are listed below:

> AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2* [AASB 4, AASB 7, AASB 9, AASB 16 & AASB 139].

> AASB 2021-3 *Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions beyond 30 June 2021* [AASB 16].

MACRO ENVIRONMENT IMPACTS

As a property group involved in property investment, investment management, and residential and commercial development, Mirvac is subject to macroeconomic factors throughout the business cycle that have the potential to impact a number of financial and non-financial metrics of the Group.

IMPACT OF GLOBAL CONFLICT ON THE GROUP

The magnitude and complexity of the consequences of the Russia-Ukraine conflict remain highly uncertain, driving geopolitical fragmentation, ongoing sanctions and diversified supply chains. Key areas of exposure relate to economic sanctions, oil and gas supply and impacts on global indices. While Mirvac does not have direct exposure to the conflict or region, market data continues to be highly volatile and uncertain, with any escalation likely to have an impact on global markets and place additional pressures on supply chains.

SUPPLY CHAIN PRESSURE

Disruptions linked to COVID-19 lockdowns in China, the Russia-Ukraine conflict, severe weather events, lack of migration and new variants of COVID-19 continue to exacerbate supply shortages, labour/skills shortages and construction materials price increases. The Group's long standing experience and capabilities are well placed to see through the supply challenges, with a number of initiatives in place to analyse, assess and flex across suppliers, timing and lead times for supplies with a number of development project trade costs locked in for the medium term.

INFLATION RISING AND INTEREST RATES INCREASING

Higher cost price inflation has led to negative real wage growth in 2022. This combined with heightened geopolitical tensions and increasing interest rates has lowered consumer sentiment. A faster than expected economic recovery from COVID-19, and stronger inflationary pressures have brought forward interest rate hikes, with the Reserve Bank of Australia raising the cash rate by 125 bps from May to July 2022.

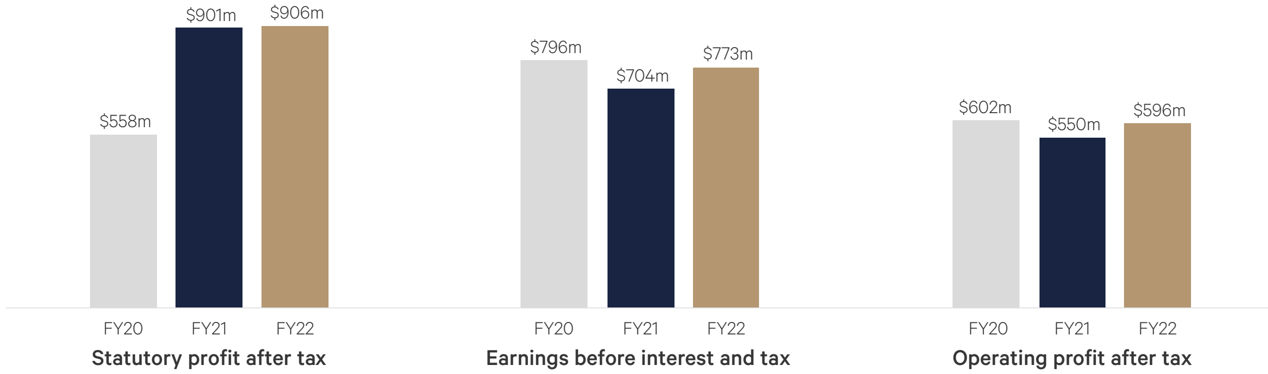
The Group's capital management is well placed to steer through the tide of rising interest rates, with gearing maintained at the lower end of the target range of between 20-30 per cent, a large portion of the debt at fixed or hedged rates and maintenance of the Group's credit rating. Consumer sentiment around inflation and rising interest rates are likely to impact residential purchases as consumers are weary of mortgage stress, particularly as wages growth has lagged behind inflation and rising living costs. Retail spending is expected to curb away from discretionary spend as the uncertainty around increasing interest rates and rising living costs (fuel, food and so on) tighten household spending.

The above factors have been considered in the preparation of the financial statements though they have not had a material impact to date.

B RESULTS FOR THE YEAR

This section explains the results and performance of the Group, including segmental analysis and detailed breakdowns.

THREE-YEAR PERFORMANCE REVIEW



B1 SEGMENT INFORMATION

The Group identifies its operating segments based on the internal reporting provided to the ELT, who are the Group's chief operating decision makers.

The Group's operating segments are as follows:

INTEGRATED INVESTMENT PORTFOLIO

Manages the office, industrial, retail and build to rent property portfolio to produce rental income and capital appreciation.

This segment also manages joint ventures and associates, properties and funds for capital partners.

COMMERCIAL & MIXED USE

Designs, develops and constructs office buildings, industrial warehouses, retail precincts, build to rent apartments and mixed use offerings which leverages Mirvac's multi-asset expertise.

RESIDENTIAL

Designs, develops, markets and sells residential properties to external customers. These include masterplanned communities and apartments in core metropolitan markets at times in conjunction with capital partners.

Geographically, the Group operates in major urban areas across Australia.

During the year, the Group recognised revenue of $528 million from two external customers. This represents 23 per cent of total revenue and was attributed to the Commercial & Mixed Use segment. No other single customer in the current or prior period provided more than 10 per cent of the Group's revenue.

Presented below are the key profit metrics, a breakdown of revenue by function and other required information for each segment:

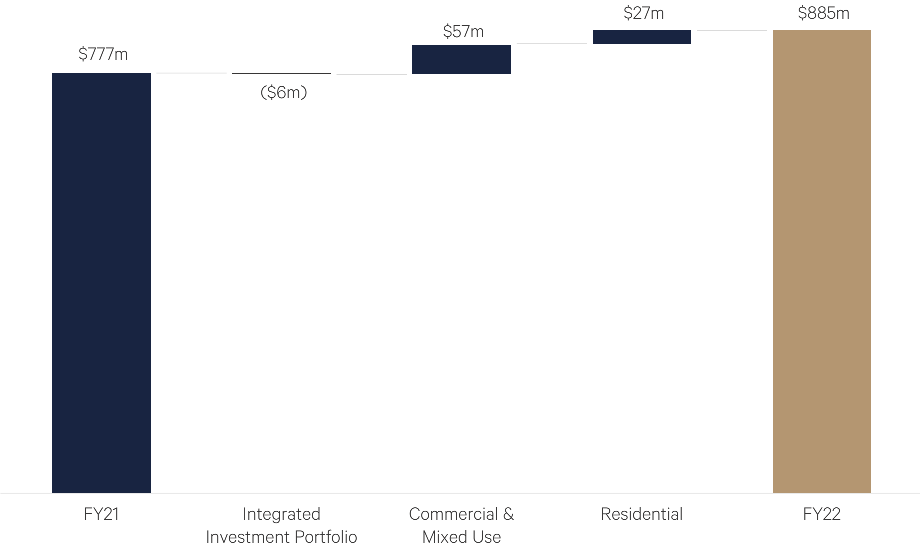
KEY PROFIT METRICS	2022 $m	2021 $m
Investment		
Integrated Investment Portfolio NOI	**581**	581
Asset and funds management EBIT	**33**	30
Management and administration expenses	**(44)**	(35)
Investment EBIT	**570**	576
Development		
Commercial & Mixed Use	**90**	33
Residential	**195**	168
Development EBIT	**285**	201
Segment EBIT [1]	**855**	777
Unallocated overheads	**(82)**	(73)
Group EBIT	**773**	704
Net financing costs [2]	**(115)**	(124)
Operating income tax expense	**(62)**	(30)
Operating profit after tax	**596**	550
Development revaluation gain [3]	**70**	121
Investment property revaluation	**305**	274
Other non-operating items	**(65)**	(44)
Statutory profit attributable to stapled securityholders	**906**	901

1. EBIT includes share of net operating profit of joint ventures and associates.
2. Includes cost of goods sold interest of $7m for Commercial & Mixed Use (2021: $1m) and $17m for Residential (2021: $16m) and interest revenue of $5m (2021: $5m).
3. Relates to the fair value movement on IPUC.

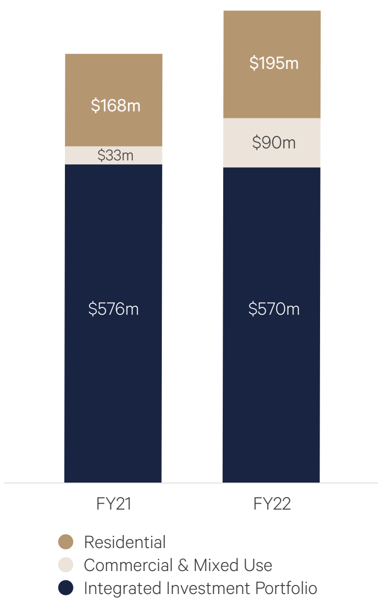
B RESULTS FOR THE YEAR

B1 SEGMENT INFORMATION CONTINUED

SEGMENT EBIT: FY21 TO FY22



EBIT BY SEGMENT



REVENUE BY FUNCTION

	Segments									
	Investment		Development							
	Integrated Investment Portfolio		Commercial & Mixed Use		Residential		Unallocated		Total	
	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m
Property rental revenue	**786**	781	**—**	—	**—**	—	**—**	—	**786**	781
Development revenue[1]	**—**	—	**535**	183	**950**	821	**—**	—	**1,485**	1,004
Asset and funds management revenue[2]	**39**	43	**—**	—	**—**	—	**—**	—	**39**	43
Other revenue	**11**	10	**3**	2	**16**	13	**5**	6	**35**	31
Total operating revenue	**836**	834	**538**	185	**966**	834	**5**	6	**2,345**	1,859
Share of net profit/(loss) of joint ventures and associates[3]	**50**	27	**—**	—	**36**	55	**(1)**	(1)	**85**	81
Gain on sale of assets	**—**	—	**—**	—	**16**	—	**—**	—	**16**	—
Other income	**50**	27	**—**	—	**52**	55	**(1)**	(1)	**101**	81
Total operating revenue and other income	**886**	861	**538**	185	**1,018**	889	**4**	5	**2,446**	1,940
Non-operating items[4]	**336**	379	**—**	—	**—**	—	**60**	60	**396**	439
Total statutory revenue and other income	**1,222**	1,240	**538**	185	**1,018**	889	**64**	65	**2,842**	2,379

1. Includes development management fees.
2. Property management revenue incurred on the Group's investment properties of $19m (2021: $20m) has been eliminated on consolidation.
3. Revenue excludes non-operating items.
4. Relates mainly to fair value of investment properties and IPUC.

B RESULTS FOR THE YEAR

B1 SEGMENT INFORMATION CONTINUED

ADDITIONAL SEGMENT INFORMATION

	Segments									
	Investment		Development							
	Integrated Investment Portfolio		Commercial & Mixed Use		Residential		Unallocated		Total	
	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m
Segment assets and liabilities										
Assets										
Investment properties	**12,189**	11,821	**—**	—	**—**	—	**—**	—	**12,189**	11,821
Inventories	**—**	—	**136**	326	**2,125**	1,767	**—**	—	**2,261**	2,093
Assets held for sale	**—**	133	**—**	—	**—**	—	**—**	—	**—**	133
Indirect investments[1]	**1,487**	949	**62**	23	**130**	164	**15**	14	**1,694**	1,150
Other assets	**74**	117	**8**	31	**38**	46	**941**	522	**1,061**	716
Total assets	**13,750**	13,020	**206**	380	**2,293**	1,977	**956**	536	**17,205**	15,913
Total liabilities	**372**	375	**197**	150	**746**	399	**4,698**	4,330	**6,013**	5,254
Net assets	**13,378**	12,645	**9**	230	**1,547**	1,578	**(3,742)**	(3,794)	**11,192**	10,659
Other segment information										
Share of net profit/(loss) of joint ventures and associates	**74**	55	**—**	—	**36**	55	**(1)**	(1)	**109**	109
Depreciation and amortisation expenses	**72**	62	**—**	—	**1**	1	**10**	8	**83**	71
Additions for investment properties and PPE	**1,702**	657	**—**	—	**—**	—	**6**	1	**1,708**	658
Additions of investments in joint ventures and associates	**61**	1	**7**	11	**—**	—	**—**	—	**68**	12

1. Includes carrying value of investments in joint ventures and associates and other indirect investments.

B RESULTS FOR THE YEAR

B1 SEGMENT INFORMATION CONTINUED

RECONCILIATION OF STATUTORY PROFIT TO OPERATING PROFIT AFTER TAX

The following table shows how profit for the year attributable to stapled securityholders reconciles to operating profit after tax:

	Segments					
	Investment	Development				
	Integrated Investment Portfolio $m	Commercial & Mixed Use $m	Residential $m	Unallocated $m	2022 Total $m	2021 Total $m
Profit for the year attributable stapled securityholders	**836**	**83**	**164**	**(177)**	**906**	901
Exclude specific non-cash items						
Revaluation of investment properties [1]	(347)	—	—	—	**(347)**	(392)
Net gain on financial instruments	(4)	—	—	(60)	**(64)**	(45)
Depreciation of right-of-use assets	—	—	—	7	**7**	4
Straight-lining of lease revenue [2]	(5)	—	—	—	**(5)**	(12)
Amortisation of lease incentives and leasing costs	114	—	—	—	**114**	125
Share of net profit of joint ventures and associates relating to movement of non-cash items [3]	(24)	—	—	—	**(24)**	(28)
AASB 16 *Leases* – net movement	—	—	—	(7)	**(7)**	(4)
Exclude other non-operating items						
Net gain from sale of assets	—	—	—	—	**—**	(2)
Net loss from fair value of investment properties included in non-controlling interests	—	—	—	—	**—**	(2)
Tax effect						
Tax effect of non-operating adjustments [4]	—	—	—	16	16	5
Operating profit after tax	**570**	**83**	**164**	**(221)**	**596**	550
SaaS implementation costs [5]	5	2	6	5	18	15
FFO	**575**	**85**	**170**	**(216)**	**614**	565

1. Includes development revaluation gain and excludes Mirvac's share in the JVA revaluation of investment properties which is included within Share of net profit of joint ventures and associates.
2. Included within Revenue.
3. Included within Share of net profit of joint ventures and associates.
4. Included within Income tax expense.
5. Adjustment for the configuration and customisation costs incurred in implementing SaaS arrangements in accordance with the Property Council of Australia's *Interim Guidance Note 2021-1 – An interim guide to Software as a Service implementation costs* issued in June 2021.

B2 REVENUE

The Group has two main revenue streams: property rental revenue and development revenue. Property rental revenue comes from holding properties as investment properties and earning rental yields over time. Development revenue is derived from constructing and selling properties as well as management developments for third parties and capital partners.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade allowances and duties and taxes paid. The Group recognises revenue from the transfer of goods or services over time and at a point in time in the following revenue streams.

B RESULTS FOR THE YEAR

B2 REVENUE CONTINUED

PROPERTY RENTAL REVENUE

Lease revenue

The Group invests in properties for rental yields and capital appreciation. Rental revenue from investment properties is recognised on a straight-line basis over the lease term, net of any incentives. Modifications to the leases are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Service revenue

The Group also provides services to the lessees, which primarily consist of general building management and operations in accordance with their lease agreements. Service income, representing the recovery of associated costs from the lessees, is recognised over time when the services are provided.

Asset and funds management revenue

The Group provides property management and leasing, investment funds management, and facilities management services. These services are provided on an ongoing basis and over the term of the agreements. The management fees are generally calculated based upon the value of the managed assets, which is a variable consideration and recognised upon delivery of services.

DEVELOPMENT REVENUE

Settlement revenue

The Group develops and sells properties comprising apartments, land lots, masterplanned communities and commercial and mixed-use properties held as inventory. The sales contracts typically contain one performance obligation satisfied when control of the property is transferred to the customer. This generally occurs on settlement, at which point revenue is recognised. The revenue is measured at the transaction price agreed under the contract.

Development management service revenue

Development management fees are received to remunerate the Group for management services, time and the risk of developing a commercial, mixed-use or residential project. Contracts can include one or multiple performance obligations depending on the terms of the contract. Revenue is recognised as the performance obligations are satisfied. Hourly rate fees are recognised when service is provided, and fixed rate fees are recognised on a percentage of completion basis.

Construction service revenue

The Group provides services to construct office, industrial, retail and residential buildings or a combination thereof as mixed-use on customer-owned land.

There is ordinarily one performance obligation, being the 'macro-promise' to deliver a completed building to the customer, including the design, construction and leasing (if applicable) of the building. The performance obligation is satisfied, and revenue including costs and margin is recognised, over time with progress determined in line with the building's percentage of completion. The percentage of completion is determined by costs incurred to date as a percentage of total expected costs. This method best represents the passing of control of the building to the customer as it is being built. Estimates of costs and project completion and associated revenue are revised if circumstances change, with any resulting increases or decreases reflected in the consolidated SoCI.

Certain development contracts may include variable revenue, which is dependent on predetermined metrics, for example, capitalised net rental income. Variable revenue is recognised when highly probable based on historical experience, forecasts and current economic conditions.

Deferred revenue

Some development contracts are funded by a capital partner throughout the life of the project or construction phase, generally known as fund through projects. Payments received for these projects are recognised as deferred revenue which is classified as a liability in the consolidated SoFP. Associated revenue is recognised in the consolidated SoCI when the performance obligations are satisfied. The recognition of deferred revenue is contractually-based. Judgement is required in determining whether performance obligations have been satisfied for the recognition of the associated revenue.

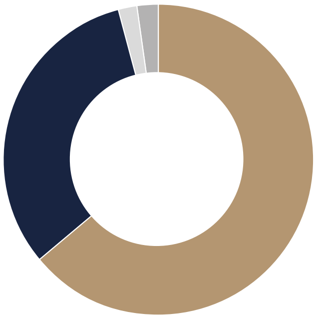
At 30 June 2022, the Group held $20m of deferred revenue (2021: $55m).

During the year, the Group recognised $45m in revenue from contracts for which deferred revenue was held at the beginning of the financial year (2021: $49m).

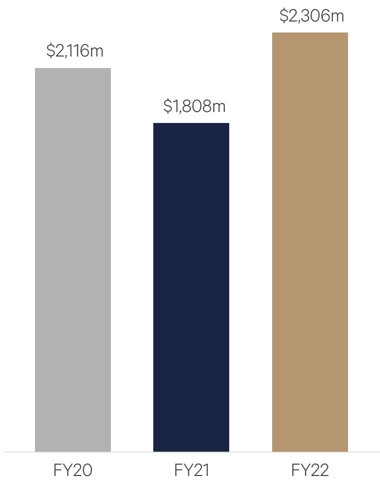
B RESULTS FOR THE YEAR

B2 REVENUE CONTINUED

FY22 REVENUE BY FUNCTION



REVENUE: FY20 TO FY22



	2022 $m	2021 $m
Revenue		
Lease revenue[1]	**620**	618
Service revenue	**104**	113
Other property rental revenue	**8**	—
Total property rental revenue	**732**	731
Asset and funds management revenue	**39**	43
Settlement revenue	**1,014**	623
Development and construction management services revenue	**471**	381
Total development revenue	**1,485**	1,004
Interest revenue	**5**	5
Other revenue	**45**	25
Total revenue	**2,306**	1,808

1. Includes straight-lining of lease revenue of $5m (2021: $12m).

COSTS TO OBTAIN A CONTRACT

Sales commissions, incurred to obtain a contract, are capitalised and included within other assets on the consolidated SoFP and expensed when the associated settlement revenue is recognised.

	2022 $m	2021 $m
Expensed during the period[1]	**22**	17
Incremental costs to obtain a contract		
Current	**3**	7
Non-current	**6**	4
Total incremental costs to obtain a contract	**9**	11

1. No impairment loss was recognised during the year (2021: $nil).

B RESULTS FOR THE YEAR

B2 REVENUE CONTINUED

TRANSACTION PRICE ALLOCATED TO REMAINING PERFORMANCE OBLIGATIONS

The transaction price allocated to partially unsatisfied performance obligations at 30 June 2022 is as set out below.

	2022 $m	2021 $m
Within one year	**985**	1,239
More than one year	**650**	259
Total	**1,635**	1,498

GAIN ON FINANCIAL INSTRUMENTS

	2022 $m	2021 $m
Gain on interest rate derivatives	**49**	57
Gain on assets at fair value through profit or loss	**4**	8
Gain on cross currency derivatives	**11**	3
Total gain on financial instruments	**64**	68

B3 EXPENSES

DEVELOPMENT EXPENSES

Development expenses are initially capitalised as inventory on the consolidated SoFP until the associated revenue is recognised. These expenses include the costs of acquisition and development and all other costs directly related to the specific projects, including an allocation of direct overhead expenses.

COST OF GOODS SOLD INTEREST

Interest previously capitalised to incomplete inventory is expensed when the associated revenue is recognised. Upon completion of the project, borrowing costs and other holding charges are no longer capitalised and are expensed as incurred.

SELLING AND MARKETING EXPENSES

Costs to promote and market projects are expensed as incurred. Direct costs incurred in obtaining a contract, such as sales commissions are capitalised as a contract asset and included within other assets on the consolidated SoFP. These costs are expensed when the associated revenue is recognised.

INVESTMENT PROPERTY EXPENSES AND OUTGOINGS

Investment property expenses relate to those costs which are required to be incurred to allow for the occupation and maintenance of investment properties in order to continue to earn rental revenue. Expenses include statutory levies, insurance and other property outgoings and are recognised on an accruals basis.

Government grants

Government grants are accounted for under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. The standard provides the option to present these amounts as income or as a reduction in expenses.

During the year, the Group received land tax rebates from various state revenue agencies totalling $13m (2021: $nil). These rebates were provided to landlords who provided rental relief to tenants. These amounts have been recognised as a reduction to Investment property expenses and outgoings in the consolidated SoCI.

DEPRECIATION AND AMORTISATION

Depreciation on property, plant and equipment is calculated on a straight-line basis over the estimated useful life of the asset, usually between 3-15 years. Amortisation on lease incentives, software and management rights is calculated on a straight-line basis over the estimated useful life of the asset.

B RESULTS FOR THE YEAR

B3 EXPENSES CONTINUED

Profit before income tax includes the following specific expenses:

	2022 $m	2021 $m
Total inventory write-downs and losses		
Provision for impairment of inventories	5	5
Inventory costs written off	10	7
Total inventory write-downs and losses	15	12
Total investment property expenses and outgoings		
Statutory levies	46	48
Insurance	6	9
Power and gas	26	26
Property maintenance	55	52
Other	79	65
Total investment property expenses and outgoings	212	200
Total impairment loss on receivables		
Loss allowance on trade debtors	25	20
Loss allowance on loans receivable	(1)	—
Total impairment loss on receivables	24	20
Total employee and other expenses		
Employee benefits expenses	107	99
Security-based payments expense	15	10
Total employee expenses	122	109
Compliance, consulting and professional fees	19	16
Office and administration expenses	11	10
IT infrastructure [1]	35	32
Insurance and other expenses	17	10
Total other expenses	82	68
Total employee and other expenses	204	177
Interest and borrowing costs		
Interest paid/payable	127	136
Interest on lease liabilities	3	3
Interest capitalised [2]	(36)	(32)
Borrowing costs amortised	2	5
Total finance costs	96	112
Add: cost of goods sold interest [3]	24	17
Total interest and borrowing costs	120	129
Loss on financial instruments		
Loss on interest rate derivatives	—	23
Total loss on financial instruments	—	23

1. Includes employee benefits expenses $7m (2021: $10m) relating to the implementation of SaaS arrangements.
2. Relates to Integrated Investment Portfolio $11m (2021: $13m), Commercial and & Mixed Use $12m (2021: $7m) and Residential $13m (2021: $12m).
3. This interest was previously capitalised and has been expensed in the current period. Relates to Commercial & Mixed Use $7m (2021: $1m) and Residential $17m (2021: $16m).

B RESULTS FOR THE YEAR

B4 EVENTS OCCURRING AFTER THE END OF THE YEAR

On 18 July 2022, the unitholders of AMP Capital Wholesale Office Fund (AWOF) approved a resolution for Mirvac Funds Management Australia Limited to become the trustee of the fund. Effective around mid-October 2022, Mirvac will become the investment manager of AWOF and property manager in respect of AWOF's wholly owned assets. As a result of this appointment, Mirvac's third-party capital under management will grow by $7.7bn. In addition, Mirvac will offer a total of $500m of liquidity with an expectation that this will be utilised within six months of the transition date.

No other events have occurred since the end of the year which have significantly affected or may significantly affect Mirvac's operations, the results of those operations, or Mirvac's state of affairs in future years.

B5 INCOME TAX

This section includes the Group's tax accounting policies and details of the income tax expense and deferred tax balances.

ACCOUNTING FOR INCOME TAX

Most of the Group's profit is earned by Mirvac Property Trust and its sub-trusts which are not subject to taxation, provided that the stapled securityholders of the Group are attributed the taxable income of the Mirvac Property Trust. Stapled securityholders are liable to pay tax at their effective tax rate on the amounts attributed.

Income tax expense for Mirvac Limited and its wholly-owned controlled entities is calculated at the applicable tax rate (currently 30 per cent in Australia). This is recognised in the profit for the year, unless it relates to other comprehensive income or transactions recognised directly in equity.

The tax expense comprises both current and deferred tax. Broadly, current tax represents the tax expense paid or payable for the current year.

Accounting income is not always the same as taxable income, creating temporary differences. These differences usually reverse over time. Until they reverse, a deferred asset or liability is recognised on the consolidated SoFP. Deferred tax is not recognised on the initial recognition of goodwill. Deferred tax assets, including those arising from tax losses, are only recognised to the extent it is probable that sufficient taxable profits will be available to utilise the losses in the foreseeable future.

The Group estimates future taxable profits based on approved budgets and forecasts extending five years. Future taxable profits are influenced by a variety of general economic and business conditions, which are outside the control of the Group. A change in any of these assumptions could have an impact on the future profitability of the Group and may affect the recovery of deferred tax assets.

MIRVAC LIMITED TAX CONSOLIDATED GROUP

Mirvac Limited and its wholly-owned controlled entities are in a tax consolidated group. The entities in the tax consolidated group have entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Mirvac Limited. Accordingly, the deferred tax assets and deferred tax liabilities are permitted to be offset in the consolidated SoFP.

The entities in the tax consolidated group have also entered into a tax funding agreement to fully compensate/be compensated by Mirvac Limited for current tax balances and the deferred tax assets for unused tax losses and credits transferred.

INCOME TAX ANALYSIS

Reconciliation to effective tax rate	2022 $m	2021 $m
Profit before income tax	**985**	934
Less: Group elimination entries not subject to corporate taxation	**(6)**	—
Less: MPT profit not subject to taxation	**(712)**	(798)
Add: Mirvac Ltd trust profits not subject to taxation[1]	**1**	2
Profit which is subject to taxation	**268**	138
Income tax expense calculated at 30%	**80**	41
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income		
Non-deductible/assessable equity accounted profit/(loss)	**1**	(8)
Other non-deductible/(non-assessable) items	**(3)**	2
Income tax expense	**78**	35
Effective tax rate[2]	**29%**	31%

1. Trust income that is not subject to corporate taxation as not wholly owned by the Mirvac Ltd tax consolidated group.
2. Effective tax rate is calculated as the income tax expense divided by the profit which is subject to taxation. The effective tax rate has been normalised by excluding equity accounted profit/(loss) on joint ventures and associates.

B RESULTS FOR THE YEAR

B5 INCOME TAX CONTINUED

Reconciliation of income tax expense to tax paid and payable	2022 $m	2021 $m
Income tax expense	**78**	35
Temporary differences		
Deferred revenue	**(32)**	(3)
Inventories	**84**	(6)
Unrealised gain on financial instruments	**(10)**	(3)
Changes in the value of cash flow hedges	**(5)**	(8)
Receivables	**(18)**	38
Right-of-use assets	**—**	2
Lease liabilities	**(1)**	(2)
Other temporary differences	**(4)**	17
Transfer from tax losses	**(44)**	(70)
Current tax expense	**48**	—
Less: current tax paid during the year	**(6)**	—
Current tax liability	**42**	—

Unrecognised tax and capital losses	2022 $m	2021 $m
Unused capital losses which have not been recognised as deferred tax assets due to uncertainty of utilisation[1]	**62**	214
Potential tax benefit at 30 per cent	**19**	64

1. Unused capital losses can only be utilised against capital gains.

Movement in deferred tax	1 July 2020 $m	Recognised in profit or loss $m	Recognised in other comprehensive income $m	Balance 30 June 2021 $m	Recognised in profit or loss $m	Recognised in other comprehensive income $m	Balance 30 June 2022 $m
Unrealised gain/(loss) from JVAs	8	(1)	—	7	**—**	**—**	**7**
Accruals	22	8	—	30	**(1)**	**—**	**29**
Employee provisions and accruals	10	1	—	11	**3**	**—**	**14**
Deferred revenue	50	(3)	—	47	**(32)**	**—**	**15**
Derivative financial instruments	53	(3)	(6)	44	**(3)**	**13**	**54**
Impairment of loans and doubtful debts	1	6	—	7	**(5)**	**—**	**2**
PPE	2	(1)	—	1	**1**	**—**	**2**
Tax losses	114	(70)	—	44	**(44)**	**—**	**—**
Lease liabilities	26	(2)	—	24	**(1)**	**—**	**23**
Foreign exchange translation losses	172	(8)	(94)	70	**(5)**	**(30)**	**35**
Other	6	3	—	9	**(1)**	**—**	**8**
Deferred tax assets	**464**	**(70)**	**(100)**	**294**	**(88)**	**(17)**	**189**
Investments in JVAs	(7)	1	—	(6)	**(2)**	**—**	**(8)**
Inventories[1]	(127)	(6)	—	(133)	**84**	**—**	**(49)**
Derivative financial instruments	(182)	—	108	(74)	**(7)**	**9**	**(72)**
Land and buildings	—	(3)	—	(3)	**(2)**	**—**	**(5)**
Prepayments	(5)	1	—	(4)	**1**	**—**	**(3)**
Receivables	(45)	38	—	(7)	**(18)**	**—**	**(25)**
Right-of-use assets	(12)	2	—	(10)	**—**	**—**	**(10)**
Other	(4)	2	—	(2)	**2**	**—**	**—**
Deferred tax liabilities	**(382)**	**35**	**108**	**(239)**	**58**	**9**	**(172)**
Net deferred tax assets	**82**	**(35)**	**8**	**55**	**(30)**	**(8)**	**17**

1. Includes investment properties that are considered trading stock for tax purposes.

Deferred tax assets expected to be recovered after more than 12 months are $189m (2021: $263m).

C PROPERTY AND DEVELOPMENT ASSETS

This section includes investment properties, investments in joint ventures and associates and inventories. They represent the core assets of the business and drive the value of the Group.

C1 PROPERTY PORTFOLIO

Mirvac holds a property portfolio for long-term rental yields. Depending on the specific arrangements for each property, they are classified as investment properties or properties held through joint ventures. Refer to note I1 for a detailed listing of Mirvac's property portfolio.

INVESTMENT PROPERTIES

Investment properties are properties owned by Mirvac and not occupied by the Group. Investment properties include investment properties under construction (IPUC), which will become investment properties once construction is completed.

Mirvac accounts for its investment properties at fair value and revaluation gains are recognised as Other income. For the year ended 30 June 2022, $347m of revaluation gains had been recognised in Other income (2021: $392m).

INVESTMENTS IN JOINT ARRANGEMENTS

Mirvac enters into arrangements with third parties to jointly own investment properties. If Mirvac has joint control over the activities and joint rights to the net assets of an arrangement held in a separate entity, then it is classified as a joint venture or associate (JVA). The JVA holds investment property at fair value and Mirvac recognises its share of the JVA's profit or loss as Other income.

Mirvac also holds joint operations with third parties whereby the parties have rights to the assets, and obligations for the liabilities, relating to the arrangement.

For further details on accounting for JVAs, refer to note C3.

JUDGEMENTS IN FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants.

For all investment property that is measured at fair value, the existing use of the property is considered the highest and best use.

The Group assesses its property portfolio for climate related risks and resilience, where appropriate, in determining the fair value of investment properties.

The fair values of properties are calculated using a combination of market sales comparisons, discounted cash flows and capitalisation rates.

To assist with calculating reliable estimates, Mirvac uses independent valuers on a rotational basis. Approximately 25 per cent of the portfolio is independently valued every six months, with management internally estimating the fair value of the remaining properties using estimation techniques by suitably qualified personnel. As at 30 June 2022, the Group undertook independent valuations covering 35 per cent of its investment property portfolio, by value, excluding IPUC.

The fair values are a best estimate but may differ to the actual sales price if the properties were to be sold. The key judgements for each valuation method are explained below:

Discounted cash flow (DCF): Projects a series of cash flows over the property's life and a terminal value, discounted using a discount rate to give the present value.

The projected cash flows incorporate expected rental income (based on contracts or market rates), operating costs, lease incentives, lease fees, capital expenditure, and a terminal value from selling the property. The terminal value is calculated by applying the terminal yield to the net market income. The discount rate is a market rate reflecting the risk associated with the cash flows, the nature, location and tenancy profile of the property relative to comparable investment properties and other asset classes.

Capitalisation rate: The rate or yield at which the annual net income from an investment is capitalised to ascertain its capital value at a given date. The annual net income is based on contracted rents, market rents, operating costs and future income on vacant space. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market evidence and sales of comparable properties.

Direct comparison approach: Utilises recent sales of comparable properties, adjusted for any differences including the nature, location, town planning/zoning, flooding and environmental impediments.

Investment properties under construction: There generally is not an active market for investment properties under construction, so fair value is measured using DCF or residual valuations. DCF valuations for investment properties under construction are as described above but also consider the costs and risks of completing construction and letting the property.

Residual: Estimates the value of the completed project, less the remaining development costs which include construction, finance costs and an allowance for the developer's risk and profit. This valuation is then discounted back to the present value.

Note C2 explains the key inputs and sensitivity to changes in the measurement of fair value of investment properties.

LEASE INCENTIVES

The carrying amount of investment properties includes lease incentives provided to tenants. Lease incentives are capitalised and recognised on a straight-line basis over the lease term.

C PROPERTY AND DEVELOPMENT ASSETS

C1 PROPERTY PORTFOLIO CONTINUED

GROUND LEASES

A lease liability reflecting the leasehold arrangements of investment properties is separately disclosed in the consolidated SoFP and the carrying value of the investment properties adjusted (i.e. increased) so that the net of these two amounts equals the fair value of the investment properties. The lease liabilities are calculated as the net present value of the future lease payments discounted at the incremental borrowing rate.

At 30 June 2022, $48m of lease liabilities for ground leases has been recognised in the consolidated SoFP (2021: $47m).

Lease liabilities are subsequently measured by:

> increasing the carrying amount to reflect interest on the lease liability;
> reducing the carrying amount to reflect the lease payments made; and
> remeasuring the carrying amount to reflect any reassessment or lease modifications.

Some ground leases contain variable payment terms that are linked to sales generated. Variable lease payments that depend on sales are recognised in the consolidated SoCI in the period in which the condition that triggers those payments occurs.

Interest on the lease liabilities and any variable lease payments not included in the measurement of the lease liabilities are recognised in the consolidated SoCI to the period in which they relate.

DERECOGNITION OF INVESTMENT PROPERTIES

Investment properties are reclassified from non-current to current assets held for sale when they satisfy the conditions under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

For reclassification to occur, the disposal of the investment property must be highly probable with an exchanged contract and settlement pending. Once control of an investment property transfers to a purchaser, usually upon settlement, the Group will derecognise the book value of the Investment property with any resultant gain or loss recognised in the consolidated SoFP. As at 30 June 2022, there were no investment properties held for sale (2021: $133m).

Occasionally, the Group will reassess the status of an investment property and determine that its highest and best use may be different from its current use, for example an office building may better suited to redevelopment and sale as apartments. In these cases, once development commences with a view to resale, and the investment property ceases to be classified as an investment property, all or part is reclassified from Investment properties to Inventory. During the year, a net of $37m of investment properties was transferred to inventory (2021: $56m).

COMMITMENTS

Capital expenditure commitments

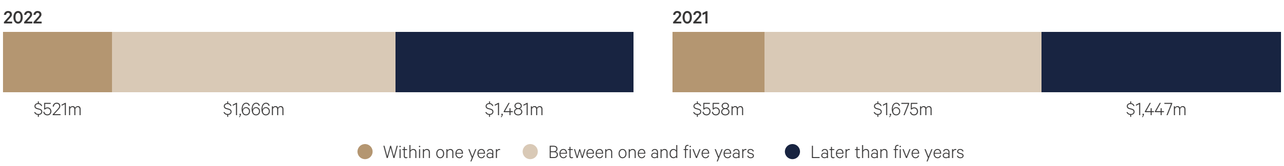
At 30 June 2022, capital commitments on Mirvac's investment property portfolio were $645m (2021: $527m). There were no investment properties pledged as security by the Group (2021: nil).

Lease commitments

Lease revenue from investment properties is accounted for as operating leases. The revenue from leases is recognised in the consolidated SoCI on a straight-line basis over the lease term.

The future receipts are shown as undiscounted contractual cash flows.

Future operating lease receipts as a lessor



PROPERTY PORTFOLIO AS AT 30 JUNE 2022

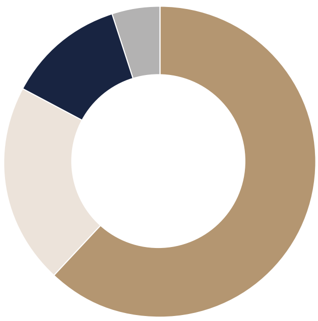
		Integrated Investment Portfolio				Total	
	Note	Office $m	Industrial $m	Retail $m	Build to Rent $m	2022 $m	2021 $m
Investment properties		6,653	1,242	2,576	221	**10,692**	10,978
Investment properties under construction		401	341	342	413	**1,497**	843
Total investment properties	C2	**7,054**	**1,583**	**2,918**	**634**	**12,189**	11,821
Investments in JVA [1]		1,283	67	—	—	**1,350**	472
Assets classified as held for sale		—	—	—	—	**—**	133
Total property portfolio		**8,337**	**1,650**	**2,918**	**634**	**13,539**	12,426

1. Represents Mirvac's share of the JVA's investment properties which is included within the carrying value of investments in JVA.

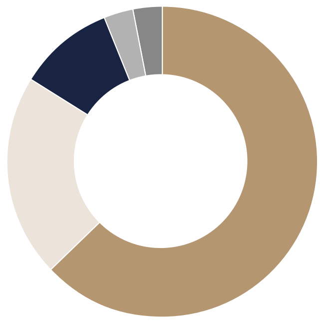
C PROPERTY AND DEVELOPMENT ASSETS

C1 PROPERTY PORTFOLIO CONTINUED

BY ASSET CLASS

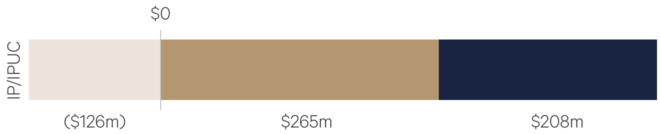


BY GEOGRAPHY

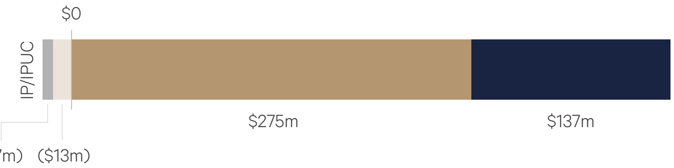


REVALUATION OF INVESTMENT PROPERTIES

FY22 net revaluation gain $347m



FY21 net revaluation gain $392m



Build to Rent | Retail | Office | Industrial

C2 INVESTMENT PROPERTIES

Investment properties, including investment properties under construction, are held at fair value and any gains or losses are recognised in revenue and Other income. The fair value movements are non-cash and do not affect the Group's distributable income.

Movements in investment properties	Office $m	Industrial $m	Retail $m	Build to Rent $m	2022 Total $m	2021 Total $m
Balance 1 July	7,191	1,186	3,074	370	**11,821**	11,167
Expenditure capitalised	380	62	52	172	**666**	473
Acquisitions	755	188	—	93	**1,036**	185
Disposals	(661)	—	(50)	—	**(711)**	(82)
Net revaluation gain/(loss) from fair value adjustments	265	208	(126)	—	**347**	392
Transfer from/(to) inventories	18	(55)	—	—	**(37)**	(56)
Transfer to assets classified as held for sale	—	—	—	—	**—**	(133)
Transfer to joint ventures and associates	(819)	—	—	—	**(819)**	—
Amortisation expense	(75)	(6)	(32)	(1)	**(114)**	(125)
Balance 30 June	**7,054**	**1,583**	**2,918**	**634**	**12,189**	11,821

C PROPERTY AND DEVELOPMENT ASSETS

C2 INVESTMENT PROPERTIES CONTINUED

FAIR VALUE MEASUREMENT AND VALUATION BASIS

The basis of valuation of investment properties is fair value. Fair values are based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants at the reporting date.

Investment properties are measured as Level 3 financial instruments. Refer to note D6 for explanation of the levels of fair value measurement. The following are the unobservable inputs used in determining the fair value measurement of investment properties. Movement in any of the unobservable inputs is likely to have an impact on the fair value of investment property. The higher the net market income or 10-year compound annual growth rate, the higher the fair value. The higher the capitalisation rate, terminal yield or discount rate, the lower the fair value.

Unobservable inputs	Details
Capitalisation rate	The rate at which net market income is capitalised to determine the value of a property.
Discount rate	The rate of return used to convert a monetary sum, payable or receivable in the future, into present value. This should reflect the opportunity cost of capital, that is, the required rate of return the capital can earn if put to other uses having regard to a similar risk profile.
Terminal yield	The capitalisation rate used to convert income into an indication of the anticipated value of the property at the end of the holding period when carrying out a discounted cash flow calculation.
Market rent and growth rate	The rent at which a tenancy could be leased in the market including rental growth in future years at the date of valuation. Market rent includes gross rent and net rent. Gross rent is where outgoings are incorporated in the rent being paid. Net market rent is where the owner recovers outgoings from the tenant on a pro-rata basis.
Market rate	The market rate per square metre uses recent transactional evidence of comparable properties to determine the fair value of the investment property under the direct comparison method.

The discounted cash flow, capitalisation rate, residual valuation and direct comparison methods all use unobservable inputs in determining fair value; ranges of the inputs are included below per asset class:

		Inputs used to measure fair value					
	Level 3 fair value $m	Net market income $/sqm	10-year compound annual growth rate %	Capitalisation rate %	Market rate $/sqm	Terminal yield %	Discount rate %
2021							
Office	7,191	312 – 1,519	2.50 – 3.80	4.38 – 7.50	—	4.50 – 7.50	5.85 – 8.25
Industrial	1,186	104 – 407	2.82 – 3.02	4.00 – 5.75	—	4.50 – 6.00	5.25 – 6.75
Retail	3,074	311 – 1,121	2.30 – 3.84	4.75 – 8.75	—	5.00 – 9.00	6.25 – 9.50
Build to Rent	370	539 [1]	3.00	4.00	—	4.00	6.25
Total investment properties	11,821	—	—	—	—	—	—
2022							
Office	**7,054**	**365 – 1,199**	**2.60 – 4.20**	**4.50 – 6.75**	**—**	**4.75 – 7.00**	**6.00 – 7.75**
Industrial	**1,583**	**110 – 410**	**3.27 – 3.32**	**3.50 – 5.00**	**—**	**3.75 – 5.25**	**4.88 – 6.25**
Retail	**2,918**	**314 – 1,127**	**1.87 – 4.13**	**4.75 – 8.75**	**865-1,612**	**5.00 – 9.00**	**6.00 – 9.50**
Build to Rent	**634**	**547 [1]**	**3.30**	**4.00**	**—**	**4.00**	**6.25**
Total investment properties	**12,189**	**—**	**—**	**—**	**—**	**—**	**—**

1. Average net market income per apartment per week.

C PROPERTY AND DEVELOPMENT ASSETS

C2 INVESTMENT PROPERTIES CONTINUED

SENSITIVITY ANALYSIS

Due to the rapidly changing economic climate and the judgement required to assess the fair value of the Group's investment properties, a sensitivity analysis has been undertaken to further stress test the Group's assessment of fair value as at 30 June 2022.

The following sensitivity analysis is based on upward and downward movement scenarios of 25 bps and 50 bps on the movement of capitalisation rates, discount rates and terminal yields per asset class compared to the capitalisation rates, discount rates and terminal yields adopted by the Group as at 30 June 2022. These are considered to be the key unobservable inputs that would be expected to have the most material impact on the fair values adopted if they moved. Valuations use a blended capitalisation rate and DCF approach whereby the current market income and the cash flow of the investment property are considered to determine the final fair value. Varying the capitalisation rates alone will only impact the valuations derived through capitalisation method and has no impact on the DCF analysis. A change in discount rate and terminal capitalisation rate will only impact the DCF valuation. Accordingly, all three metrics need to be moved proportionately to ensure a consistent methodology when performing the sensitivity analysis.

Presented below is the outcome of the sensitivity analysis as the decrement or increment to the fair value of each asset class of the Group's investment property portfolio (including office JV but excluding IPUC and development assets) should the unobservable inputs increase or decrease by 25 bps or 50 bps. For example, an increase of 25 bps of the capitalisation rate, discount rate and terminal yield in the Group's office portfolio would have resulted in a decrement of $414m in addition to the fair value presented as at 30 June 2022.

	Capitalisation rate, discount rate and terminal yield movement by			
Investment properties at fair value assessed using DCF, market capitalisation and capitalisation rate	**+ 25 bps $m**	**+ 50 bps $m**	**− 25 bps $m**	**− 50 bps $m**
Office	(414)	(813)	407	805
Industrial	(73)	(138)	82	175
Retail	(119)	(229)	115	258
Build to Rent	(13)	(25)	15	32
Total	**(619)**	**(1,205)**	**619**	**1,270**

For investment properties at fair value assessed using the direct comparison approach, a sensitivity analysis was performed. Using an increase of 10 per cent in the rate per square metre and a decrease of 10 per cent in the rate per square metre, the impact to the fair value presented as at 30 June 2022 was not material.

C3 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

A joint venture or an associate (JVA) is an arrangement where Mirvac has joint control or significant influence over the activities and joint rights to the net assets. Refer to note G1 for details on how Mirvac decides if it controls an entity. Refer to note I3 for the Group's joint venture and associate entities and ownership percentages.

Mirvac initially records its investment in JVAs at cost and subsequently accounts for them using the equity method. Under the equity method, the Group's share of the JVA's profit or loss is added to/deducted from the carrying amount each year. Distributions received or receivable are recognised by reducing the carrying amount of the JVA.

When transactions between Mirvac and its JVAs create an unrealised gain, the Group eliminates the unrealised gain relating to Mirvac's proportional interest in the JVA. Unrealised losses are eliminated in the same way unless there is evidence of impairment, in which case the loss is realised.

JUDGEMENT IN TESTING FOR IMPAIRMENT OF INVESTMENTS IN JVA

At each reporting period, the Group assesses whether there is any indication that its investments in JVAs may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is calculated as the estimated present value of future distributions to be received from the JVA and from its ultimate disposal. There were no impairments of JVAs in 2022 (2021: nil).

All JVAs are established or incorporated in Australia. The movements in the carrying amount of the JVAs are as follows:

Movements in the carrying amount of JVA	**2022 $m**	**2021 $m**
Balance 1 July	**783**	744
Share of profit [1]	**111**	114
Equity acquired	**73**	12
Other movements	**(33)**	2
Transfer from investment properties	**819**	—
Return of capital	**(174)**	(5)
Distributions received/receivable	**(98)**	(84)
Balance 30 June	**1,481**	783

1. Share of net profit of JVAs reconciles to the consolidated SoCI net of expenses associated with the Tucker Box Hotel Group transaction.

C PROPERTY AND DEVELOPMENT ASSETS

C3 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES CONTINUED

The table below provides summarised financial information for those JVAs that are significant to the Group.

The information presented reflects the total amounts presented in the financial statements of the relevant JVAs and not the Group's share, unless otherwise stated. The information has been amended to reflect any unrealised gains or losses on transactions between Mirvac and its JVAs.

	The George Street Trust [1]		Mirvac (Old Treasury) Trust [2]		Mirvac Locomotive Trust [1,2]		Mirvac 8 Chifley Trust [2]		Tucker Box Hotel Group		Other JVAs		Total	
	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m
Principal activities	Property investment		Property investment		Property investment		Property investment		Hotel investment		Various			
Summarised SoFP														
Cash and cash equivalents	4	—	6	6	4	—	7	2	31	1	67	76	119	85
Other current assets	12	—	—	1	3	—	1	—	38	621	67	102	121	724
Total current assets	16	—	6	7	7	—	8	2	69	622	134	178	240	809
Total non-current assets	1,159	—	497	487	471	—	462	458	—	—	492	340	3,081	1,285
Total assets	1,175	—	503	494	478	—	470	460	69	622	626	518	3,321	2,094
Borrowings	—	—	—	—	—	—	—	—	—	197	—	24	—	221
Other current liabilities	18	—	7	7	7	—	6	7	25	43	17	23	80	80
Total current liabilities	18	—	7	7	7	—	6	7	25	240	17	47	80	301
Borrowings	—	—	—	—	—	—	—	—	—	—	64	33	64	33
Other non-current liabilities	—	—	—	—	—	—	—	—	—	—	160	160	160	160
Total non-current liabilities	—	—	—	—	—	—	—	—	—	—	224	193	224	193
Total liabilities	18	—	7	7	7	—	6	7	25	240	241	240	304	494
Net assets	1,157	—	496	487	471	—	464	453	44	382	385	278	3,017	1,600
Group's ownership of the JVA in %	50	—	50	50	51	—	50	50	50	50	—	—	—	—
Group's share of net assets in $m	579	—	248	244	240	—	232	227	22	191	195	139	1,516	801
Carrying amount in Group's consolidated SoFP	579	—	242	237	223	—	216	210	22	191	199	145	1,481	783

1. This entity was previously consolidated into the Group; however control was lost during the year and is now accounted for as a JVA. Refer to note G4.
2. The difference between the carrying amount and the Group's share in the net assets of its investment is a result of eliminations due to the Group's transactions with its investee.

	The George Street Trust [1]		Mirvac (Old Treasury) Trust		Mirvac Locomotive Trust [1]		Mirvac 8 Chifley Trust		Tucker Box Hotel Group		Other JVAs		Total	
	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m	2022 $m	2021 $m
Principal activities	Property investment		Property investment		Property investment		Property investment		Hotel investment		Various			
Summarised SoCI														
Revenue	50	—	42	42	28	—	23	32	10	8	254	246	407	328
Interest income	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other income	6	—	5	25	—	—	2	—	2	62	15	1	30	88
Total revenue and other income	56	—	47	67	28	—	25	32	12	70	269	247	437	416
Interest expense	—	—	—	—	—	—	—	—	5	5	1	1	6	6
Other expenses	14	—	9	8	8	—	5	25	7	3	184	140	227	176
Income tax expense	—	—	—	—	—	—	—	—	—	1	—	—	—	1
Profit from continuing operations	42	—	38	59	20	—	20	7	—	61	84	106	204	233
Distributions received/receivable by the Group from JVAs	19	—	15	14	10	—	10	14	—	—	44	56	98	84

1. This entity was previously consolidated into the Group; however control was lost during the year and is now accounted for as a JVA. Refer to note G4.

CAPITAL EXPENDITURE COMMITMENTS

At 30 June 2022, the Group's share of its JVA's capital commitments which have been approved but not yet provided for was $56m (2021: $42m).

C PROPERTY AND DEVELOPMENT ASSETS

C4 INVENTORIES

The Group develops residential, commercial and mixed use properties for sale in the ordinary course of business.

Inventories are classified as current if they are expected to be settled within 12 months or otherwise they are classified as non-current.

DEVELOPMENT PROJECTS

Development projects are valued at the lower of cost and net realisable value (NRV). Following a review and assessment of the project forecasts and new development opportunities, there were Inventory write-downs and losses recognised during the year of $15m (2021: $12m); refer to note B3.

Cost includes the costs of acquisition, development, interest capitalised and all other costs directly related to specific projects. An allocation of direct overhead expenses is also included.

JUDGEMENT IN CALCULATING NRV OF INVENTORIES

NRV is the estimated selling price in the ordinary course of business less the estimated costs to complete and sell the development. NRV is estimated using the most reliable evidence available at the time, including expected fluctuations in selling price and estimated costs to complete and sell.

The key assumptions used in the project forecasts for the Group's NRV assessments include:

Key assumption	Details of key assumption
Sales rates/volumes	The rate at which lots are sold over a given period.
Sales price	The price which a given lot is sold to the general public.
Sales incentives	Recognised as a percentage of the purchase price, which is allocated to either direct or indirect expenditure to induce the sale of a lot.
Settlement volumes	The number of lot settlements achievable over a given period.
Cost to complete	All remaining costs to complete the program of works and sell unsold stock, measured at reporting date.
Program duration	The duration of a project from commencement to completion of all stages, a project program generally extends from the approval to purchase through to the final settlement of lots and may extend over many years.

C PROPERTY AND DEVELOPMENT ASSETS

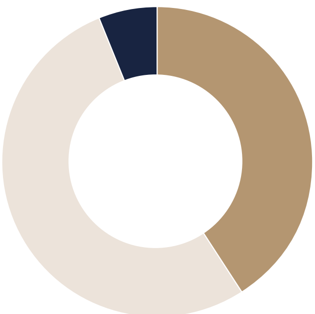
C4 INVENTORIES CONTINUED

	Residential			Commercial & Mixed Use	2022	2021
Movements in inventories	MPC $m	Apartments $m	Total $m	Total $m	Total $m	Total $m
Balance 1 July	843	924	1,767	326	2,093	1,684
Costs incurred	776	319	1,095	235	1,330	1,137
Settlements	(412)	(316)	(728)	(433)	(1,161)	(772)
Provision for impairment of inventories	—	—	—	(5)	(5)	(5)
Inventory costs written off	(1)	(4)	(5)	(5)	(10)	(7)
Transfer from investment properties	—	—	—	37	37	56
Transfer to other assets	(4)	—	(4)	(19)	(23)	—
Balance 30 June	1,202	923	2,125	136	2,261	2,093

	Residential			Commercial & Mixed Use	2022	2021
Inventory represented by	MPC $m	Apartments $m	Total $m	Total $m	Total $m	Total $m
Current inventory	228	332	560	67	627	651
Provision for impairment	(3)	(2)	(5)	—	(5)	(19)
Total current inventory	225	330	555	67	622	632
Non-current inventory	983	644	1,627	76	1,703	1,516
Provision for impairment	(6)	(51)	(57)	(7)	(64)	(55)
Total non-current inventory	977	593	1,570	69	1,639	1,461
Total inventories	1,202	923	2,125	136	2,261	2,093

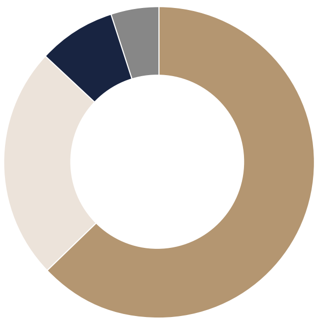
INVENTORIES AS AT 30 JUNE 2022

By product line



- Apartments: 41%
- Masterplanned communities: 53%
- Commercial & Mixed Use: 6%

By geography



- NSW: 63%
- VIC: 24%
- QLD: 8%
- WA: 5%

D CAPITAL STRUCTURE AND RISKS

This section outlines the market, credit and liquidity risks that the Group is exposed to and how it manages these risks. Capital comprises stapled securityholders' equity and net debt.

D1 CAPITAL MANAGEMENT

Mirvac has a capital management framework, approved and monitored by the Board. The framework aims to address the market, credit and liquidity risks while also meeting the Group's strategic objectives.

These objectives include:

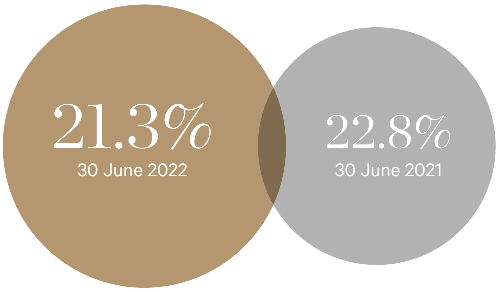
> The Group's target allocation of capital is 80 per cent investment and 20 per cent development with the current allocation being 88 per cent/12 per cent;

> The Group's distribution policy is a minimum of trust taxable earnings and up to 80 per cent of operating earnings. The payout ratio for FY22 was 67.5 per cent;

> The Group's target credit rating is Fitch A- and Moody's A3 which was maintained as at 30 June 2022; and

> The Group's target gearing ratio is between 20 and 30 per cent and was 21.3 per cent as at 30 June 2022.

GEARING RATIO



If the Group is required to change its gearing ratio, it could adjust its payout ratio, issue new equity, buy back securities, or realise capital through disposals of investment properties to repay borrowings.

The Group was in compliance with all debt covenants in 2022 and in the prior year.

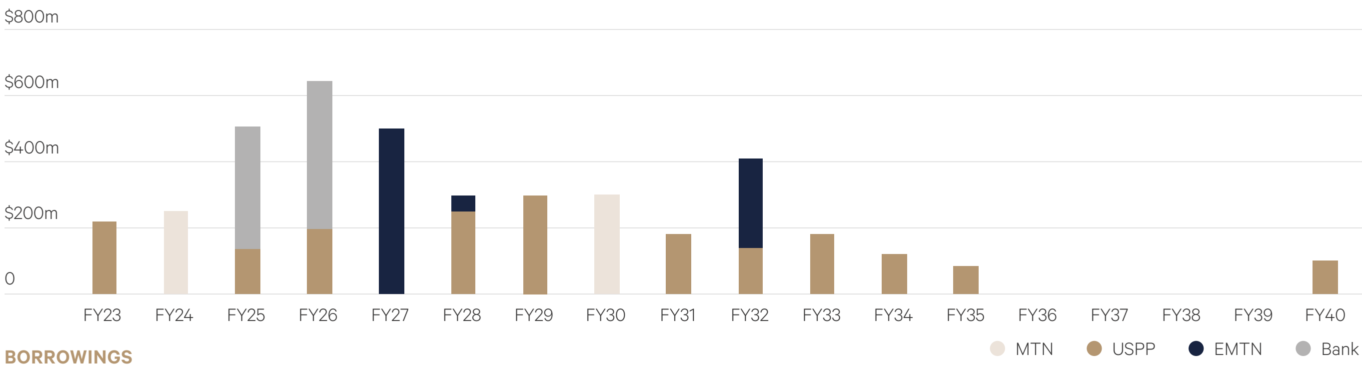
The Group uses derivatives to hedge its underlying exposures to changes in interest rates on its borrowings and to changes in foreign exchange rates on its foreign currency transactions.

D2 BORROWINGS AND LIQUIDITY

The Group enters into borrowings at both fixed and floating interest rates and also uses interest rate derivatives to reduce interest rate risks.

During the year, the Group has undertaken $450m of new financing transactions with maturities ranging from 2 – 10 years. At 30 June 2022, the Group had $1,368m of cash and committed undrawn facilities available.

DRAWN DEBT SOURCES AS AT 30 JUNE 2022



BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest rate method. Under the amortised cost method, any difference between the initial amount recognised and the redemption amount is recognised in the consolidated SoCI over the period of the borrowings using the effective interest rate method.

	2022				2021			
	Current $m	Non-current $m	Total carrying amount $m	Total fair value $m	Current $m	Non-current $m	Total carrying amount $m	Total fair value $m
Unsecured facilities								
Bank loans	—	818	818	818	—	578	578	578
Bonds	281	3,123	3,404	3,397	—	3,356	3,356	3,464
Total unsecured borrowings	281	3,941	4,222	4,215	—	3,934	3,934	4,042
Prepaid borrowing costs	—	(11)	(11)	(11)	—	(12)	(12)	(12)
Total borrowings	281	3,930	4,211	4,204	—	3,922	3,922	4,030
Undrawn facilities			810				750	
Other								
Lease liabilities	8	72	80	80	4	64	68	68

D CAPITAL STRUCTURE AND RISKS

D2 BORROWINGS AND LIQUIDITY CONTINUED

The fair value of bank loans is considered to approximate their carrying amount. The fair value of bonds is calculated as the expected future cash flows discounted by the relevant current market rates.

The following table sets out Mirvac's net exposure to interest rate risk by maturity periods. Exposures arise predominantly from liabilities bearing variable interest rates as the Group intends to hold fixed rate liabilities to maturity.

	2022						2021					
		Fixed interest maturing in:						Fixed interest maturing in:				
	Floating interest rate $m	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m	Floating interest rate $m	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m
Bank loans	818	—	—	—	—	818	320	—	—	258	—	578
Bonds	2,515	50	250	75	382	3,272	2,065	—	50	325	681	3,121
Interest rate derivatives	(900)	400	300	400	(200)	—	(1,200)	300	400	600	(100)	—
Total	2,433	450	550	475	182	4,090	1,185	300	450	1,183	581	3,699

D3 CASH FLOW INFORMATION

For the purpose of presentation in the consolidated SoCF, cash and cash equivalents include cash at bank and short-term deposits at call.

RECONCILIATION OF PROFIT TO OPERATING CASH FLOW

	2022 $m	2021 $m
Profit from continuing operations	907	899
Revaluation of investment properties	(347)	(392)
Share of net profit of assets	(109)	(109)
JVA distributions received	95	84
Net gain on sale of assets	(16)	(2)
Net loss on sale of PPE	1	—
Net gain on financial instruments	(64)	(45)
Inventory write-downs and losses	15	12
Depreciation and amortisation expenses	77	71
Impairment loss on receivables	24	20
Security-based payments expense	15	10
Change in operating assets and liabilities	298	87
Net cash inflows from operating activities	896	635

NET DEBT RECONCILIATION

	Liabilities from financing activities						
	Current lease liabilities $m	Non-current lease liabilities $m	Current borrowings $m	Non-current liabilities $m	Total liabilities $m	Cash and cash equivalents $m	Total $m
Balance 1 July 2020	(4)	(68)	(200)	(4,100)	(4,372)	324	(4,048)
Net cash flow movements	4	—	200	(162)	42	(207)	(165)
Other non-cash movements	(4)	4	—	340	340	—	340
Balance 30 June 2021	(4)	(64)	—	(3,922)	(3,990)	117	(3,873)
Net cash flow movements	(12)	—	(219)	(173)	(404)	441	37
Other non-cash movements	8	(8)	(62)	165	103	—	103
Balance 30 June 2022	(8)	(72)	(281)	(3,930)	(4,291)	558	(3,733)

D CAPITAL STRUCTURE AND RISKS

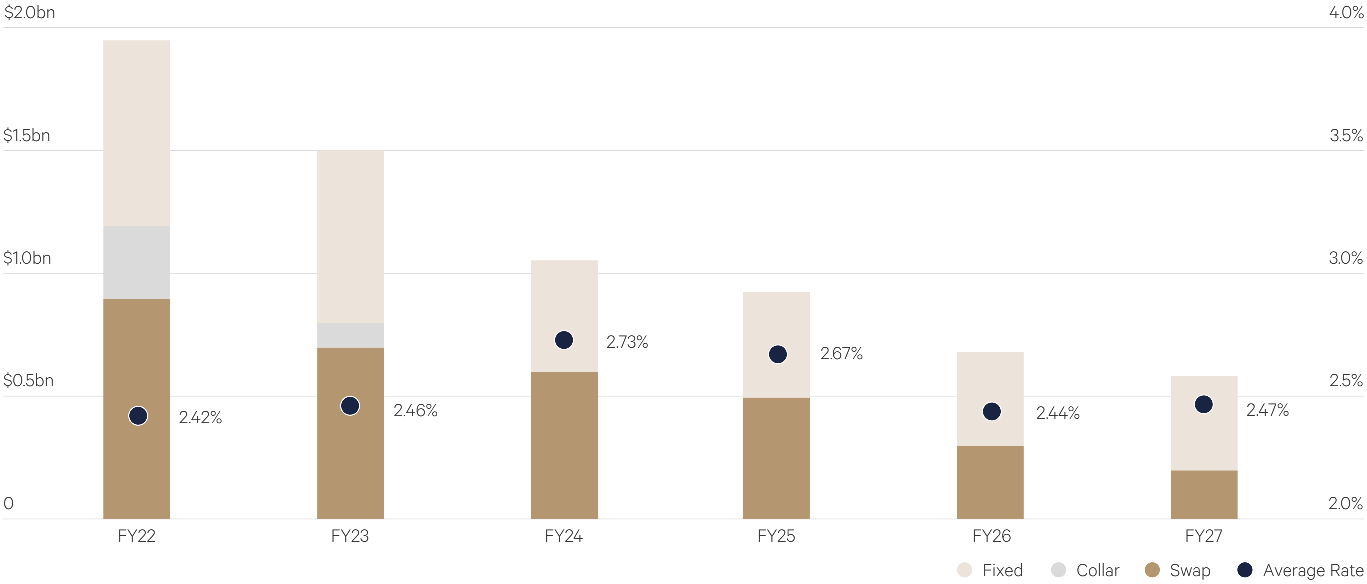
D4 DERIVATIVE FINANCIAL INSTRUMENTS

Mirvac uses derivative financial instruments to hedge its exposure to movements in interest and foreign exchange rates and not for trading or speculative purposes. Refer to note D5 for further details of how Mirvac manages financial risk.

HEDGING PROFILE AT 30 JUNE 2022

Derivatives are classified as held for trading and accounted for at fair value through profit or loss unless they are designated as hedges. All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the consolidated SoFP.

The chart below shows the net amount of debt subject to fixed interest rates and the maximum average fixed interest rate payable each year:



DERIVATIVES THAT QUALIFY FOR HEDGE ACCOUNTING

Mirvac's treasury policy sets out the hedging strategy and objectives to manage exposures arising from fluctuations in interest rates and foreign currency exchange rates.

At implementation, Mirvac formally designates and documents the relationship between hedging instruments (cross currency interest rate swaps only) and the hedged items (foreign currency bonds) as well as the proposed effectiveness of the risk management objective that the hedge relationship addresses. On an ongoing basis, Mirvac documents its assessment of retrospective and prospective hedge effectiveness of all hedge relationships for changes in fair values or cash flows.

FAIR VALUE HEDGE

A fair value hedge is a hedge of the exposure to changes in fair value of an asset or liability (such as a bond) that is attributable to a particular risk (such as movements in interest rates).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated SoCI, together with any changes in the fair value of the hedged asset/liability that are attributable to the hedged risk.

CASH FLOW HEDGE

A cash flow hedge is a hedge of the exposure to variability in cash flows attributable to a particular risk associated with an asset, liability or highly probable forecast transaction that could affect profit or loss.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity via the cash flow hedge reserve. Any gain or loss relating to the ineffective portion is recognised in the consolidated SoCI.

D CAPITAL STRUCTURE AND RISKS

D4 DERIVATIVE FINANCIAL INSTRUMENTS CONTINUED

COST OF HEDGING

Currency basis spread is a liquidity premium that is charged for exchanging different currencies, and the changes over time impacting the fair value of cross currency swaps. Mirvac defers the change in fair value to currency basis spreads in the cost of hedging reserve.

All derivatives require settlement on a monthly or quarterly basis. Translation gains or losses on the net investment in foreign operations are recorded through the foreign currency translation reserve.

	2022		2021	
	Asset $m	Liability $m	Asset $m	Liability $m
Current				
Interest rate derivatives – through profit or loss	1	—	—	5
Cross currency interest rate swaps – cash flow hedge	62	—	—	—
Total current derivative financial instruments	**63**	**—**	—	5
Non-current				
Interest rate derivatives – through profit or loss	17	47	3	75
Cross currency interest rate swaps – cash flow hedges	161	69	245	24
Total non-current derivative financial instruments	**178**	**116**	248	99
Total derivative financial assets/liabilities	**241**	**116**	248	104

MASTER NETTING ARRANGEMENTS – NOT CURRENTLY ENFORCEABLE

Agreements with derivative counterparties are based on an ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), may the net position owing/receivable to a single counterparty in the same currency be taken as owing and all the relevant derivative arrangements terminated. As the Group does not presently have a legally enforceable right of set-off, these amounts have not been offset in the consolidated SoFP. If a credit event had occurred, the ISDA Master Agreement would have the effect of netting, allowing a reduction to derivative assets and derivative liabilities of the same amount of $107 million (2021: $128 million).

D5 FINANCIAL RISK MANAGEMENT

Mirvac's activities expose it to a variety of financial risks including market risk, credit risk and liquidity risk. Mirvac seeks to minimise the potential impact of these financial risks on financial performance, for example, by using derivative financial instruments to protect against interest rate and foreign exchange risk.

Financial risk management is carried out by a central treasury department (Mirvac Group Treasury) under policies approved by the Board. The Board provides overall risk management principles and policies covering specific areas. Mirvac Group Treasury identifies, evaluates, reports and manages financial risks in close cooperation with the Group's operating units in accordance with Board policy.

The table below summarises key financial risks and how they are managed:

Risk	Definition	Exposures arising from	Management of exposures
Market risk – interest rate	The risk that the fair value or cash flows of financial instruments will fluctuate due to changes in market interest rates	> Borrowings issued at fixed rates and variable rates > Derivatives	> Interest rate derivatives manage cash flow interest rate risk by converting floating rate borrowings to fixed or capped rates with target of 55 per cent > Mirvac does not manage the fair value risk for debt instruments from interest rates, as it does not have an impact on the cash flows paid by the business > Refer to note D2 for details on the interest rate exposure for borrowings
Market risk – foreign exchange	The risk that the fair value of a financial commitment, asset or liability will fluctuate due to changes in foreign exchange rates	> Bonds denominated in other currencies > Receipts and payments which are denominated in other currencies	> Cross currency interest rate swaps to convert non-Australian dollar borrowings to Australian dollar exposures. These cross currency interest rate swaps have been designated as cash flow hedges with the movements in fair value recognised while they are still in an effective hedge relationship

D CAPITAL STRUCTURE AND RISKS

D5 FINANCIAL RISK MANAGEMENT CONTINUED

Market risk – price	The risk that the fair value of other financial assets at fair value through profit or loss will fluctuate due to changes in the underlying share/unit price	> Other financial assets at fair value through profit or loss, with any resultant gain or loss recognised in other comprehensive income	> The Group is exposed to minimal price risk and so does not manage the exposures
Credit risk	The risk that a counterparty will not make payments to Mirvac as they fall due	> Cash and cash equivalents > Receivables > Derivative financial assets > Other financial assets	> Setting credit limits and obtaining collateral as security (where appropriate) > Diversified trading spread across large financial institutions with investment grade credit ratings > Regularly monitoring the exposure to each counterparty and their credit ratings > Refer to note F1 for details on credit risk exposure on receivables. The Group deems the exposure to credit risk as not significant for all other classes of financial assets and liabilities
Liquidity risk	The risk that Mirvac will not be able to meet its obligations as they fall due	> Payables > Borrowings > Derivative financial liabilities	> Regular forecasts of the Group's liquidity requirements. Surplus funds are only invested in highly liquid instruments > Availability of cash, marketable securities and committed credit facilities > Ability to raise funds through issue of new securities through placements or DRP > Refer to note D2 for details of liquidity risk of the Group's financing arrangements

MARKET RISK

Foreign exchange risk

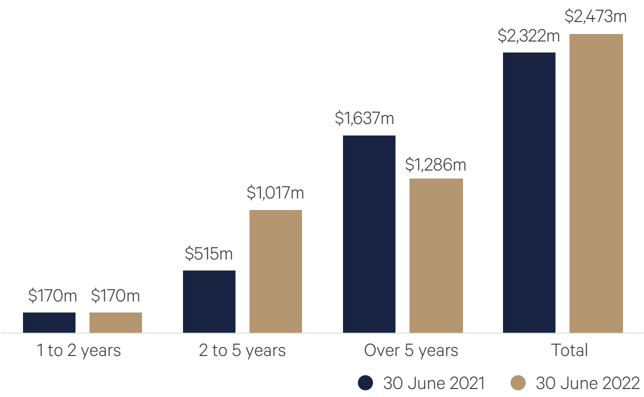
The cross currency interest rate swaps (CCIRS) that are in place cover 100 per cent of the foreign denominated bonds (interest payments and redemption value) with the same maturity profiles as the bonds. This removes exposure to foreign exchange movements between the foreign currencies and Australian dollar.

Foreign currency transactions are translated into the entity's functional currency using the exchange rate at the transaction date. Foreign exchange gains and losses resulting from settling foreign currency transactions and from translating foreign currency monetary assets and liabilities at year end are recognised in the consolidated SoCI.

Sensitivity analysis – interest rate risk and foreign exchange risk

This sensitivity analysis shows the impact on profit after tax and equity if Australian interest rates changed by 100 basis points (bps).

NOTIONAL AMOUNT AND EXPIRY OF CCIRS



Given the recent significant upward shift in the interest rate environment that the Group is operating in and with official interest rates at the beginning of a tightening cycle, a 100 bps movement is deemed an appropriate sensitivity to consider for 30 June 2022. The Group has borrowings and CCIRS which reference foreign interest rates and foreign exchange rates however these are hedge accounted in effective hedge relationships, therefore the net profit impact is nil.

Total impact on profit after tax and equity		2022 + 100 bps $m	2022 − 100 bps $m	2021 + 25 bps $m	2021 − 25 bps $m
	Changes in:				
Interest rate risk [1]	Australian interest rates	**$15.5m decrease**	**$14.2m increase**	$1.1m increase	$3.3m decrease
Foreign exchange risk [2]	Foreign interest rates	**—**	**—**	—	—
Foreign exchange risk [2]	Foreign exchange rates	**—**	**—**	—	—

1. This calculation shows the impact on borrowings, cash and derivative financial instruments held as an economic hedge. It assumes that no interest is capitalised into qualifying assets as discussed in note B3. If fair value movements were excluded, operating profit would reduce if interest rates were to rise.
2. The Group has borrowings and CCIRS which reference foreign interest rates and foreign exchange rates; however, these are hedge accounted in effective hedge relationships, therefore the net profit impact is nil.

D CAPITAL STRUCTURE AND RISKS

D5 FINANCIAL RISK MANAGEMENT CONTINUED

EFFECTS OF HEDGE ACCOUNTING

The effects of the foreign currency-related hedging instruments on the Group's financial position and performance are as follows:

	2022	2021
Carrying amount	**$2,605m**	$2,557m
Original debt amount	**$2,473m**	$2,322m
Original hedged amount	**$2,473m**	$2,322m
Maturity date	**Dec 2022 – Mar 2034**	Dec 2022 – Mar 2034
Hedge ratio	**1:1**	1:1
Change in discounted spot value of outstanding hedging instruments since inception of the hedge	**$136m**	$206m
Change in value of hedged item used to determine hedge ineffectiveness	**($151m)**	($246m)
Weighted average hedged rate for outstanding hedging instruments against AU$1	**US$0.79 YEN79.82 HK$5.74**	US$0.79 YEN79.82 HK$6.04

LIQUIDITY RISK

Maturities of financial liabilities and derivative financial assets

Mirvac's maturity of financial liabilities and derivative financial assets is provided in the following table. The amounts disclosed in the table are the contractual undiscounted cash flows:

	2022					2021				
	Maturing in:					Maturing in:				
	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m	Less than 1 year $m	1 to 2 years $m	2 to 5 years $m	Over 5 years $m	Total $m
Payables[1]	**747**	**242**	**332**	**—**	**1,321**	557	43	325	—	925
Unsecured bank loans	**22**	**21**	**794**	**—**	**837**	5	6	568	—	579
Bonds	**414**	**368**	**1,307**	**2,167**	**4,256**	126	383	938	2,672	4,119
Lease liabilities	**8**	**7**	**16**	**49**	**80**	4	4	11	49	68
Net settled derivatives										
Interest rate derivatives – floating to fixed	**1**	**1**	**16**	**15**	**33**	24	15	14	6	59
Gross settled derivatives (cross currency swaps)										
> Outflow	**289**	**131**	**1,360**	**1,545**	**3,325**	50	225	715	1,855	2,845
> (Inflow)	**(328)**	**(88)**	**(1,379)**	**(1,532)**	**(3,327)**	(85)	(294)	(766)	(1,840)	(2,985)
	1,153	**682**	**2,446**	**2,244**	**6,525**	681	382	1,805	2,742	5,610

1. Includes deferred revenue.

D CAPITAL STRUCTURE AND RISKS

D6 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Mirvac measures various financial assets and liabilities at fair value which, in some cases, may be subjective and depend on the inputs used in the calculations. The different levels of measurement are described below:

> **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities;
> **Level 2**: not traded in an active market but calculated with significant inputs coming from observable market data; and
> **Level 3**: significant inputs to the calculation that are not based on observable market data (unobservable inputs).

Mirvac holds no Level 1 financial instruments.

The methods and assumptions used to estimate the fair value of Mirvac's financial instruments are as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

Mirvac's derivative financial instruments are classified as Level 2, as the fair values are calculated based on observable market interest rates and foreign exchange rates. The fair values of interest rate derivatives are calculated as the present value of the estimated future cash flows based on observable yield curves.

OTHER FINANCIAL ASSETS

Other financial assets include units in unlisted entities; refer to note F2 for further details. The carrying value of other financial assets is equal to the fair value.

Investments in unlisted entities are traded in inactive markets and the fair value is determined by the unit or share price as advised by the trustee of the unlisted entity, based on the value of the underlying assets. The unlisted entity's assets are subject to regular external valuations using the valuation methods explained in note C1.

The following table summarises the financial instruments measured and recognised at fair value on a recurring a basis:

	2022				2021			
	Level 1 $m	Level 2 $m	Level 3 $m	Total $m	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets carried at fair value								
Investments in unlisted entities	—	—	73	73	—	—	78	78
Derivative financial instruments	—	241	—	241	—	248	—	248
Total financial assets carried at fair value	—	241	73	314	—	248	78	326
Financial liabilities carried at fair value								
Derivative financial instruments	—	116	—	116	—	104	—	104
Total financial liabilities carried at fair value	—	116	—	116	—	104	—	104

There were no transfers between the fair value hierarchy levels during the year. The following table presents a reconciliation of the carrying value of Level 3 instruments held by the Group (excluding investment properties):

Investments in unlisted funds	2022 $m	2021 $m
Balance 1 July	78	68
Acquisitions	8	2
Net gain recognised in gain on financial instruments	4	8
Return of capital	(17)	—
Balance 30 June	73	78

Refer to note C2 for a reconciliation of the carrying value of investment properties, also classified as Level 3.

E EQUITY

This section includes details of distributions, stapled securityholders' equity and reserves. It represents how the Group raised equity from its stapled securityholders in order to finance the Group's activities both now and in the future.

E1 DISTRIBUTIONS

Half yearly ordinary distributions paid/payable and distribution per security:

All distributions in the current and prior periods were unfranked. Franking credits available for future years, based on a tax rate of 30 per cent, total $30m (2021: $24m).

E2 CONTRIBUTED EQUITY

Mirvac's contributed equity includes ordinary shares in Mirvac Limited and ordinary units in MPT which are stapled to create stapled securities.

Each ordinary security entitles the holder to receive distributions when declared, to one vote at securityholders' meetings and on polls and to a proportional share of proceeds on winding up of Mirvac.

When new securities or options are issued, the directly attributable incremental costs are deducted from equity, net of tax.

CONTRIBUTED EQUITY

	2022		2021	
	No. securities m	Securities $m	No. securities m	Securities $m
Mirvac Limited – ordinary shares issued	**3,942**	**2,165**	3,936	2,162
MPT – ordinary units issued	**3,942**	**5,362**	3,936	5,348
Total contributed equity		**7,527**		7,510

The total number of stapled securities issued as listed on the ASX at 30 June 2022 was 3,943m (2021: 3,938m) which included 1m of stapled securities issued under the LTI plan and EIS (2021: 1m). Securities issued to employees under the Mirvac employee LTI plan and EIS are accounted for as options and are recognised in the security-based payments reserve, not in contributed equity.

MOVEMENTS IN PAID UP EQUITY

	2022		2021	
	No. securities	Securities $m	No. securities	Securities $m
Balance 1 July	**3,936,111,448**	**7,510**	3,932,737,261	7,503
Securities issued under EEP[1]	**401,059**	**1**	525,021	1
LTI vested[2]	**5,111,753**	**15**	2,746,083	6
Legacy schemes vested	**97,782**	**1**	103,083	—
Balance 30 June	**3,941,722,042**	**7,527**	3,936,111,448	7,510

1. Mirvac issues securities to employees as security-based payments; refer to note E3 for details.
2. Stapled securities issued for LTIs during the year, relate to LTIs granted in prior years.

E EQUITY

E3 RESERVES

COST OF HEDGING RESERVE

The cost of hedging reserve is used to record gains or losses on derivatives that relate to the currency basis spread. Currency basis spread is the liquidity premium that is charged for exchanging different currencies, and changes over time impacting the fair value of a cross currency swap.

CASH FLOW HEDGE RESERVE

The cash flow hedge reserve is used to record gains or losses on derivatives that qualify as cash flow hedges and that are recognised in other comprehensive income.

SECURITY-BASED PAYMENTS (SBP) RESERVE

The SBP reserve recognises the SBP expense. Further details on SBP are explained in note E4.

NON-CONTROLLING INTERESTS (NCI) RESERVE

The NCI reserve was used to record the discount received on acquiring the non-controlling interest in Mirvac Real Estate Investment Trust in December 2009.

	Note	Cost of hedging reserve $m	Cash flow hedge reserve $m	SBP reserve $m	NCI reserve $m	Capital reserve $m	Total reserves $m
Balance 1 July 2020		—	(9)	30	8	(1)	28
Hedging reserve movements		9	—	—	—	—	9
Cash flow hedge movements		—	(25)	—	—	—	(25)
SBP movements	E4	—	—	1	—	—	1
Balance 30 June 2021		9	(34)	31	8	(1)	13
Hedging reserve movements		**(7)**	**—**	**—**	**—**	**—**	**(7)**
Cash flow hedge movements		**—**	**24**	**—**	**—**	**—**	**24**
SBP movements	E4	**—**	**—**	**(7)**	**—**	**—**	**(7)**
Balance 30 June 2022		**2**	**(10)**	**24**	**8**	**(1)**	**23**

E4 SECURITY-BASED PAYMENT

Mirvac currently operates the following SBP schemes:

> Employee Exemption Plan (EEP);

> Long-term Incentives Plan (LTI); and

> Short-term incentive (STI) awards.

The total of all securities issued under all employee security schemes is limited to five per cent of the issued securities of the stapled group in any five year period.

EEP

The EEP provides eligible employees with up to $1,000 worth of Mirvac securities at no cost. Employees cannot sell the securities for three years or until they cease employment with the Group, in which case they keep any securities already granted. Other than the restriction on selling, holders have the same rights and benefits as other securityholders.

LTI

The LTI provides senior executives with performance rights to both reward and retain executives and strengthen the alignment between the performance of the Group and the executives. The performance rights vest based on Mirvac's TSR and ROIC performance over a three-year period.

STI

The STI is to motivate and reward employees for contributing to the delivery of annual business performance. For Executive KMP, 75 per cent of any STI award is paid as cash and 25 per cent is deferred into rights. The rights vest in two equal tranches: 50 per cent of the rights vest after one year and 50 per cent after two years.

Accounting for the SBP schemes

The EEP securities issued each year are recognised as an expense and a movement in contributed equity. The securities issued in FY22 were issued on 3 March 2022 at a stapled security price of $2.57. At 30 June 2022, a total of 9.3m (2021: 8.9m) stapled securities have been issued to employees under the EEP.

The LTI, STI and legacy EIS are accounted for as equity-settled SBP. The fair value is estimated at grant date and recognised over the vesting period as an expense and in the SBP reserve. When the SBP vest, ordinary securities are issued and recognised as a transfer from the SBP reserve to contributed equity.

E EQUITY

E4 SECURITY-BASED PAYMENT CONTINUED

RECONCILIATION OF RIGHTS OUTSTANDING UNDER SBP SCHEMES

	Balance 1 July	Issued	Vested	Forfeited	Balance 30 June
LTI	12,879,742	6,759,759	(5,111,753)	(3,898,428)	10,629,320
STI	945,421	144,321	(674,776)	(20,165)	394,801
Total rights FY21	13,825,163	6,904,080	(5,786,529)	(3,918,593)	11,024,121
LTI	**10,629,320**	**5,883,107**	**(2,789,136)**	**(2,058,072)**	**11,665,219**
STI	**394,801**	**601,007**	**(349,583)**	**—**	**646,225**
Total rights FY22	**11,024,121**	**6,484,114**	**(3,138,719)**	**(2,058,072)**	**12,311,444**

The weighted average remaining contractual life of SBP schemes as at 30 June 2022 was 1.45 years (2021: 1.53 years). SBP expense recognised within employee benefits expenses is as follows:

	2022 $000	2021 $000
LTI	**9,925**	8,580
STI	**3,515**	1,245
Total SBP expense taken to SBP reserve	**13,440**	9,825
EEP recognised directly in contributed equity	**1,322**	—
Total SBP expense	**14,762**	9,825

The movements in the SBP reserve are as follows:

	2022 $000	2021 $000
Balance 1 July	**31,362**	29,856
Total SBP expense taken to SBP reserve	**13,440**	9,825
LTI vested and taken to contributed equity	**(15,284)**	(7,314)
STI vested	**(1,037)**	(1,005)
Transfer of unvested awards to retained earnings	**(4,149)**	—
Balance 30 June	**24,332**	31,362

JUDGEMENT IN CALCULATING FAIR VALUE OF SBP

To calculate the expense for equity-settled SBP, the fair value of the equity instruments at grant date has to be estimated. The fair value is determined using the Monte-Carlo simulation for the relative TSR component (key judgements and assumptions include exercise price, vesting and performance criteria, security price at grant date, volatility, distribution yield and risk-free interest rate) and a Binomial tree method for the ROIC component. These judgements and assumptions relating to fair value measurement may impact the SBP expense taken to profit or loss and reserves.

Assumptions used for the fair value of performance rights awarded during the current year are as follows:

Grant date	30 November 2021
Performance hurdles	Relative TSR and ROIC
Performance period start	1 July 2021
Performance period end	30 June 2024
Security price at grant date	$2.86

Exercise price	$nil
Expected life	2.6 years
Volatility	36.80%
Risk-free interest rate (per annum)	1.05%
Dividend/distribution yield (per annum)	3.46%

The valuation of rights is conducted by an independent advisor. The fair value is determined using a Monte-Carlo simulation for the relative TSR component and a Binomial tree methodology for the ROIC component.

F OPERATING ASSETS AND LIABILITIES

F1 RECEIVABLES

Receivables are initially recognised at their fair value. Receivables are subsequently measured at amortised cost using the effective interest rate method, less loss allowance if required. Due to the short-term nature of current receivables, their carrying amount (less loss allowance) is assumed to be the same as their fair value.

For the majority of the non-current receivables, the carrying amount is also not significantly different to their fair value. The expected credit loss (ECL) of receivables is reviewed on an ongoing basis. The Group applies the simplified approach to measuring ECL as appropriate based on the different characteristics of each financial asset class. To measure the ECL, management has grouped together its receivables based on shared credit risk characteristics and the days past due. The Group uses judgement in making assumptions about risk of default and ECL rates and the inputs to the impairment calculation, based on the Group's past history, existing market conditions and future looking estimates at the end of each reporting period. Receivables which are determined to be uncollectable are written off.

For loans receivable, at inception of a loan, an ECL provision is recognised which considers the following:

- The historical bad debt write offs incurred for similar loan arrangements; and
- The collateral held over the loan; and
- The creditworthiness of the borrower.

Over the life of the loan, the risk profile is reassessed in accordance with the three-stage approach.

- **Stage 1 – Performing** includes loans that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these loans, 12-month expected credit losses are recognised and interest revenue is calculated on the gross carrying amount of the loan.
- **Stage 2 – Underperforming** includes loans that have had a significant increase in credit risk since initial recognition but are not credit-impaired. For these loans a lifetime ECL over the life of the loan is recognised, and interest revenue is still calculated on the gross carrying amount of the asset.
- **Stage 3 – Non-performing** consists of loans that are credit-impaired, which is when one or more events that have a detrimental impact on the estimated future cash flows of the loan has occurred. For these assets, a lifetime ECL is also recognised, but interest revenue is calculated on the net carrying amount (net of the ECL provision).

The consideration of the stage of the loan requires significant judgement, in particular when assessing whether there has been a significant increase in credit risk and in estimating ECL provision.

As at 30 June 2022, the Group did not have any stage 2 or stage 3 loans receivable.

		2022			2021		
	Note	Gross $m	Loss allowance $m	Net $m	Gross $m	Loss allowance $m	Net $m
Current receivables							
Trade receivables		40	(19)	21	98	(35)	63
Loans to unrelated parties		70	—	70	65	(39)	26
Other receivables		53	—	53	28	—	28
Total current receivables		163	(19)	144	191	(74)	117
Non-current receivables							
Loans to related parties	H3	—	—	—	5	—	5
Loans to unrelated parties		16	—	16	89	—	89
Other receivables		14	—	14	3	—	3
Total non-current receivables		30	—	30	97	—	97
Total receivables		193	(19)	174	288	(74)	214

Movements in loss allowance	2022 $m	2021 $m
Balance 1 July	(74)	(80)
Loss allowance recognised	(24)	(20)
Amounts utilised for write-off of receivables	79	26
Balance 30 June	(19)	(74)

F OPERATING ASSETS AND LIABILITIES

F1 RECEIVABLES CONTINUED

AGEING

		Days past due					
	Not past due $m	1 – 30 $m	31 – 60 $m	61 – 90 $m	91 – 120 $m	Over 120 $m	Total $m
Trade receivables [1]	59	8	8	3	3	17	98
Loans	115	—	—	—	—	44	159
Other receivables	31	—	—	—	—	—	31
Loss allowance	(1)	(5)	(7)	(3)	(3)	(55)	(74)
Balance 30 June 2021	204	3	1	—	—	6	214
Trade receivables [1]	**13**	**6**	**2**	**3**	**2**	**14**	**40**
Loans	**86**	**—**	**—**	**—**	**—**	**—**	**86**
Other receivables	**67**	**—**	**—**	**—**	**—**	**—**	**67**
Loss allowance	**—**	**—**	**(1)**	**(2)**	**(2)**	**(14)**	**(19)**
Balance 30 June 2022	**166**	**6**	**1**	**1**	**—**	**—**	**174**

1. The Group has recognised a provision for impairment for all investment property tenant trade receivables that are greater than 30 days overdue.

The Group does not have any significant credit risk exposure to a single customer. The Group holds collateral of $166m (2021: $164m). The quantum, terms and conditions of collateral are outlined in the lease agreements, however generally as lessor, the Group has the right to call upon the collateral if a lessee breaches their lease. Refer to note D5 for further details on the Group's exposure to, and management of, credit risk.

LOANS RECEIVABLE

	2022				2021			
	Stage 1 $m	Stage 2 $m	Stage 3 $m	Total $m	Stage 1 $m	Stage 2 $m	Stage 3 $m	Total $m
Opening loss allowance	**—**	**—**	**39**	**39**	—	—	39	39
Loss allowance utilised during the year	**—**	**—**	**(39)**	**(39)**	—	—	—	—
Closing loss allowance	**—**	**—**	**—**	**—**	—	—	39	39

The gross carrying amount of loans receivables representing the maximum exposure to loss, is as follows:

	2022 $m	2021 $m
Stage 1 – Performing	**86**	110
Stage 2 – Underperforming	**—**	5
Stage 3 – Non-performing [1]	**—**	44
Total gross loans receivable	**86**	159
Less: Loan allowance	**—**	(39)
Total net loans receivable	**86**	120

1. During the year, the Group became mortgagee in possession of land held as security for this loan. As the Group had control of the land, it reclassified the net loan receivable to Inventory, which was subsequently disposed of during the year.

F2 OTHER FINANCIAL ASSETS

INVESTMENTS IN UNLISTED ENTITIES

The Group holds units in unlisted entities which do not give Mirvac control, as explained in note G1, or significant influence, as explained in note C3. Distributions received are recognised in revenue and any changes in fair value are recognised in the gain or loss on financial instruments in the consolidated SoCI.

FAIR VALUE MEASUREMENT

Other financial assets are carried at fair value. Fair value is estimated as explained in note D6.

	2022 $m	2021 $m
Non-current		
Investments in unlisted entities	**73**	78
Total other financial assets	**73**	78

F OPERATING ASSETS AND LIABILITIES

F3 INTANGIBLE ASSETS

Mirvac's intangible assets consists of goodwill, management rights and software.

GOODWILL

The goodwill acquired in a business combination is attributable to the profitability of the acquired business, as well as benefits derived from the acquired workforce and other intangible assets that cannot be separately recognised. The goodwill is not expected to be deductible for income tax.

MANAGEMENT RIGHTS

Management rights are the rights to manage properties and funds and have been initially recognised at fair value as part of business combinations. Management rights relating to office are estimated to have a useful life of 10 years and are carried at cost less accumulated amortisation and impairment losses. Management rights relating to retail are considered to be open-ended and therefore have no expiry. Management considers the useful life as indefinite and the management rights are tested annually for impairment.

SOFTWARE

Software consists of purchased and internally generated capitalised development costs where it is evident that these costs will generate probable future economic benefits. Software is held at cost less accumulated amortisation. Once ready for use, the Group amortises software using a straightline method over the estimated useful life.

Costs incurred to configure or customise cloud computing software, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as an expense when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation, and the SaaS access over the contract term, the services are assessed to determine if they are distinct. Where the services are not distinct, the configuration and customisation costs incurred are capitalised on the consolidated SoFP as a prepayment and expensed over the SaaS contract term.

The breakdown of intangible assets by type and operating segment is set out below.

Carrying amounts	Balance 1 July 2020 $m	Additions $m	Amortisation $m	Balance 30 June 2021 $m	Additions $m	Transfers $m	Balance 30 June 2022 $m
Goodwill							
Integrated Investment Portfolio	67	—	—	67	**—**	**—**	**67**
Total goodwill	67	—	—	67	**—**	**—**	**67**
Management rights							
Integrated Investment Portfolio							
Office	8	—	(2)	6	**—**	**—**	**6**
Retail	3	—	—	3	**—**	**—**	**3**
Total management rights	11	—	(2)	9	**—**	**—**	**9**
Software under development							
Unallocated	—	2	—	2	**1**	**(2)**	**1**
Total software under development	—	2	—	2	**1**	**(2)**	**1**
Software							
Unallocated	—	—	—	—	**—**	**2**	**2**
Total software	—	—	—	—	**—**	**2**	**2**
Total intangible assets	78	2	(2)	78	**1**	**—**	**79**

MANAGEMENT RIGHTS

Management rights include property management rights for office and retail properties managed by the Group. Management rights with a finite life are amortised using the straight-line method over their useful life. For indefinite management rights, the Group tests for impairment at the reporting date. Assets are impaired if the carrying value exceeds their recoverable amount. The recoverable amount is determined using a discounted cash flow. A 13.50 per cent pre-tax discount rate and 2 per cent growth rate have been applied to the cash flow projections.

GOODWILL

Goodwill acquired in a business combination is tested annually for impairment. Goodwill is impaired if the recoverable amount, calculated as the higher of the value in use and the fair value less costs to sell, is less than its carrying amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which goodwill is monitored for internal management purposes and allocated to cash generating units (CGU). The estimation of the recoverable amount of goodwill depends on the nature of the CGU. For the IIP CGU, the value in use is the discounted present value of estimated cash flows that the CGU will generate, which primarily comprise of the Group's investment properties.

F OPERATING ASSETS AND LIABILITIES

F3 INTANGIBLE ASSETS CONTINUED

The key assumptions used to determine the forecast cash flows in the goodwill model include:

Key assumption	Details of key assumption	Inputs used
Net market rent	The rent at which a tenancy could be leased in the market including outgoings recovery	Lease specific assumptions including let up periods and incentives
Other cash flows	These cashflows are minimal in comparison to the rental cashflows but form part of the IIP CGU	Cash flows from the Asset & Funds Management and Management & Administration parts of IIP
Capital expenditure	The amount of additional investment required to upgrade or maintain the Group's investment properties	Investment property assumptions based on the age and condition of the property
Growth rate	The rate at which cashflows will grow over time. The growth rate has been adjusted to reflect current market conditions and does not exceed the long-term average growth rate for IIP. The cash flow projections are based on management approved forecasts covering an initial period of five years and the subsequent five years are based on a growth rate of 3.0-3.5 per cent p.a (2021: 3.0 per cent p.a)	3.0-3.5% (2021: 3.0%)
Cash flow period	AASB 136 *Impairment of Assets* recommends that cash flow projections should cover a maximum period of five years, unless a longer period can be justified. As the cash flow projections used for budgeting and forecasting are based on long-term, predictable and quantifiable leases, with renewal assumptions based on asset class and industry experience, management is comfortable that a ten year cash flow projection is appropriate	10 years (2021: 10 years)
Terminal growth rate	The constant rate that cash flows are expected to grow at into perpetuity	2.5% (2021: 3.0%)
Pre-tax discount rate	The rate of return used to convert cashflows into present value, these are specific to the risks of each of the cash flows within the IIP segment. This includes using the weighted investment property portfolio discount rate, which was 6.1 per cent as at 30 June 2022 (2021: 6.4 per cent), and then applying a premium adjustment to this rate on the basis that a prospective purchaser would expect there to be multiple benefits to acquiring a portfolio of assets	5.8-11.5% (2021: 5.9%-10.4%)

Sensitivity

If the cash flow projections used in the value in use calculations increased or decreased the pre-tax discount rate by 50 bps and the terminal growth rate or growth rate were increased or decreased by 50 bps, and 100 bps respectively, the Group would have sufficient headroom and this would not result in an impairment.

Based on information available and market conditions as at 30 June 2022 and up to the date of this report, management have considered that a reasonably foreseeable change in the other assumptions used in the goodwill assessment would not result in an impairment to the value of goodwill as at 30 June 2022.

F4 PAYABLES

Payables are measured at amortised costs. Due to the short-term nature of current payables, their carrying amount is assumed to be the same as their fair value. For the majority of non-current payables, the carrying amount is also not significantly different to their fair value.

Trade payables due more than 12 months after year end are classified as non-current.

	2022 $m	2021 $m
Current		
Trade payables	**47**	50
Accrued expenses	**510**	400
Deferred land payable	**91**	7
Annual leave accrued	**26**	18
Other payables	**56**	28
Total current payables	**730**	503
Non-current		
Deferred land payable	**569**	332
Other payables	**2**	35
Total non-current payables	**571**	367
Total payables	**1,301**	870

F OPERATING ASSETS AND LIABILITIES

F5 PROVISIONS

LONG SERVICE LEAVE (LSL)

Where the LSL provision is expected to be settled more than 12 months after year end, the expected future payments are discounted to present value. The corporate bond rates used to discount the expected future payments have maturities aligned to the estimated timing of future cash flows.

In calculating the LSL provision, judgement is required to estimate future wages and salaries, on-cost rates and employee service periods.

DISTRIBUTION PAYABLE

A provision is made for the amount of distribution declared at or before year end but not yet paid; refer to note E1.

WARRANTIES

The Group is obliged to rectify any defective work during the warranty period of its developments. Warranties are also known as post-completion maintenance costs.

Movements in each class of provision during the year are set out below:

	Long service leave $m	Distribution payable $m	Warranties $m	Total $m
Balance 1 July 2021	18	201	16	235
Additional provisions	4	404	10	418
Payments made/amounts utilised	(1)	(403)	(6)	(410)
Balance 30 June 2022	**21**	**202**	**20**	**243**
Current	**15**	**202**	**15**	**232**
Non-current	**6**	**—**	**5**	**11**

F6 LEASES

RIGHT-OF-USE ASSETS

The right-of-use assets recognised in the consolidated SoFP include:

	2022 $m	2021 $m
Property leases	28	17
Total right-of-use assets	**28**	17

Due to the deconsolidation of The George Street Trust as outlined in note G4, an additional right-of-use asset of $18m was recognised during the year.

RIGHT-OF-USE ASSETS AMOUNTS RECOGNISED IN THE CONSOLIDATED SOCI

The consolidated SoCI shows the following amounts relating to leases:

	2022 $m	2021 $m
Depreciation on property leases	7	4
Total depreciation	**7**	4
Interest expense on property leases	3	3
Total interest expense (included in finance costs)	**3**	3

THE GROUP'S LEASING ACTIVITIES AND HOW THESE ARE ACCOUNTED FOR

The Group leases include ground leases and property leases. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of property for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated SoCI over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use assets which meet the definition of an investment property form part of the investment property balance and are measured at fair value in accordance with AASB 140 *Investment Property*, refer to note C1.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated SoCI. Short-term leases are leases with a lease term of 12 months or less.

G GROUP STRUCTURE

This section explains how the Group is structured, the Deed of Cross Guarantee between Group companies and disclosures for the parent entity.

G1 GROUP STRUCTURE AND DEED OF CROSS GUARANTEE

CONTROLLED ENTITIES

The consolidated financial statements of Mirvac incorporate the assets, liabilities and results of all controlled entities. Controlled entities are all entities over which the Group has power to direct the activities of the entity and an exposure to and ability to influence its variable returns from its involvement with the entity.

Controlled entities are fully consolidated from the date control is obtained until the date that control ceases. Intra-group transactions and balances are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred.

Refer to note I2 for Mirvac's controlled entities.

STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Mirvac considers that all funds and trusts in which it currently has an investment, or from which it currently earns income, to be structured entities. Depending on the Group's power to direct the activities of the entity and its exposure to and ability to influence its own returns, it may consolidate the entity. In other cases, it may sponsor or have some form of exposure to a structured entity but not consolidate it.

If Mirvac does not control a structured entity but has significant influence it is treated as an associate.

FUNDS AND TRUSTS

Mirvac invests in a number of funds and trusts which invest in real estate as investment properties. The funds and trusts finance their operations through borrowings and through equity issues. The Group determines whether it controls or has significant influence over these funds and trusts as discussed above.

CLOSED GROUP

Mirvac Limited and certain wholly-owned entities (collectively the Closed Group) are parties to a Deed of Cross Guarantee. The members of the Closed Group guarantee to pay any deficiency in the event that another member winds up.

Refer to note I2 for the members of the Closed Group.

Closed Group SoCI	2022 $m	2021 $m
Revenue	**2,128**	1,467
Other income		
Revaluation of investment properties	**38**	—
Share of net profit of joint ventures	**23**	48
Gain on financial instruments	**60**	60
Total revenue and other income	**2,249**	1,575
Development expenses	**1,589**	967
Cost of goods sold interest	**25**	—
Inventory write-downs and losses	**58**	11
Selling and marketing expenses	**39**	29
Investment properties expenses and outgoings	**1**	1
Depreciation and amortisation expenses	**14**	12
Impairment loss on receivables	**—**	1
Employee and other expenses	**161**	159
Finance costs	**143**	216
Loss on financial instruments	**—**	23
Profit before income tax	**219**	156
Income tax expense	**77**	86
Profit for the year	**142**	70

G GROUP STRUCTURE

G1 GROUP STRUCTURE AND DEED OF CROSS GUARANTEE CONTINUED

Closed Group SoFP	2022 $m	2021 $m
Current assets		
Cash and cash equivalents	457	72
Receivables	3,781	2,996
Inventories	657	574
Derivative financial assets	63	—
Other assets	19	19
Total current assets	4,977	3,661
Non-current assets		
Receivables	1,914	1,966
Inventories	1,783	1,730
Investment properties	70	4
Investments in joint ventures	41	56
Derivative financial assets	178	248
Other financial assets	1,181	1,270
Property, plant and equipment	10	7
Right-of-use assets	45	32
Intangible assets	40	40
Deferred tax assets	—	11
Other assets	27	3
Total non-current assets	5,289	5,367
Total assets	10,266	9,028
Current liabilities		
Payables	3,069	2,507
Deferred revenue	51	148
Borrowings	281	—
Lease liabilities	12	8
Derivative financial liabilities	—	5
Provisions	29	21
Current tax liabilities	128	—
Total current liabilities	3,570	2,689
Non-current liabilities		
Payables	570	332
Deferred revenue	3	7
Borrowings	3,957	3,922
Derivative financial liabilities	116	99
Provisions	11	12
Lease liabilities	41	32
Total non-current liabilities	4,698	4,404
Total liabilities	8,268	7,093
Net assets	1,998	1,935
Equity		
Contributed equity	2,340	2,436
Reserves	8	(2)
Accumulated losses	(350)	(499)
Total equity	1,998	1,935

G GROUP STRUCTURE

G2 PARENT ENTITY

The financial information for the parent entity, Mirvac Limited, is prepared on the same basis as the consolidated financial statements, except as set out below:

Tax consolidation legislation – Mirvac Limited is the head entity of a tax consolidated group as discussed in note B5. As the head entity, Mirvac Limited recognises the current tax balances and the deferred tax assets for unused tax losses and credits assumed from other members as well as its own current and deferred tax amounts. Amounts receivable from or payable to the other members are recognised by Mirvac Limited as intercompany receivables or payables.

Parent entity	2022 $m	2021 $m
Current assets	5,852	5,398
Total assets	6,319	5,888
Current liabilities	4,031	3,598
Total liabilities	4,031	3,598
Equity		
Contributed equity	2,164	2,162
SBP reserve	24	31
Retained earnings	100	97
Total equity	2,288	2,290
Loss/(profit) for the year	(1)	1
Total comprehensive loss/(profit) for the year	(1)	1

The parent entity is party to the Deed of Cross Guarantee discussed in note G1 and therefore guarantees the debts of the other Closed Group members.

At 30 June 2022, the parent entity did not provide any other guarantees (2021: $nil), have any contingent liabilities (2021: $nil), or any capital commitments (2021: $nil).

G3 NON-CONTROLLING INTERESTS

NON-CONTROLLING INTERESTS

The Group holds a 69.9 per cent interest in the Australian Build to Rent Club (ABTRC or the club). Non-controlling interest in the results and equity of the club are shown separately in the consolidated SoCI, SoCE and SoFP separately. The club was established in Australia.

The financial information of ABTRC is provided below and is before intercompany eliminations.

	2022 $m	2021 $m
Accumulated balances of the NCI	66	66
Profit/(loss) allocated to the NCI for the year	1	(2)

Summarised Consolidated Statement of Comprehensive Income	2022 $m	2021 $m
Revenue	9	4
Total revenue and other income	9	4
Expenses	4	3
Revaluation loss on investment property	—	7
Profit/(loss) before tax	5	(6)
Income tax expense/(benefit)	1	(2)
Profit/(loss) for the year	4	(4)
Total comprehensive income/(loss)	4	(4)
Attributable to:		
Stapled securityholders	3	(2)
Non-controlling interest	1	(2)

G GROUP STRUCTURE

G3 NON-CONTROLLING INTERESTS CONTINUED

Summarised Consolidated Statement of Financial Position	2022 $m	2021 $m
Current assets	4	1
Non-current assets	221	220
Total assets	**225**	221
Current liabilities	3	1
Non-current liabilities	3	—
Total liabilities	**6**	1
Net assets	**219**	220
Equity		
Contributed equity	209	208
Retained earnings	10	12
Total equity	**219**	220
Attributable to:		
Stapled securityholders	153	154
Non-controlling interest	66	66

Summarised Consolidated Cash Flow Information	2022 $m	2021 $m
Net operating cash inflows	6	1
Net investing cash outflows	—	(46)
Net financing cash (outflows)/inflows	(4)	46
Net increase in cash	**2**	1

G GROUP STRUCTURE

G4 BUSINESS COMBINATIONS

ACQUISITIONS OF SUBSIDIARIES

During the year, the Group purchased the remaining interests in the following entities which were previously accounted for as investments in joint ventures. Control of these entities was gained from their acquisition date and they have been consolidated from then.

At the acquisition date, the carrying amount of the Group's previously held interest in these entities approximated its fair value and accordingly, no gain or loss as a result of the remeasurement of the equity interest in these entities to fair value was recognised in the consolidated SoCI.

The cash consideration paid to acquire the remaining interest of these entities approximated the fair value of assets acquired and liabilities assumed and accordingly no goodwill arose from the acquisitions.

Entity	Pre-consolidation ownership %	Cash consideration paid $m	Net assets acquired $m	Inflow/(outflow) of cash, net of cash acquired $m
Mirvac Ping An Waterloo Development Trust	51	—[1]	—[1]	3
Mirvac SLS Development Trust	51	4	4	10
Mirvac Lucas Real Estate Unit Trust	50	2	2	(2)
		6	**6**	**11**

1. Values not shown due to rounding.

The Mirvac Ping An Waterloo Development Trust acquired, developed and sold residential inventory in Waterloo, NSW with the project nearing completion. On 4 August 2021, the Group consolidated the assets and liabilities held by the Mirvac Ping An Waterloo Development Trust which included cash of $2m.

The Mirvac SLS Development Trust acquired, developed and sold residential inventory in St Leonards, NSW with the project nearing completion. On 4 August 2021, the Group consolidated the assets and liabilities held by the Mirvac SLS Development Trust which included cash of $14m and inventory of $1m.

The Mirvac Lucas Real Estate Unit Trust performs residential property management in Victoria. On 31 July 2021, when completion of the acquisition occurred, the Group consolidated the assets and liabilities held by the Mirvac Lucas Real Estate Unit Trust which included an intangible asset of $3m.

There were no acquisitions of subsidiaries for the year ended 30 June 2021.

DISPOSAL OF SUBSIDIARIES

During the year, the Group disposed of partial interests in two previously controlled and consolidated entities.

1. On 5 August 2021, the Group disposed of 49 per cent of the units in the Mirvac Locomotive Trust, which holds a 100 per cent interest in the recently completed Locomotive Workshop, South Eveleigh NSW. Following the sale, the Group lost control of the Mirvac Locomotive Trust and reclassified its remaining 51 per cent interest to an Investment in a joint venture.

   The consideration from the sale of the 49 per cent interest in the Mirvac Locomotive Trust was recognised as revenue of $231m, and is reflected as sale of inventory in the ordinary course of business. The net cash inflow representing total proceeds less cash disposed of following deconsolidation was $231m.

2. On 26 August 2021, the Group exercised its pre-emptive right as existing co-owner to acquire the remaining 50 per cent of the investment property at 200 George Street, Sydney, NSW. On the same day following this purchase, the Group disposed of 49.9 per cent of the units in The George Street Trust, the controlled entity owning the investment property. Following the sale, the Group lost control of The George Street Trust and reclassified its remaining 50.1 per cent interest to an Investment in a joint venture.

   The consideration received from the sale of the 49.9 per cent interest in The George Street Trust was $609m. The Group did not outlay cash for the 50 per cent purchase of the property, with the proceeds from the sale of the controlled entity being directed to satisfy payment to the vendor of 50 per cent interest of the property. The net cash outflow, being the cash disposed of following deconsolidation was $2m. The carrying value of the net assets at the time of disposal approximated the consideration received, resulting in no gain or loss on the sale recognised in the consolidated SoCI.

There were no disposal of subsidiaries for the year ended 30 June 2021.

H OTHER DISCLOSURES

This section provides additional required disclosures that are not covered in the previous sections.

H1 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that may become payable depending on a future event or a present obligation that is not probable to require payment/cannot be reliably measured. A provision is not recognised for contingent liabilities.

	2022 $m	2021 $m
Bank guarantees and performance bonds granted in the normal course of business	**226**	179
Health and safety claims	**4**	2
Payments for investment properties, inventory and other assets contingent on approvals	**29**	33
Total contingent liabilities	**259**	214

As at 30 June 2022, the Group had no contingent liabilities relating to joint ventures and associates (2021: $nil).

H2 EARNINGS PER STAPLED SECURITY

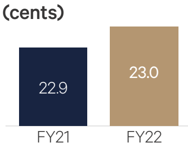
Basic earnings per stapled security (EPS) is calculated by dividing:

> the profit attributable to stapled securityholders; by
> the weighted average number of ordinary securities (WANOS) outstanding during the year.

Diluted EPS adjusts the WANOS to take into account dilutive potential ordinary securities from security-based payments.

	2022	2021
Profit attributable to stapled securityholders used to calculate basic and diluted EPS ($m)	**906**	901
WANOS used in calculating basic EPS (m)	**3,941**	3,936
WANOS used in calculating diluted EPS (m)	**3,942**	3,938

Basic and diluted EPS (cents)



H3 RELATED PARTIES

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

KEY MANAGEMENT PERSONNEL COMPENSATION

The Remuneration report on pages 51 to 71 provides detailed disclosures of key management personnel compensation. The total expense is summarised below:

	2022 $000	2021 $000
Short-term employment benefits	**10,313**	11,170
Security-based payments	**4,370**	3,313
Post-employment benefits	**239**	253
Other long-term benefits	**81**	73
Termination benefits	**—**	1,639
Total key management personnel compensation	**15,003**	16,448

There are no outstanding loans to directors or employees (2021: nil).

H OTHER DISCLOSURES

H3 RELATED PARTIES CONTINUED

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

From time to time key management personnel participate in arrangements available to directly purchase Mirvac developed residential property. These transactions are made on terms equivalent to those that prevail in arm's length transactions and are at market rates. The deposits received and the amounts committed by key management personnel for Mirvac developed residential property exchanged are summarised below:

Mirvac developed property purchased by key management personnel	2022 $000	2021 $000
Exchanges	5,027	1,403
Deposits received	251	70
Outstanding commitments	4,776	1,333

Transactions with JVAs	2022 $000	2021 $000
Interest income	175	139
Project development fees	88,976	123,100
Management and service fees	7,943	8,142
Trustee fees	10,398	7,377
Total transactions with JVAs	**107,492**	138,758

Loans due from JVAs and other related parties	2022 $000	2021 $000
Balance 1 July	5,104	5,000
Interest capitalised	175	104
Loan repayments received	(5,279)	—
Balance 30 June	—	5,104

Transactions between Mirvac and its related parties were made on commercial terms and conditions. Distributions received from JVAs were on the same terms and conditions that applied to other securityholders. Equity interests in JVAs are set out in note I3.

H4 AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by PricewaterhouseCoopers Australia (PwC) as the auditor of the Group, and by PwC's related network firms.

	2022 $000	2021[1] $000
Audit services		
Audit and review of financial reports	2,442	2,570
Other assurance services	789	645
Total audit services	**3,231**	3,215
Other services		
Advisory services	262	50
Total other services	**262**	50
Total auditor's remuneration	**3,493**	3,265

1. 2021 fees have been revised to reflect additional billings relating to FY21 not agreed as at the date of signing.

I APPENDICES

This section provides detailed listings of Mirvac's properties and controlled entities.

I1 PROPERTY PORTFOLIO LISTING

This table shows details of Mirvac's properties portfolio. Refer to notes C1 to C3 for further details.

	Fair value	Lease liability gross up	Book value		Capitalisation rate		Discount rate	
	2022 $m	2022 $m	2022 $m	2021 $m	2022 %	2021 %	2022 %	2021 %
Office								
1 Darling Island, Pyrmont NSW	**319**	—	**319**	304	**5.38**	5.38	**6.13**	6.50
101-103 Miller Street, North Sydney NSW (50% interest)	**326**	—	**326**	315	**5.00**	5.25	**6.00**	6.25
10-20 Bond Street, Sydney NSW (50% interest)	**349**	—	**349**	345	**5.00**	5.00	**6.13**	6.25
189 Grey Street, Southbank QLD	**93**	—	**93**	90	**6.63**	6.63	**7.00**	7.00
2 Riverside Quay, Southbank VIC (50% interest)	**155**	—	**155**	150	**5.00**	5.00	**6.25**	6.25
23 Furzer Street, Phillip ACT	**380**	—	**380**	324	**5.25**	5.75	**6.00**	7.00
275 Kent Street, Sydney NSW (50% interest)	**922**	—	**922**	890	**4.50**	4.63	**6.00**	6.38
367 Collins Street, Melbourne VIC	**427**	—	**427**	426	**5.25**	5.25	**6.25**	6.25
380 St Kilda Road, Melbourne VIC	**196**	—	**196**	183	**5.75**	5.75	**6.25**	6.25
383 La Trobe Street, Melbourne VIC	**121**	—	**121**	122	**5.13**	5.38	**6.25**	6.50
80 Ann Street, Brisbane QLD (50% interest) [1]	**400**	—	**400**	204	**4.88**	—	**6.00**	—
40 Miller Street, North Sydney NSW	**180**	—	**180**	180	**5.38**	5.38	**6.13**	6.38
477 Collins Street, Melbourne VIC (50% interest)	**462**	—	**462**	441	**4.75**	4.75	**6.00**	6.25
60 Margaret Street, Sydney NSW (50% interest)	**377**	—	**377**	362	**5.13**	5.13	**6.13**	6.13
65 Pirrama Road, Pyrmont NSW	**220**	—	**220**	211	**5.50**	5.50	**6.13**	6.25
664 Collins Street, Melbourne VIC (50% interest)	**166**	—	**166**	155	**4.88**	5.00	**6.00**	6.50
699 Bourke Street, Melbourne, VIC (50% interest)	**106**	—	**106**	109	**5.00**	5.13	**6.00**	6.50
75 George St, Paramatta NSW	**87**	—	**87**	88	**5.38**	5.75	**6.25**	7.00
90 Collins Street, Melbourne VIC	**263**	—	**263**	263	**5.25**	5.25	**6.25**	6.25
Quay West Car Park, 109-111 Harrington Street, Sydney NSW [2]	—	—	—	38	—	7.25	—	7.25
Allendale Square, 77 St Georges Terrace, Perth WA	**207**	—	**207**	232	**6.75**	6.75	**7.25**	7.25
Locomotive Carpark, South Eveleigh NSW	**21**	—	**21**	13	**6.00**	7.50	**7.75**	8.25
Riverside Quay, Southbank VIC	**380**	—	**380**	355	**5.25**	5.38	**6.25**	6.75
South Eveleigh Precinct, Eveleigh NSW (33.3% interest)	**465**	—	**465**	453	**4.88**	4.88	**6.00**	6.26
Various lots, 53 Walker Street & 97 Pacific Highway, North Sydney NSW	**31**	—	**31**	31	—	—	—	—
Total investment properties	**6,653**	—	**6,653**	6,284				
55 Pitt Street, Sydney NSW [3]	**252**	—	**252**	178	—	—	—	—
7-23 Spencer Street, Melbourne VIC [4]	**128**	—	**128**	—	—	—	—	—
377 Botany Road, Zetland NSW [5]	**21**	—	**21**	—	—	—	—	—
Total investment properties under construction	**401**	—	**401**	178				
Total investment properties and investment properties under construction	**7,054**	—	**7,054**	6,462				
200 George Street, Sydney NSW (50.1% interest) [6]	**581**	—	**581**	579	**4.38**	4.38	**5.88**	5.85
Locomotive Workshop, South Eveleigh NSW (51% interest) [6]	**223**	—	**223**	150	**4.88**	—	**6.13**	—
8 Chifley Square, Sydney NSW (50% interest)	**231**	—	**231**	229	**4.88**	4.88	**6.00**	6.00
David Malcolm Justice Centre, 28 Barrack Street, Perth WA (50% interest)	**248**	—	**248**	243	**5.25**	5.25	**6.50**	6.75
Total investments in joint ventures	**1,283**	—	**1,283**	1,201				
Total office property portfolio	**8,337**	—	**8,337**	7,663				

1. IPUC was completed during the year and was reclassified to investment property.
2. Investment property was disposed of during the year.
3. Investment property was transferred to IPUC during the year.
4. IPUC was acquired during the year.
5. IPUC was transferred from Inventories during the year.
6. Investment property was transferred to a JVA during the year.

I APPENDICES

I1 PROPERTY PORTFOLIO LISTING CONTINUED

	Fair value	Lease liability gross up	Book value		Capitalisation rate		Discount rate	
	2022 $m	2022 $m	2022 $m	2021 $m	2022 %	2021 %	2022 %	2021 %
Industrial								
1-47 Percival Road, Smithfield NSW	70	—	70	50	4.25	5.00	5.50	6.25
274 Victoria Rd, Rydalmere NSW	77	—	77	64	4.00	4.50	5.38	6.00
34-38 Anzac Avenue, Smeaton Grange NSW	57	—	57	36	4.00	5.75	5.38	6.50
36 Gow Street, Padstow NSW	54	—	54	46	4.50	5.00	5.75	6.25
39 Britton Street, Smithfield NSW	40	—	40	29	4.00	4.75	5.50	6.00
39 Herbert Street, St Leonards NSW	254	—	254	223	4.75-5.00	5.00-5.50	6.00-6.25	6.50-6.75
8 Brabham Drive, Huntingwood NSW	35	—	35	26	4.25	5.50	5.50	6.50
Calibre, 60 Wallgrove Road, Eastern Creek NSW (50% interest)	184	—	184	147	3.50-4.13	4.51-4.76	5.25-5.38	5.88
Hoxton Distribution Park, Hoxton Park NSW (50% interest)	246	—	246	218	3.63-3.88	4.00-4.25	5.00-5.25	5.25-5.50
Nexus Industry Park, Lyn Parade, Prestons NSW	225	—	225	186	3.88-4.50	4.50-5.25	4.88-5.50	5.50-6.00
Total investment properties	1,242	—	1,242	1,025				
1669A Elizabeth Drive, Badgerys Creek NSW [1]	221	—	221	134	—	—	—	—
864-882 Mamre Road, Kemps Creek NSW [2]	120	—	120	27	—	—	—	—
Total investment properties under construction	341	—	341	161				
Total investment properties and investment properties under construction	1,583	—	1,583	1,186				
Switchyard, 300 Manchester Road, Auburn NSW (51% Interest) [1]	67	—	67	—	—	—	—	—
Total investments in joint ventures	67	—	67	—				
Total industrial property portfolio	1,650	—	1,650	1,186				
Retail								
1-3 Smail Street, Ultimo NSW (50% interest)	40	—	40	39	5.00	5.25	6.00	6.25
80 Bay St, Glebe NSW (50% interest)	16	—	16	14	5.25	5.50	6.00	6.50
Birkenhead Point Brand Outlet, Drummoyne NSW [3]	402	6	408	400	5.50-8.75	5.50-8.75	6.50-9.50	6.50-9.50
Broadway Sydney, Broadway NSW (50% interest)	368	1	369	369	4.75	4.75	6.00	6.25
Cooleman Court, Weston ACT	76	—	76	69	5.50	6.25	6.00	7.00
East Village, Zetland NSW	327	—	327	302	5.00	5.25	6.25	7.00
Greenwood Plaza, North Sydney NSW (50% interest)	89	—	89	89	5.75	5.75	6.50	6.50
Kawana Shoppingworld, Buddina QLD (50% interest)	186	—	186	186	5.75	5.75	6.75	6.75
Metcentre, Sydney NSW (50% interest)	57	—	57	60	5.75	5.75	6.50	6.50
Moonee Ponds Central, Moonee Ponds VIC	105	—	105	100	5.75	6.00	6.50	6.75
Orion Springfield Central, Springfield QLD	467	—	467	450	5.25	5.25	6.50	6.75
Rhodes Waterside, Rhodes NSW (50% interest)	179	—	179	175	5.50	5.50	6.25	6.25
South Village, Kirrawee NSW	103	—	103	102	5.50	5.50	6.25	6.25
Stanhope Village, Stanhope Gardens NSW	154	—	154	142	5.50	5.75	6.75	7.00
Tramsheds Sydney, Glebe NSW [4]	—	—	—	34	—	5.50	—	7.00
Total investment properties	2,569	7	2,576	2,531				

1. IPUC was acquired during the year.
2. A portion of IPUC was transferred to inventories during the year.
3. Book value includes Birkenhead Point Marina, Drummoyne NSW and 64 Roseby Street, Drummoyne NSW.
4. Investment property was disposed of during the year.

I APPENDICES

I1 PROPERTY PORTFOLIO LISTING CONTINUED

	Fair value	Lease liability gross up	Book value		Capitalisation rate		Discount rate	
	2022 $m	2022 $m	2022 $m	2021 $m	2022 %	2021 %	2022 %	2021 %
Retail continued								
Toombul, Nundah QLD[1]	90	—	90	303	—	5.75	—	7.00
Harbourside, Sydney NSW[1]	211	41	252	240	—	—	—	—
Total investment properties under construction	301	41	342	543				
Total investment properties and investment properties under construction	2,870	48	2,918	3,074				
Cherrybrook Village, Cherrybrook NSW	—	—	—	133				
Total assets classified as held for sale	—	—	—	133				
Total retail property portfolio	2,870	48	2,918	3,207				
Build to Rent								
LIV Indigo, 2 Figtree Drive, Sydney Olympic Park NSW	221	—	221	220	4.00	4.00	6.25	6.25
Total investment properties	221	—	221	220				
LIV Munro, Melbourne VIC	213	—	213	103	—	—	—	—
LIV Aston, Melbourne VIC[2]	86	—	86	—	—	—	—	—
LIV Anura, Newstead QLD	44	—	44	22	—	—	—	—
LIV Albert Fields, Brunswick VIC	70	—	70	25	—	—	—	—
Total investment properties under construction	413	—	413	150				
Total investment properties and investment properties under construction	634	—	634	370				
Total Build to Rent property portfolio	634	—	634	370				

1. Investment property was transferred to IPUC during the year.
2. IPUC was acquired during the year.

	Fair value	Lease liability gross up	Book value	
	2022 $m	2022 $m	2022 $m	2021 $m
Property portfolio				
Total investment properties and investment properties under construction	12,141	48	12,189	11,821
Total assets classified as held for sale	—	—	—	133
Total investments in joint ventures	1,350	—	1,350	472
Total property portfolio	13,491	48	13,539	12,426

I APPENDICES

I2 CONTROLLED ENTITIES

All entities controlled by the Group are shown below. Unless otherwise noted, they are wholly owned and were incorporated or established in Australia during the current year and prior years.

During the year, the Group established MGR Insurance International Pte Ltd, a company incorporated in Singapore. This entity complies with IFRS.

Members of the Closed Group

CN Collins Pty Ltd
Hoxton Park Airport Pty Ltd
Mirvac (Docklands) Pty Limited
Mirvac (WA) Pty Limited
Mirvac Capital Investments Pty Limited
Mirvac Constructions (QLD) Pty Limited
Mirvac Constructions (VIC) Pty Limited
Mirvac Constructions (WA) Pty Limited
Mirvac Constructions Pty Ltd
Mirvac Design Pty Limited
Mirvac Doncaster Pty Ltd
Mirvac Finance Pty Ltd [1,2]
Mirvac Group Finance Limited
Mirvac Group Funding Pty Ltd [1,3]
Mirvac Holdings Limited
Mirvac Home Builders (VIC) Pty Limited
Mirvac Homes (NSW) Pty Limited
Mirvac Industrial Developments Pty Limited
Mirvac International Investments Pty Ltd
Mirvac Limited
Mirvac National Developments Pty Limited
Mirvac Office Developments Pty Ltd
Mirvac Pacific Pty Ltd
Mirvac Projects Pty Ltd
Mirvac Queensland Pty Limited
Mirvac Real Estate Pty Ltd
Mirvac Residential (NSW) Developments Pty Ltd
Mirvac Retail Developments Pty Ltd
Mirvac Rockbank Pty Ltd
Mirvac Spring Farm Pty Ltd [1,4]
Mirvac Treasury Ltd
Mirvac Treasury No. 3 Limited
Mirvac Victoria Pty Limited
Mirvac Wholesale Funds Management Pty Ltd [1,5]
Mirvac Wholesale Industrial Developments Pty Ltd [1,6]
Mirvac Woolloomooloo Pty Limited

1. This company was converted from a public company to a proprietary limited company on 7 July 2022.
2. Previously registered as Mirvac Finance Limited.
3. Previously registered as Mirvac Group Funding Limited.
4. Previously registered as Mirvac Spring Farm Limited.
5. Previously registered as Mirvac Wholesale Funds Management Limited.
6. Previously registered as Mirvac Wholesale Industrial Developments Limited.

Interests in controlled entities of Mirvac not included in the Closed Group

197 Salmon Street Pty Limited
477 Collins Street No. 2 Trust
699 Bourke Street Services Pty Limited
A.C.N. 087 773 859 Pty Limited
A.C.N. 110 698 603 Pty Ltd
A.C.N. 150 521 583 Pty Ltd
A.C.N. 165 515 515 Pty Ltd
ABTRC Head Trust A
ABTRC Head Trust B
Ascot Chase Nominee Stages 3-5 Pty Ltd
Banksia Unit Trust
BL Developments Pty Ltd
Bligh Street Office Trust
BTR Brunswick Trust A
BTR Brunswick Trust B
BTR Foreshore Trust
BTR Head Company Pty Limited
BTR Indigo Trust A
BTR Indigo Trust B
BTR QLD Pty Limited
BTR QVM Trust A
BTR QVM Trust B
BTR Vic Head Trust A
BTR Vic Head Trust B
Eveleigh Commercial Holdings Pty Limited
Eveleigh Commercial Pty Limited
Eveleigh Precinct Pty Limited
EZ Power Pty Ltd
Fast Track Bromelton Pty Limited
Gainsborough Greens Pty Ltd
HIR Boardwalk Tavern Pty Limited
HIR Golf Club Pty Limited
HIR Golf Course Pty Limited
HIR Property Management Holdings Pty Limited
HIR Tavern Freehold Pty Limited
Home Loans by Mirvac Pty Ltd [1]
HPAL Holdings Pty Limited
ICDPL Pty Limited [2]
ICPL Pty Limited [3]
IN3PL Pty Limited [4]
Industrial Commercial Property Solutions (Constructions) Pty Limited
Industrial Commercial Property Solutions (Finance) Pty Limited
Industrial Commercial Property Solutions (Holdings) Pty Limited
Industrial Commercial Property Solutions (Queensland) Pty Limited
Industrial Commercial Property Solutions Pty Limited
IPGH Pty Limited [5]
IPPL Pty Limited [2]
JF ASIF Pty Limited
JFM Hotel Trust
Joynton North Pty Ltd
Kirrawee South Centre Pty Ltd
Kirrawee South Centre Trust
La Trobe Office Trust
Magenta Shores Finance Pty Ltd
Magenta Shores Unit Trust
Magenta Unit Trust
Marrickville Projects Pty Limited
MGR Insurance International Pte. Ltd [6]
Mirvac (Beacon Cove) Pty Limited
Mirvac (Old Treasury Development Manager) Pty Limited
Mirvac (Old Treasury Hotel) Pty Limited
Mirvac (Retail and Commercial) Holdings Pty Limited
Mirvac (Walsh Bay) Pty Limited
Mirvac 275 Kent Street Services Pty Ltd
Mirvac 699 Bourke Street Trust
Mirvac 90CS No.2 Trust [7]
Mirvac Advisory Pty Limited
Mirvac Aero Company Pty Ltd
Mirvac Altona North Pty Ltd
Mirvac AOP SPV Pty Limited
Mirvac Auburn Industrial Trust
Mirvac Badgerys Creek Industrial Trust
Mirvac Birkenhead Point Marina Pty Limited
Mirvac Blue Trust
Mirvac Bourke Street No. 3 Sub-Trust
Mirvac BST Pty Limited
Mirvac BTR Developments Pty Ltd
Mirvac BTR Head Company A Pty Ltd
Mirvac BTR Head Company B Pty Ltd
Mirvac BTR Head SPV Pty Ltd
Mirvac BTR Head Trust
Mirvac BTR Sub Company A Pty Ltd
Mirvac BTR Sub Company B Pty Ltd
Mirvac BTR Sub SPV Pty Ltd
Mirvac BTR Sub-Trust 1
Mirvac BTR Trust
Mirvac Capital Assurance Pty Ltd
Mirvac Capital Partners Pty Ltd
Mirvac Capital Pty Limited
Mirvac Chifley Holdings Pty Limited
Mirvac Commercial Finance Pty Limited
Mirvac Commercial Sub SPV Pty Limited
Mirvac Constructions (Homes) Pty. Limited
Mirvac Constructions (SA) Pty Limited
Mirvac Developments Pty Limited
Mirvac Duck River Pty Ltd
Mirvac Elizabeth Trust
Mirvac Energy Pty Limited

1. Previously registered as TMT Finance Pty Limited.
2. This entity commenced a Creditor's Voluntary Liquidation on 9 July 2021.
3. This entity commenced a Member's Voluntary Liquidation on 8 December 2021.
4. This entity commenced a Member's Voluntary Liquidation on 3 November 2021.
5. This entity commenced a Member's Voluntary Liquidation on 8 December 2021.
6. This entity was established during the year in Singapore.
7. This entity was established during the year.

I2 CONTROLLED ENTITIES CONTINUED

Interests in controlled entities of Mirvac not included in the Closed Group CONTINUED

Mirvac ESAT Pty Limited
Mirvac Funds Limited
Mirvac Funds Management Australia Limited[1]
Mirvac Funds Management Limited
Mirvac George Street Holdings Pty Limited
Mirvac George Street Pty Limited
Mirvac Green Square Pty Limited
Mirvac Green Trust
Mirvac Harbourside Sub-Trust
Mirvac Harbourtown Pty Limited
Mirvac Harold Park Pty Limited
Mirvac Harold Park Trust
Mirvac Hatch Pty Ltd
Mirvac Hoist Pty Ltd
Mirvac Holdings (WA) Pty Limited
Mirvac Homes (QLD) Pty Limited
Mirvac Homes (SA) Pty Limited
Mirvac Homes (VIC) Pty Limited
Mirvac Homes (WA) Pty Limited
Mirvac Hotel Services Pty Limited
Mirvac ID (Bromelton) Pty Limited
Mirvac ID (Bromelton) Sponsor Pty Limited
Mirvac Industrial No. 2 Sub-Trust
Mirvac Industrial Sub SPV Pty Limited
Mirvac International (Middle East) No. 2 Pty Limited
Mirvac Investment Manager Pty Ltd
Mirvac JV's Pty Limited
Mirvac Kemps Creek Trust
Mirvac Kensington Pty Ltd
Mirvac Kent Street Holdings Pty Limited
Mirvac King Street Pty Ltd
Mirvac Leader Pty Limited
Mirvac Living Investment Company Pty Ltd
Mirvac Living Investment Manager Pty. Ltd.
Mirvac Living Real Estate Services Pty. Ltd.
Mirvac Lucas Real Estate Unit Trust[2]
Mirvac Maker Space Pty Limited
Mirvac Mandurah Pty Limited
Mirvac McCormacks Road Pty Limited
Mirvac Newcastle Pty Limited
Mirvac NIC Trust
Mirvac Nike Holding Pty Limited
Mirvac North Sydney Office Holdings Pty Limited
Mirvac North Sydney Office Holdings Trust
Mirvac Old Treasury Holdings Pty Limited
Mirvac Parking Pty. Limited
Mirvac Parramatta Sub-Trust No. 2
Mirvac Pennant Hills Residential Trust
Mirvac Ping An Residential Developments Pty Limited[2]
Mirvac Ping An Waterloo Development Trust[2]
Mirvac Pitt Street Trust No. 2
Mirvac Precinct 2 Pty Limited[1]
Mirvac Precinct Trust
Mirvac Procurement Pty Ltd
Mirvac Project Trust
Mirvac Projects (Retail and Commercial) Pty Ltd
Mirvac Projects Dalley Street Pty Limited
Mirvac Projects Dalley Street Trust
Mirvac Projects George Street Pty Limited
Mirvac Projects George Street Trust
Mirvac Projects No. 2 Pty. Limited
Mirvac Projects Norwest No. 2 Trust
Mirvac Projects Norwest Trust
Mirvac Properties Pty Ltd
Mirvac Property Advisory Services Pty. Limited
Mirvac Property Services Pty Limited
Mirvac Property Trust
Mirvac Real Estate Debt Funds Pty Limited
Mirvac REIT Management Pty Ltd
Mirvac Retail Head SPV Pty Limited
Mirvac Retail Sub SPV Pty Limited
Mirvac Services Pty Limited
Mirvac Showground Pty Ltd
Mirvac Showground Trust
Mirvac SLS Development Pty Limited[2]
Mirvac SLS Development Trust[2]
Mirvac South Australia Pty Limited
Mirvac Spare No.2 Pty Limited[1]
Mirvac Spare Pty Limited
Mirvac SPV 1 Pty Limited
Mirvac St Leonards Pty Limited
Mirvac St Leonards Trust
Mirvac T6 Pty Ltd
Mirvac T6 Trust
Mirvac Trademarks Pty Limited
Mirvac TS Pty Limited
Mirvac Ventures Pty Limited
Mirvac Wholesale Sub Pty Limited[3]
MirvacX Retail Solutions Pty Limited
MLJV Pty Ltd[2]
MRV Hillsdale Pty Limited
MWID (Brendale) Pty Limited
MWID (Brendale) Unit Trust
MWID (Mackay) Pty Limited
Newington Homes Pty Limited
Oakstand No.15 Hercules Street Pty Ltd
Picket & Co Development Pty Limited
Picket & Co NSW Head Trust
Picket & Co Operations Pty Limited
Picket & Co Property Pty Limited
Picket & Co Pty Ltd
Pigface Unit Trust
Planned Retirement Living Pty Ltd
Post Bidco Pty Limited[4]
Rovno Pty. Limited
Spring Farm Finance Pty Limited
Springfield Development Company Pty Limited
SPV Magenta Pty Limited
Suntrack Holdings Pty Limited
Suntrack Property Trust
Treasury Square Trust
TS Triangle Pty Limited
TS Triangle Trust
Tucker Box Management Pty Limited

1. This entity was established during the year.
2. This entity became wholly owned during the year.
3. Previously registered as Mirvac International No.3 Pty Limited.
4. This entity commenced a Member's Voluntary Liquidation on 8 December 2021.

Interests in controlled entities of MPT

10-20 Bond Street Trust
367 Collins Street No. 2 Trust
367 Collins Street Trust
380 St Kilda Road Trust
477 Collins Street No. 1 Trust
Australian Office Partnership Trust
Eveleigh Trust
James Fielding Trust
Joynton North Property Trust
Joynton Properties Trust
Meridian Investment Trust No. 1
Meridian Investment Trust No. 2
Meridian Investment Trust No. 3
Meridian Investment Trust No. 4
Meridian Investment Trust No. 5
Meridian Investment Trust No. 6
Mirvac 90 Collins Street Trust
Mirvac Allendale Square Trust
Mirvac Ann Street Trust
Mirvac Bay St Trust
Mirvac Bourke Street No. 1 Sub-Trust
Mirvac Broadway Sub-Trust
Mirvac Capital Partners 1 Trust
Mirvac Collins Street No. 1 Sub-Trust
Mirvac Commercial No. 3 Sub-Trust
Mirvac Commercial Trust
Mirvac Group Funding No.2 Pty Limited
Mirvac Group Funding No.3 Pty Limited
Mirvac Hoxton Park Trust
Mirvac Industrial No. 1 Sub-Trust
Mirvac Kensington Trust
Mirvac Kirrawee Trust No. 1
Mirvac Kirrawee Trust No. 2
Mirvac La Trobe Office Trust
Mirvac Living Trust
Mirvac Padstow Trust No. 1
Mirvac Parramatta Sub-Trust No. 1
Mirvac Pitt Street Trust
Mirvac Property Trust No. 3
Mirvac Property Trust No. 4
Mirvac Property Trust No. 5
Mirvac Property Trust No. 6
Mirvac Property Trust No. 7
Mirvac Real Estate Investment Trust
Mirvac Retail Head Trust
Mirvac Retail Sub-Trust No. 1
Mirvac Retail Sub-Trust No. 2
Mirvac Retail Sub-Trust No. 3
Mirvac Retail Sub-Trust No. 4
Mirvac Rhodes Sub-Trust
Mirvac Rydalmere Trust No. 1
Mirvac Rydalmere Trust No. 2
Mirvac Smail St Trust
Mirvac Toombul Trust No. 1
Mirvac Toombul Trust No. 2
Old Treasury Holding Trust
Springfield Regional Shopping Centre Trust

I APPENDICES

I3 INTERESTS IN JOINT VENTURES AND ASSOCIATES

This table shows details of Mirvac's interests in joint ventures and associates.

	Ownership %	
	2022	2021
Barangaroo EDH Pty Ltd	33	33
BuildAI Pty Ltd	37	37
Domaine Investments Management Pty Ltd	50	50
Duck River Auburn Trust	51	51
Googong Township Pty Ltd	50	50
Googong Township Unit Trust	50	50
Harold Park Real Estate Trust	50	50
HPRE Pty Ltd	50	50
Leakes Road Rockbank Pty Ltd	50	50
Leakes Road Rockbank Unit Trust	50	50
Mirvac (Old Treasury) Pty Limited	50	50
Mirvac (Old Treasury) Trust	50	50
Mirvac 8 Chifley Pty Ltd	50	50
Mirvac 8 Chifley Trust	50	50
Mirvac Locomotive Trust [1]	51	—
Mirvac Lucas Real Estate Unit Trust [2]	—	50
Mirvac Ping An Residential Developments Pty Limited [3]	—	51
Mirvac Ping An Waterloo Development Trust [3]	—	51
Mirvac SLS Development Pty Limited [3]	—	51
Mirvac SLS Development Trust [3]	—	51
MLJV Pty Ltd [2]	—	50
MVIC Finance 2 Pty Ltd	50	50
TM Management Services Pty Ltd [5]	50	50
The George Street Trust [4]	50	—
Tucker Box Hotel Group	50	50
Walsh Bay Finance Pty Ltd [5]	50	50
Walsh Bay Properties Pty Ltd [5]	50	50
Walsh Bay SPV Pty Ltd [5]	50	50
WL Developer Pty Ltd	50	50
WL Developer Trust	50	50

1. This entity was previously consolidated into Mirvac Group, however control was lost on 5 August 2021 and the entity is now accounted for as a JVA.
2. This entity was previously accounted for as a JVA, however control was gained on 31 July 2021 and the entity was consolidated into the Mirvac Group from that date.
3. This entity was previously accounted for as a JVA, however control was gained on 4 August 2021 and the entity was consolidated into the Mirvac Group from that date.
4. This entity was previously consolidated into Mirvac Group, however control was lost on 26 August 2021 and the entity is now accounted for as a JVA.
5. This entity entered into administration on 10 May 2022.

DIRECTORS' DECLARATION

In the Directors' opinion:

a) the financial statements and the notes set out on pages 73 to 124 are in accordance with the *Corporations Act 2001*, including:
   i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   ii) giving a true and fair view of the consolidated entity's financial position at 30 June 2022 and of its performance for the financial year ended on that date;

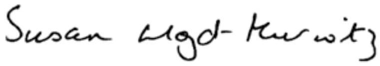
b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended Closed Group identified in note I2 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in note G1.

The basis of preparation note confirms that the financial statements also comply with IFRS as issued by the IASB.

The Directors have been given the declarations by the CEO & Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.



Susan Lloyd-Hurwitz Director
Sydney
11 August 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

Independent auditor's report

To the stapled securityholders of Mirvac Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Mirvac Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group's financial report comprises:

- the consolidated statement of financial position as at 30 June 2022
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

pwc

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Materiality

For the purpose of our audit we used overall Group materiality of $30.73 million, which represents approximately 5% of the Funds from Operations of the Group.

We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.

We chose Funds from Operations of the Group because, in our view, it is the benchmark against which the performance of the Group is most commonly measured.

We utilised a 5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Audit scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

The Group owns and manages investment property assets across Sydney, Melbourne, Brisbane, Canberra, and Perth. The Group's development activities also create and deliver commercial assets and residential projects across these locations. The accounting processes are structured around a Group finance function at its head office in Sydney.

Key audit matters

Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Committee:

- Carrying value of residential inventories
- Fair value of investment properties
- Recognition of development & construction management services revenue

These are further described in the *Key audit matters* section of our report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	***How our audit addressed the key audit matter***
Carrying value of residential inventories *(Refer to note C4) $2,125m* Residential inventories are recognised at the lower of cost and net realisable value for each residential development project. The Group's estimate of net realisable value includes assumptions about future market and economic conditions which are inherently subject to the risk of change. The faster than expected economic recovery from COVID-19, supply chain issues and global conflicts have led to stronger inflationary pressures and a rapidly changing economic environment in which interest rate hikes have been brought forward. This has increased the level of judgement and uncertainty in the assumptions used in determining the net realisable value of residential inventories as described in note C4. This was a key audit matter given: • The relative size of the residential inventories balance in the Consolidated Statement of Financial Position; and • The significant judgement and uncertainty involved in estimating net realisable value.	We evaluated the design of the Group's relevant controls over the carrying value of residential inventories process and assessed whether a sample of these controls operated effectively throughout the year including: • The Group's review of capitalised costs relating to new residential development projects; and • The Group's process for review of key assumptions used in the estimation of net realisable value across the residential development project portfolio. We performed a risk assessment over the Group's residential development project portfolio to determine those residential inventories at greater risk of being carried at an amount in excess of their recoverable amount. Our risk assessment was informed by our understanding obtained of the significant assumptions relevant to the net realisable value of each project, consideration of the results of the Group's process for estimation of net realisable value, the stage of development progress of each project, our observations made through site visits during the year and our understanding of current economic conditions relevant to individual project locations. For those projects which were assessed as being at greater risk, we performed procedures to assess the appropriateness of key assumptions used in the Group's estimate of net realisable value. In our audit procedures we: • Obtained the project feasibility model that the Group uses to assess net realisable value and held discussions with management to develop an understanding of the basis for assumptions used in the model.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

- Assessed the appropriateness of key assumptions by:
    - Comparing forecast sales rates against actual sales rates for a month before and a month after balance date.
    - Comparing estimated sales prices to recent market sales data for the project location or internal data for recently executed sales at the project.
    - Considering the basis for other key assumptions including whether costs to complete are consistent with the expected project completion programmes, the planned sales incentives and any allocation of costs across stages on multistage projects.
- Assessed whether the carrying value was the lower of cost and net realisable value.

We also assessed the reasonableness of the Group's disclosures against the requirements of Australian Accounting Standards.

Key audit matter

Fair value of investment properties

(Refer to note C1) $12,189m

Investment properties are recognised at fair value.

The Group's estimate of fair value of investment properties includes assumptions about unobservable inputs including future market and economic conditions which are inherently subject to the risk of change. The faster than expected economic recovery from COVID-19, supply chain issues and global conflicts have led to stronger inflationary pressures and a rapidly changing economic environment in which interest rate hikes have been brought forward. This has increased the level of judgement and uncertainty in the assumptions used in determining the fair value of investment properties as described in note C1.

How our audit addressed the key audit matter

We evaluated the design of the Group's relevant controls over the investment property valuation process and assessed whether a sample of these controls operated effectively throughout the year including:

- The Group's compliance with its policy to externally value all properties at least once in the last two years and to rotate valuation firms.
- The approval of the adopted fair values for all individual properties by the Directors of the Group.

We evaluated the appropriateness of the valuation methodologies used against the requirements of Australian Accounting Standards.

We agreed the fair values of all properties to the external valuation or internal valuation model

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

At each reporting period, the Directors determine the fair value of the Group's investment property portfolio having regard to the Group's valuation policy which requires all properties to be externally valued by valuation experts at least once every two years. In the period between external valuations the Directors' valuation is supported by internal Mirvac valuation models.

Fair value of investment properties was a key audit matter because:

- Investment property balances are financially significant in the Consolidated Statement of Financial Position.
- The impact of changes in the fair value of investment properties can have a significant effect on the Group's total comprehensive income.
- Investment property valuations are inherently subjective due to the use of unobservable inputs in the valuation methodology.
- Fair values are highly sensitive to changes in key assumptions.

(together, the 'valuations') and assessed the competency, capability and objectivity of the relevant external or internal valuer.

We read recent independent property market reports to develop our understanding of the prevailing market conditions in which the Group invests.

We engaged PwC valuation experts to join our discussions with several valuation firms to obtain an understanding and assess the appropriateness of the methodology used.

We met with management to discuss the specifics of the property portfolio including, amongst other things, any significant leasing activity, capital expenditure and vacancies impacting the portfolio.

We evaluated the completeness and accuracy of tenancy schedules used in the valuations on a sample basis to evaluate whether the relevant leasing information had been correctly input.

We performed a risk assessment over the Group's investment property portfolio to determine those properties at greater risk of fair value being materially misstated. Our risk assessment was informed by our understanding of each property, consideration of the results of the Group's estimate of fair value and our understanding of current market conditions.

For those properties which were assessed as being at greater risk, we performed procedures to assess the appropriateness of key assumptions used in the Group's assessment of fair value. In our audit procedures over the valuations we:

- Obtained the valuation and held discussions with management to develop an understanding of the basis for assumptions used.
- Assessed the appropriateness of the methodology adopted and the mathematical accuracy of the valuations.
- Assessed the appropriateness of the capitalisation rate, discount rate and market rents used in the valuation by comparing them against market data for comparable properties.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

- Assessed the appropriateness of rental income data used in the valuation against rental income recorded in the general ledger in FY22 for each property.

We also assessed the reasonableness of the Group's disclosures against the requirements of Australian Accounting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Recognition of development & construction management services revenue *(Refer to note B2) $471m* Construction and development management services revenue is recognised based on the satisfaction of performance obligations. There is judgement required by the Group to determine when performance obligations are met. In particular, where revenue is recognised on a percentage of completion basis, it involves the use of forward-looking assumptions including forecast costs of completion and the date of project completion. Revenue recognition on construction projects was a key audit matter because: • There is significant judgement in determining the amount of revenue to be recognised in the year; • These revenue streams are significant to the Group's comprehensive income; and • Changes in the assumptions used to estimate the percentage of completion on construction projects can have a significant effect on the Group's comprehensive income.	We evaluated the design of the Group's relevant controls over the recognition of development & construction management services revenue and assessed whether a sample of these controls operated effectively throughout the year including: • The Group's process for review of key assumptions used in the estimation of forward-looking assumptions including forecast costs of completion and the date of project completion. For a sample of projects we: • Obtained the relevant development agreements executed between the Group and the external customer(s) and evaluated the terms of the agreement to obtain an understanding of the performance obligations and transaction price. • Performed site visits to obtain an understanding of the overall project scope and stage of progress. We performed audit procedures over a sample of projects for which revenue was recognised in the year. In our audit procedures we: • Obtained and discussed the project feasibility model with management to develop an understanding of project status and risks and the basis of the assumptions used by the Group in their assessment of revenue and costs for the year. • Obtained and assessed the appropriateness of evidence used by the Group to support forecast project revenue.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

- Performed look-back procedures, comparing current year revenue recognised to prior year revenue forecasts for FY22.
- Obtained and assessed the appropriateness of evidence used by the Group to support forecast costs of completion and date of project completion.
- Performed look-back procedures, comparing current year costs recognised to prior year costs forecasts for FY22.
- Assessed the appropriateness of capitalisation of costs incurred to date and agreed forecast costs to completion to the project feasibility model.

We also assessed the reasonableness of the Group's disclosures against the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MIRVAC LIMITED

going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 51 to 71 of the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of Mirvac Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

V. Papageorgiou

Voula Papageorgiou
Partner

Joe Sheeran
Partner

Sydney
11 August 2022

SECURITYHOLDER INFORMATION

MANAGING YOUR SECURITYHOLDING

Securityholders with queries concerning their holding, distribution payments or other related matters should contact Mirvac's registry, Link Market Services Limited, as follows:

> Mirvac information line (toll free within Australia): +61 1800 356 444; or

> Website: www.linkmarketservices.com.au

When contacting the registry, please quote your current address details together with your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on your Issuer Sponsored or CHESS statements. The most efficient way to access your securityholding details is online at www.linkmarketservices.com.au. You will need your SRN or your HIN (this reference number is recorded in statements that you receive about your holding in Mirvac) when you log-in online.

You can do the following online at www.linkmarketservices.com.au:

> elect to receive important communications by email;

> choose to have your distribution payments paid directly into your bank account;

> provide your tax file number (TFN) or Australian Business Number (ABN);

> lodge your votes for securityholder meetings; and

> Complete Tax Residency Certification (CRS/FATCA).

Managing your securityholding online is speedier, cost-effective and environmentally friendly. If it is easier for you to update your securityholding information by post, you can download the forms from www.linkmarketservices.com.au or by contacting the Mirvac information line (toll free within Australia) on +61 1800 356 444 to request the appropriate forms to be sent out to you.

The information set out below was prepared at 29 July 2022 and applies to Mirvac's stapled securities (ASX code: MGR). As at 29 July 2022 there were 3,943,069,322 stapled securities on issue.

SUBSTANTIAL SECURITYHOLDERS

As disclosed in substantial holding notices lodged with the ASX at 29 July 2022:

Name	Date of change	Number of stapled securities	Percentage of issued equity[1] %
The Vanguard Group, Inc	15/11/2021	375,102,424	9.51
BlackRock Group (BlackRock Inc. and subsidiaries)	29/11/2021	410,682,477	10.41
APG Asset Management N.V.	14/07/2020	202,695,923	5.15
State Street Corporation and subsidiaries	01/12/2021	289,943,287	7.35

1. Percentage of issued equity held as at the date notice provided.

RANGE OF SECURITYHOLDERS

Range	Number of holders	Number of stapled securities	Percentage of issued equity[1] %
1 to 1,000	7,351	3,286,849	0.08
1,001 to 5,000	9,407	25,762,083	0.65
5,001 to 10,000	4,374	32,412,678	0.82
10,001 to 100,000	5,441	129,932,377	3.30
100,001 and over	251	3,751,675,335	95.15
Total	**26,824**	**3,943,069,322**	**100.00**

1. Percentage of issued equity held as at the date notice provided.

SECURITYHOLDER INFORMATION

20 LARGEST SECURITYHOLDERS

Name	Number of stapled securities	Percentage of issued equity %
1. HSBC Custody Nominees (Australia) Limited	1,756,149,118	44.54
2. J P Morgan Nominees Australia Pty Limited	868,708,848	22.03
3. Citicorp Nominees Pty Limited	474,005,844	12.02
4. National Nominees Limited	173,351,680	4.40
5. BNP Paribas noms Pty Ltd <Drp>	160,921,809	4.08
6. BNP Paribas Nominees Pty Ltd <agency lending Drp A/C>	52,614,153	1.33
7. Citicorp Nominees Pty Limited <colonial first state inv A/C>	40,782,129	1.03
8. Australian Foundation Investment Company Limited	29,350,000	0.74
9. HSBC Custody Nominees (Australia) Limited <Nt-Comnwlth Super Corp A/C>	21,592,077	0.55
10. BNP Paribas Nominees Pty Ltd <Agency Lending Collateral >	18,690,000	0.47
11. BNP Paribas Noms(Nz) Ltd <Drp>	14,185,500	0.36
12. Solium Nominees (Australia) Pty Ltd <vsa A/C>	11,009,142	0.28
13. Djerriwarrh investments Limited	8,900,000	0.23
14. BNP Paribas Nominees Pty Ltd ACF CLEARSTREAM	8,374,652	0.21
15. one managed investment funds Ltd <Charter Hall Maxim Property Sec>	6,850,000	0.17
16. Medich Capital Pty Ltd <Roy Medich Investment A/C>	6,033,980	0.15
17. Argo Investments Limited	6,000,551	0.15
18. HSBC Custody Nominees (Australia) Limited - A/C 2	5,919,297	0.15
19. HSBC Custody Nominees (Australia) Limited	5,620,636	0.14
20. Sobeda Pty Ltd <Iweus Balance A/C>	5,065,291	0.13
Total for 20 largest securityholders	**3,674,124,707**	**93.18**
Total other securityholders	**268,944,615**	**6.82**
Total stapled securities on issue	**3,943,069,322**	**100.00**

Number of securityholders holding less than a marketable parcel (being 233 securities at the closing market price of $2.15 on 29 July 2022): 2,258.

VOTING RIGHTS

Subject to the Constitutions of Mirvac Limited and of MPT and to any rights or restrictions for the time being attached to any class or classes of shares, units or stapled securities:

- on a show of hands, each Member present in person or by proxy, attorney, or representative has one vote; and
- on a poll, each Member has:
  - in the case of a resolution of Mirvac Limited, one vote for each share in Mirvac Limited held; and
  - in the case of a resolution of MPT, one vote for each whole $1.00 of unit value in MPT held.

GLOSSARY

AASB	Australian Accounting Standards Board
ABN	Australian business number
AGM	Annual General and General Meeting
ARCC	Audit, Risk & Compliance Committee
SoCE	Statement of changes in equity
ARSN	Australian Registered Scheme Number
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD	Australian dollar
BTR	Build to Rent
CCIRS	Cross currency interest rate swap
CEO	Chief Executive Officer
CEO/MD	Chief Executive Officer/Managing Director
CFO	Chief Financial Officer
CGU	Cash generating unit
CHESS	Clearing House Electronic Subregister System
CPSS	Cents per stapled security
DCF	Discounted cash flow
DRP	Dividend/distribution reinvestment plan
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
ECL	Expected credit loss
EEP	Employee Exemption Plan
EIS	Employee Incentive Scheme
ELT	Executive Leadership Team
EPS	Earnings per stapled security
FFO	Funds From Operations
FY20	Year ending 30 June 2020
FY21	Year ending 30 June 2021
FY22	Year ending 30 June 2022
GLA	Gross leasable area
HIN	Holder Identification Number
HRC	Human Resources Committee
HSE	Health, safety and environment
HSE&S	Health, safety, environment and sustainability
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IIP	Integrated Investment Portfolio
IP	Investment properties
IPUC	Investment properties under construction
JVA	Joint ventures and associates
KMP	Key management personnel
LSL	Long service leave
LTI	Long-term incentives
LTIFR	Lost time injury frequency rates
MPC	Masterplanned communities
MPT	Mirvac Property Trust
MTN	Medium-term notes
NABERS	National Australian Built Environment Rating System
NED	Non-Executive Directors
NOI	Net operating income
NRV	Net realisable value
PPE	Property, plant and equipment
PwC	PricewaterhouseCoopers
RAP	Reconciliation action plan
ROIC	Return on invested capital
SBP	Security-based payments
SaaS	Software-as-a-Service
SoCI	Statement of comprehensive income
SoFP	Statement of financial position
SRN	Securityholder Reference Number
STI	Short-term incentives
TFN	Tax file number
TGS	Tax governance statement
TSR	Total shareholder return
TTC	Tax Transparency Code
USPP	US Private Placement
WACC	Weighted average cost of capital
WALE	Weighted average lease expiry

DIRECTORY & UPCOMING EVENTS

REGISTERED OFFICE/PRINCIPAL OFFICE

Mirvac Group (comprising Mirvac Limited ABN 92 003 280 699
and Mirvac Funds Limited ABN 70 002 561 640, AFSL 233121
as responsible entity of MPT ARSN 086 780 645)

Level 28
200 George Street
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SECURITIES EXCHANGE LISTING

Mirvac is listed on the Australian Securities Exchange (ASX code: MGR).

DIRECTORS

John Mulcahy (Chair)
Susan Lloyd-Hurwitz (CEO/MD)
Christine Bartlett
Damien Frawley
Jane Hewitt
James M. Millar AM
Samantha Mostyn AO
Peter Nash
Robert Sindel

COMPANY SECRETARY

Michelle Favelle

STAPLED SECURITY REGISTRY

Link Market Services Limited

Parramatta Square, Level 22, Tower 6
10 Darcey Street, Parramatta NSW 2150

Telephone +61 1800 356 444

Securityholder enquiries

Telephone +61 1800 356 444

Correspondence should be sent to:

Mirvac Group

C/- Link Market Services Limited
Locked Bag 14
Sydney South NSW 1235.

Further investor information can be located in the
Investor Centre tab on Mirvac's website at www.mirvac.com.

AUDITOR

PricewaterhouseCoopers

One International Towers Sydney,
Watermans Quay Barangaroo NSW 2000

ANNUAL GENERAL AND GENERAL MEETING

Mirvac Group's 2022 AGM will be held at 11.00am (AEDT)

Friday, 18 November 2022

UPCOMING EVENTS

26 October 2022	First Quarter Operational Update
18 November 2022	Annual General and General Meetings


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