

ASX Announcement

12 December 2022

2022 Sustainability Report

Vicinity Centres (Vicinity, ASX:VCX) today released its 2022 Sustainability Report as attached.

Authorisation

The Board authorised this document to be lodged with the ASX.

ENDS

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About Vicinity Centres

Vicinity Centres (Vicinity or the Group) is one of Australia's leading retail property groups with a fully integrated asset management platform, and \$24 billion in retail assets under management across 60 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 59 shopping centres (including the DFO Brisbane business) and manages 29 assets on behalf of Strategic Partners, 28 of which are co-owned by the Group. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has 26,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit vicinity.com.au or use your smartphone to scan this QR code.

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Vicinity Centres Trust ARSN 104 931 928



OVERVIEW



Emporium Melbourne, VIC - rooftop beehives

DISCLAIMER: This report contains forward-looking statements, including statements, indications and guidance regarding future performance. The forward-looking statements are based on information available to Vicinity Centres as at the date of this report (8 December 2022). These forward-looking statements are not guarantees or predictions of future results or performance expressed or implied by the forward-looking statements and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of Vicinity Centres. The actual results of Vicinity Centres may differ materially from those expressed or implied by these forward-looking statements, and you should not place undue reliance on such forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules), we do not undertake to update these forward-looking statements.

ACKNOWLEDGEMENT OF COUNTRY

Vicinity Centres acknowledges the Traditional Custodians of the land and pay respect to Elders past and present. As a business that operates across many locations across the nation, we recognise and respect the cultural heritage, beliefs, and relationship with the land, which continue to be important to the Traditional Custodians living today.

Aboriginal and Torres Strait Islander people are warned that this report may contain the images of deceased persons which may cause sadness or distress.

Welcome to Vicinity Centres' 2022 Sustainability Report

OUR SUSTAINABILITY REPORT

Our Sustainability Report is our key platform for disclosing ESG-related information.

Information contained within this report should be read in conjunction with our [2022 Annual Report](#) and [2022 Corporate Governance Statement](#), available via the [Investors](#) page on the Vicinity website. Other governance policies can also be accessed through the [Corporate Governance](#) page of the Vicinity website.

Information in this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standard at a core level. The report discloses our performance and management of sustainability issues that are material to our business and our key stakeholders. The GRI Content Index is published in Annexure A of this document (page 58).

Information in this report covers all assets under our operational control (direct and managed portfolio) as well as the corporate offices we occupy to run our business. Refer to our [2022 Sustainability Report Criteria](#) for further information on our reporting scopes and boundaries.

All performance data contained within this report is based on the 12 months ended 30 June 2022 (FY22), or as at 30 June 2022, unless otherwise stated. Our performance is reported annually. The FY22 Sustainability Performance Pack is included as Annexure B in this document (page 62) and is available on the [Sustainability Reporting](#) page of the Vicinity website.

KPMG has been engaged to perform a limited assurance review of selected sustainability disclosures within this report. KPMG's Independent Limited Assurance Report is provided at Annexure C of this document (page 73).

The findings from KPMG's assurance procedures are reported to the Audit Committee of the Board.

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A MESSAGE FROM OUR CHAIRMAN

It is my pleasure to present Vicinity Centres' (Vicinity) Sustainability Report for the financial year ended 30 June 2022.



Trevor Gerber
Chairman

Vicinity has continued to deliver significant progress against our group strategy and sustainability objectives during FY22.

Sustainability is fundamental to the successful execution of our strategy and the long-term performance of our business.

We continue to focus on creating a respectful and inclusive workplace across Vicinity, one that ensures we continue to build a culture that reflects our organisational values, fosters an environment where people can speak up and respects diversity and inclusion.

Pleasingly, we continued to strengthen a number of sustainability credentials during FY22.

We are tracking well to meet our Net Zero Carbon by 2030 target¹, having reduced our energy intensity by 27% and carbon intensity by 38% since FY16. This was supported by our industry-leading solar program, which now includes 32.85 MW of solar capacity across 22 centres, having added 1.55 MW at Chadstone, VIC, 0.92 MW at The Glen, VIC and 0.78 MW at Nepean Village, NSW in FY22.

Our commitment to creating sustainable precincts and transitioning assets to a low carbon economy was recognised by investors as part of our inaugural Green Bond issuance of \$300 million of six-year AUD-denominated medium-term notes.

This was further supported by our ability to maintain a 4 Star Green Star Performance portfolio rating in FY22, making Vicinity one of the largest and highest rated Green Star Performance portfolios in Australia.

During the period we also continued our work with our local communities focusing on youth engagement and employment opportunities. Our work is designed to build and support resilience within the communities in which we operate.

On behalf of the Board, I would like to extend my thanks to everyone involved for their passion and commitment to making Vicinity a more sustainable company.

Trevor Gerber
Chairman

1. Across common mall areas of our wholly-owned retail assets.



A MESSAGE FROM OUR ACTING CHIEF EXECUTIVE OFFICER (CEO)



Peter Huddle
Acting Chief Executive
Officer

Our 2022 Sustainability Report provides an update on all of our achievements and an overview of the strong progress made against our sustainability strategy.

I am pleased to report on the progress and achievements we delivered in FY22.

Understanding where our business risks and opportunities lie has been a key focus during FY22, so that we can focus on a sustainability strategy that is truly guided by engagement, both internally and externally.

Our materiality analysis, conducted by Deloitte, has helped progress and guide our strategy to ensure our approach to managing our social, environmental, economic and governance performance is informed and focused.

As we look ahead, it is increasingly concerning to see the impacts of climate change on the world around us. Bushfires, floods and heatwaves are unfortunately becoming more and more commonplace, particularly here in Australia.

Vicinity's commitment to create value through People, Place and Planet is a key driver in our value creation model, and we will continue to invest responsibly, support the growth of our people and communities and play our part in creating a more sustainable future.

Our ongoing commitment to Environmental, Social and Governance matters (**ESG**) is reflected by our exceptional performance across a range of investor sustainability surveys. During FY22, Vicinity was ranked Oceania Sector Leader and third globally in the Listed Retail Shopping Centre category by Global Real Estate Sustainability Benchmark (**GRESB**).

In FY22 we published our second Modern Slavery Statement and enhanced our approach to identifying and addressing modern slavery issues within our supply chains, including a human rights risk assessment of over 2,000 of our suppliers. We continued our involvement in the United Nations Global Compact and delivered our first Communication on Progress which outlined our ongoing commitment to the Ten Principles of the United Nations Global Compact and our support of the Sustainable Development Goals (**SDG**).

We are especially proud of our commitment to reconciliation and the important progress we made this year. In FY22, Reconciliation Australia endorsed Vicinity's third Reconciliation Action Plan (**RAP**), being our second Innovate RAP, building on our achievements to date and reaffirming our commitment to help achieve a reconciled Australia.

Our commitment to being an inclusive organisation is at the heart of our RAP. We know we have an important role to play in creating opportunities both directly and indirectly through our organisation with Aboriginal and Torres Strait Islander people, a rich culture that is over 65,000 years old and so fundamental to the fabric of our nation.

In FY22, we continued to work hard on enhancing our employee experience and creating a high-performance culture at Vicinity. In our FY22 annual employee experience survey, we achieved a 7% increase in overall employee engagement from FY21.

Contributing to our increased engagement was the embedding of our systemic change program, The Vicinity Way, which is intended to further drive cultural change, enhance the capability of our people, increase execution velocity, and deliver increased business performance over time.

I am proud of the achievements and progress we have made during FY22, and with this comes an increased awareness that there is still more to do and even more opportunity ahead. We are optimistic that the increased momentum and recognition of sustainability across our business puts us in good stead to continue to deliver against our commitment to People, Place and Planet.

Peter Huddle
Acting Chief Executive Officer

SUSTAINABILITY HIGHLIGHTS

IN FY22

\$1.27m

spent with Social
and Indigenous
businesses



GREEN STAR PERFORMANCE
PORTFOLIO RATING

4 Star

Australia

INVESTED IN
LOCAL COMMUNITIES

\$2.9m

(FY21: \$3.2m)



NABERS ENERGY RATING

4.6 Star

(FY21: 4.4 Star)

SOLAR INSTALLED SINCE FY18

32.85 MW

across the managed portfolio¹



NABERS WATER RATING

4.0 Star

(FY21: 3.4 Star)



Chadstone, VIC

1. Across common mall areas of our wholly-owned retail assets.

EMPLOYEE ENGAGEMENT

68%
(FY21: 61%)

GREEN BOND

\$300m
issued inaugural Green Bond

WE CONTINUED TO PERFORM WELL AGAINST OUR CARBON TARGET

Net Zero
(by 2030¹)

Reducing our energy intensity by

27%

and carbon intensity by

38%

since FY16

SUSTAINABILITY ENGAGEMENT

65%

TCFD

Became formal supporter of the Task Force for Climate-related Financial Disclosure (TCFD)



1. Across common mall areas of our wholly-owned retail assets.

ABOUT VICINITY CENTRES

Vicinity Centres (**Vicinity**, ASX:VCX) is a leading Australian retail property group with a fully integrated asset management platform.

A top-100 entity on the Australian Securities Exchange, Vicinity has 60¹ assets under management around Australia, valued at \$23.7 billion across approximately 2.5 million sqm of gross lettable area (GLA).

Vicinity's directly owned portfolio (**Direct Portfolio**) comprising interests in 59 shopping centres is valued at \$14.5 billion, just over half of which comprises our Flagship portfolio, which includes Chadstone, seven premium CBD centres located across Australia's three largest cities, and Australia's leading outlet centre portfolio. Our national office is located in Melbourne, Australia, with regional offices in Sydney, Brisbane, Adelaide and Perth. As at 30 June 2022, we employed 1,266 people across centres and corporate offices nationwide.

For details on our financial performance, see our [2022 Annual Report](#).

PURPOSE

To enrich community experiences

VISION

We reimagine destinations of the future, creating places where people love to connect

OUR BUSINESS STRATEGY

We are a leading retail property group with a fully integrated funds and asset management platform.

As the custodian of a diverse portfolio of retail assets across Australia, we attract 333 million visits per year, and generate nearly \$15.3 billion of annual retail sales.

Vicinity's strategy is focused on delivering long-term growth from our portfolio of destination assets and driving returns by owning the right assets across the retail asset category and embracing a shared value approach.

Underpinning Vicinity's strategy are four strategic objectives, including:

1. Enhancing investment portfolio and new growth
2. Maintaining strong financial stewardship
3. Delivering quality asset management
4. Creating shared value

OUR OPERATIONS AS AT 30 JUNE 2022

RETAIL ASSETS

59

PORTFOLIO VALUE

\$14.5b

COMMUNITY INVESTMENT

\$2.9m

GLA SQM

2.4m

OCCUPANCY RATE

98.3%

ANNUAL RETAIL SALES

\$15.3b

TENANTS

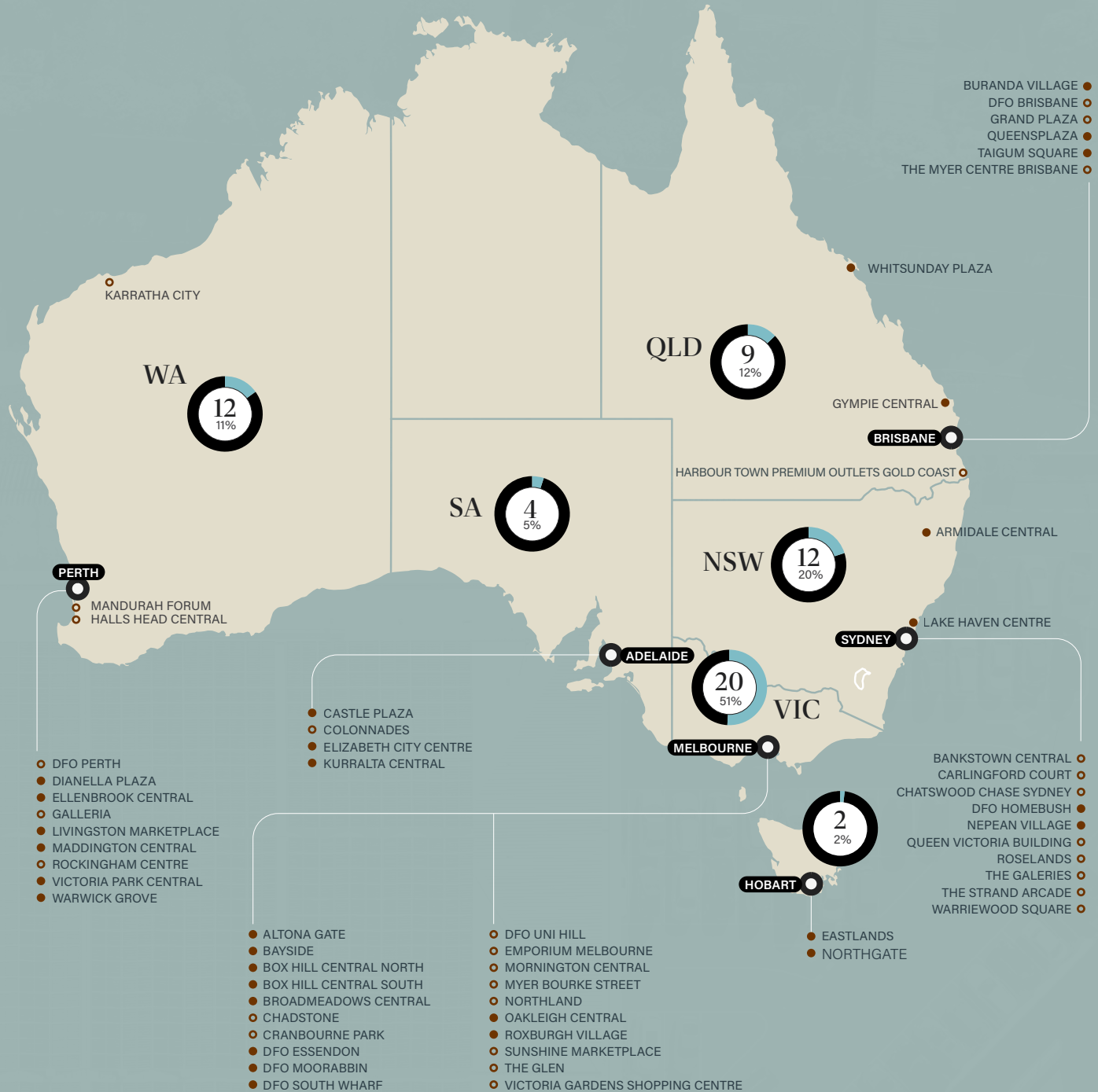
6,874

EMPLOYEES

1,266

1. Includes Midland Gate, WA, which Vicinity manages on behalf of fund management clients.

OUR DIRECT PORTFOLIO AS AT 30 JUNE 2022



Note:

Totals may not sum due to rounding

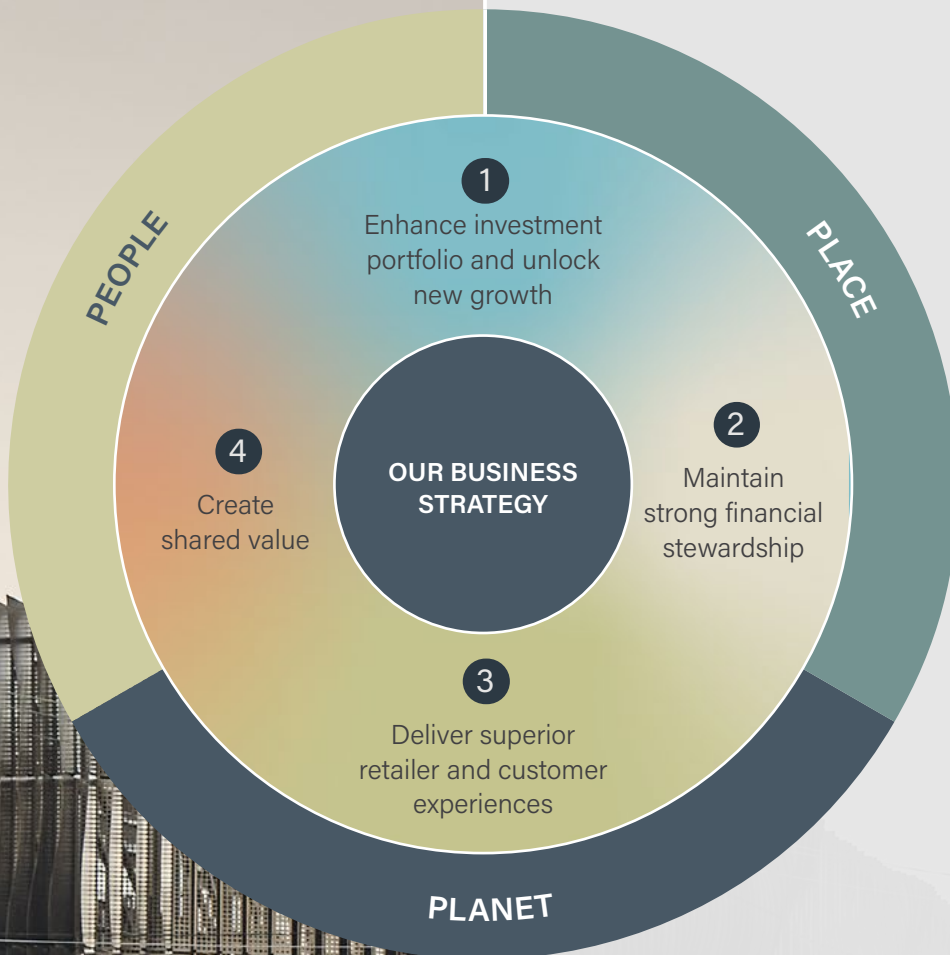
- Wholly-owned
- Jointly-owned
- Number of shopping centres
- % Portfolio value (%)

HOW WE CREATE VALUE

OUR BUSINESS STRATEGY



OUR RESOURCES



CAPITAL

Over \$8 billion of equity from more than 26,000 securityholders in FY22. 23 strategic partners with \$9 billion AUM



REAL ESTATE

59 retail assets across 2.4 million sqm of GLA



PEOPLE

1,266 professionals across our business



COMMUNITY

>333 million customer visits



DATA AND TECHNOLOGY

Industry leading data, digital and technology platform that enables customer growth and innovation. 1.07 million database members



ENVIRONMENT

Natural resources to develop and operate our assets. Investment in adjacent products and services using core assets, such as solar





VALUE CREATED



SECURITYHOLDERS

Investing for long-term growth

Compounding securityholder returns through asset recycling, divestment and targeted acquisitions

98.3%
portfolio occupancy rate

Maintained strong balance sheet, including gearing¹ of **25.1%** and liquidity of **\$1.4 billion**

Issued inaugural \$300m Green Bond, established Vicinity's Sustainable Finance Framework, diversified Vicinity's debt mix and lengthened its debt maturity profile

ESG Investor Rankings: First in Oceania for Retail Listed Shopping Centres (**GRESB**)



CUSTOMERS

Customer centric centre

Creating centres that deliver exceptional consumer experiences in a changing retail environment

Net Promoter Score amongst our engaged consumers sat at **+25.0** across our portfolio, with our leadership centres recording a score of **+30.5**

\$2.9 billion retail and mixed-use development pipeline

Average spend per visit remained **1.3 times** that recorded in 2019

Teamed up with **BindiMaps** to enhance the shopping experience of our visually impaired customers



EMPLOYEES

Building a high-performance culture

Creating a safe, happy and diverse workplace where the best people want to work

68% employee engagement – Sustainability engagement score was 65%

99% of team members completed training in modern slavery in FY22

86 staff volunteering hours, 69 blood donations and saved **207** lives through Lifeblood

49% women in leadership



PARTNERS

Partnering for mutual benefit

Supporting our retailers and suppliers through technology, ethical procurement and win-win commercial relationships

Data insights (retailer insights platform, Vicinity Connect) to optimise retailer performance

Launched new Indigenous Procurement Roadmap targeting **\$6 million** of spend with Indigenous businesses between FY22 and FY27

\$1.27 million spent with Social and Indigenous businesses during FY22



COMMUNITIES

Supporting the people that support us

Giving back to our communities, with a focus on marginalised groups

\$2.9 million invested in local communities in FY22

Worked with the Australian Red Cross during FY22 to deliver on our commitments around youth engagement

Launched Vicinity's **second** Innovate RAP

Formed a collaboration with SEDA and Bridging the Gap Foundation to raise funds for Indigenous students' scholarships



ENVIRONMENT

Investing in climate solutions

Building centres that help our retailers, customers and communities respond to climate change

Strong performance ratings: **4.6 Star** NABERS Energy rating, **4 Star** Green Star Performance portfolio rating

53% materials diverted from landfill for our managed portfolio

Reduced our energy intensity by **27%** and carbon intensity by **38%** since FY16: tracking well towards our Net Zero Carbon by 2030² target

Since FY19, installed 32.85 MW of solar across 22 assets in five states

1. All Treasury data is pro forma 30 June 2022 data, adjusted for post year-end capital management activities undertaken.

2. Across common mall areas of our wholly-owned retail assets.

SUSTAINABILITY STRATEGY

Vicinity's sustainability strategy and objectives are integrated into our Group strategy.

It focuses our efforts on the most material issues for our business and areas with the greatest opportunity to deliver long-term, shared value for Vicinity, our investors and our stakeholders, including our communities and the environment.

Our sustainability strategy aims to drive the delivery of a consistent and focused set of initiatives across the business to bring our purpose to life. This ensures that the initiatives implemented on the ground are aligned with and contribute to achieving our strategy and creating positive impacts for our communities and the environment.

This enables us to deliver more efficient and lower cost assets, higher consumer visitation to drive stronger sales and rents, and enhanced ability to attract capital, generating long-term value for our investors.

Our sustainability strategy focuses on three key pillars: People, Place and Planet.

Our Sustainability Purpose

Our Sustainability Purpose is to 'create value by connecting People, Place and Planet'

Our Sustainability Vision

Our Sustainability Vision is to create social, environmental and financial value that is sustained and shared with all stakeholders

OUR SUSTAINABILITY PILLARS

People

Deliver precincts that are inclusive, enhance wellbeing and create opportunities to connect and drive a sense of belonging

Place

Strive to create assets that embody sustainable design and reduce negative impacts on people and planet

Planet

Enhance climate resilience by delivering lower carbon assets, focusing on renewables, mobility and meeting our Net Zero objectives





OUR 2022 INVESTOR SUSTAINABILITY SURVEY RESULTS

Vicinity's Direct Portfolio

2022 performance: 93/100 (2021: 96)

Ranked first in Oceania for Retail Listed Shopping Centres



G R E S B

Vicinity's Managed Portfolio

2022 performance: 80/100 (2021: 82)

Included in indices for World, Asia Pacific and Australia

Ranked eighth globally in the Real Estate sector

S&P Dow Jones Indices

A Division of S&P Global

MEASURING CUSTOMER SATISFACTION AND ADVOCACY

During FY22, we continued to run regular 'waves' of research measuring satisfaction and advocacy with our two key customer groups – our consumers and our retailers.

Our most recent (April 2022) Net Promoter Score¹ (NPS) amongst our engaged consumers showed our leadership centres recording a score of +30.5. While this is lower than the scores we achieved during the height of COVID-19, it represents a return to advocacy levels we saw pre-pandemic.

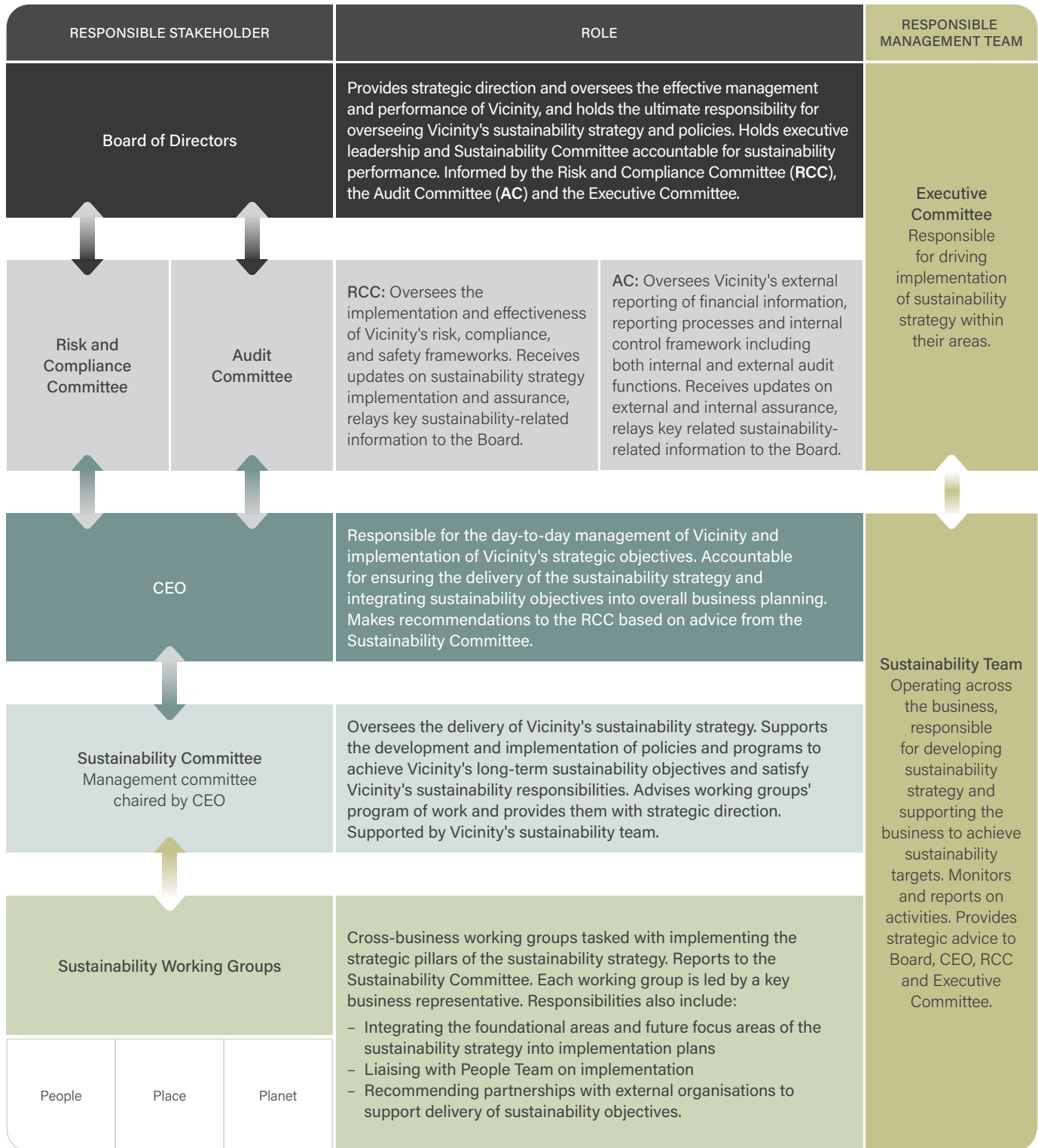
Amongst our retailers, our 2022 TenSat² score increased by +16 points compared to 2021, making Vicinity the equal second-ranked retail landlord. This has been the result of various coordinated initiatives within the organisation to improve performance across the key 'drivers' of tenant satisfaction.

1. Net Promoter Score measures customer (tenant) advocacy.

2. Source: TenSat 2022 report, ACRS, Monash University. TenSat measures tenant experience across five key business areas and renewal intentions.

GOVERNANCE AND REPORTING

GOVERNANCE STRUCTURE



The Sustainability Committee comprises the CEO (Committee Chairman), Chief Financial Officer, Chief Corporate Affairs Officer, Chief Innovation & Information Officer, Chief Development Officer, Chief People & Organisational Development Officer, Chief Legal & Risk Officer, and a number of senior leader representatives.

Further information can be found in our [2022 Annual Report](#) and our [2022 Corporate Governance Statement](#) which can be accessed on Vicinity's website.

REPORTING AND TRANSPARENCY

Every year, we communicate our sustainability approach and performance with our investors and strategic partners through investor surveys, namely the Dow Jones Sustainability Index (**DJSI**) and GRESB. This reflects our commitment to transparency and building trust, and our desire to become a partner of choice for those who share similar sustainability ambitions to us.

Vicinity continued to perform strongly across both the DJSI and GRESB surveys, as a result of having a focused strategy that is well understood and embedded across our business.

ETHICS AND RISK MANAGEMENT

We maintain robust governance and risk management systems and educate our people on how to maintain the highest ethical standards.

Our Code of Conduct Policy (**the Code**) outlines at a high level the ethical business behaviour expected from our Directors, the Executive Committee, employees and contractors.

Underpinning the Code is a suite of policies, designed to provide further detail around anti-bribery and corruption; fraud; money laundering; conflicts of interest; privacy; bullying and harassment; whistleblowing; and risk management.

To ensure that our people are aware of these policies and their obligations, we provide regular training. All employees are required to complete training within 12 weeks of commencement of employment, and annually thereafter.

Our People and Organisational Development and Risk and Compliance teams are responsible for overseeing the Code and underpinning policies.

Vicinity's Enterprise Risk Management framework helps us to identify, assess and manage material risks and opportunities within the bounds of risk appetite. We adopt a structured and comprehensive approach to managing financial and non-financial risk and this approach extends to corporate governance and compliance risks.

Vicinity engages with local, state and federal government directly and through industry

groups in the locations where our centres operate. This is achieved through direct communication, industry group participation and submissions. Vicinity does not make political donations at any level of government, including during FY22, in accordance with our Code of Conduct Policy and our Anti-Bribery and Corruption Policy, which can be found on our website.

DATA, ANALYTICS AND CYBERSECURITY

We recognise that digital technology and growth in online retailing is changing the way our consumers shop, how our retailers trade and how we manage our assets.

Over the past six years Vicinity has strategically invested in both technology and internal capability to create an integrated intelligence platform which uses advanced data analytics to drive better decision-making and improve business outcomes. It also provides the foundation through which we can support our retailers via data analytics insights and help them improve their performance.

Data and insights inform how we approach our projects and their alignment to government town planning and population growth and how we consider community impact and engagement. It also helps to create opportunities for us to identify operational efficiencies across our centres and over the past twelve months, we have increased energy efficiency across our centres through data led automated decision-making to manage energy use.

During the year, we continued our use of the Leasing Optimisation Tool (**the Tool**) – a bespoke in-house developed tool that uses advanced statistical models to provide insights into which retailer is likely to perform well in a given store location (and centre). The Tool considers the audience of the centre, the past performance of the retailer, and the retailer's projected future performance in relation to its reliance on foot traffic past its specific location.

Underpinning our intelligence platform is a robust data governance and cyber-security model, which provides effective controls and sets out principles for the collection, use and protection of data. We continue to invest in our data, digital and cyber security capabilities to deliver business growth and protect our stakeholders' data privacy.

We have increased energy efficiency in our centres through data led automated decision-making to manage energy use at 12 centres throughout the portfolio, with more centres planned in FY23.

We aim to be a partner of choice for our retailers by providing a streamlined digitally enabled way of doing business with us through securely handling their data and providing them with the insights they need to be successful in their business.

GAINING A BETTER UNDERSTANDING OF OUR CONSUMER'S NEEDS

Earlier this year, we launched Vicinity Voice – a custom-built online community of engaged Vicinity shoppers. This platform allows us to tap into our community to test and explore ideas with customers more regularly and cost-effectively.

Multiple teams have already run research projects through this platform, and the insights generated have been incorporated into business decisions. It is anticipated that in the next year, usage of Vicinity Voice will grow significantly throughout the business.

Percentage of employees trained in policies related to Vicinity's Code of Ethics

99%

Our people

100%

Executive Committee

MATERIALITY



Our business operates in an environment that changes constantly and it is important that we anticipate and adapt to these changes, managing our risks and leveraging opportunities.

Our sustainability team monitors all identified material topics throughout the year and works with the business to implement measures and strategies to mitigate risks and realise opportunities.

An external materiality assessment was undertaken during FY22 to inform our consideration of potentially material economic, environmental and social matters and to update our understanding of evolving topics and expectations of our business and stakeholders. This process involved engaging with a range of internal and external stakeholders, through the process outlined on page 19.

STEP ONE

Identify and Benchmark

We identified the 'sustainability landscape' for Vicinity through the review of a range of sources to understand Vicinity's current context, risks and opportunities related to sustainability. We then benchmarked our current state against six of our peers to assess any strengths and weaknesses.

STEP TWO

Stakeholder Engagement

We analysed insights and issues from a range of internal and external sources and stakeholders, including management roles, our Executive Committee and investor feedback to elicit perspectives on significant ESG topics for Vicinity.

STEP THREE

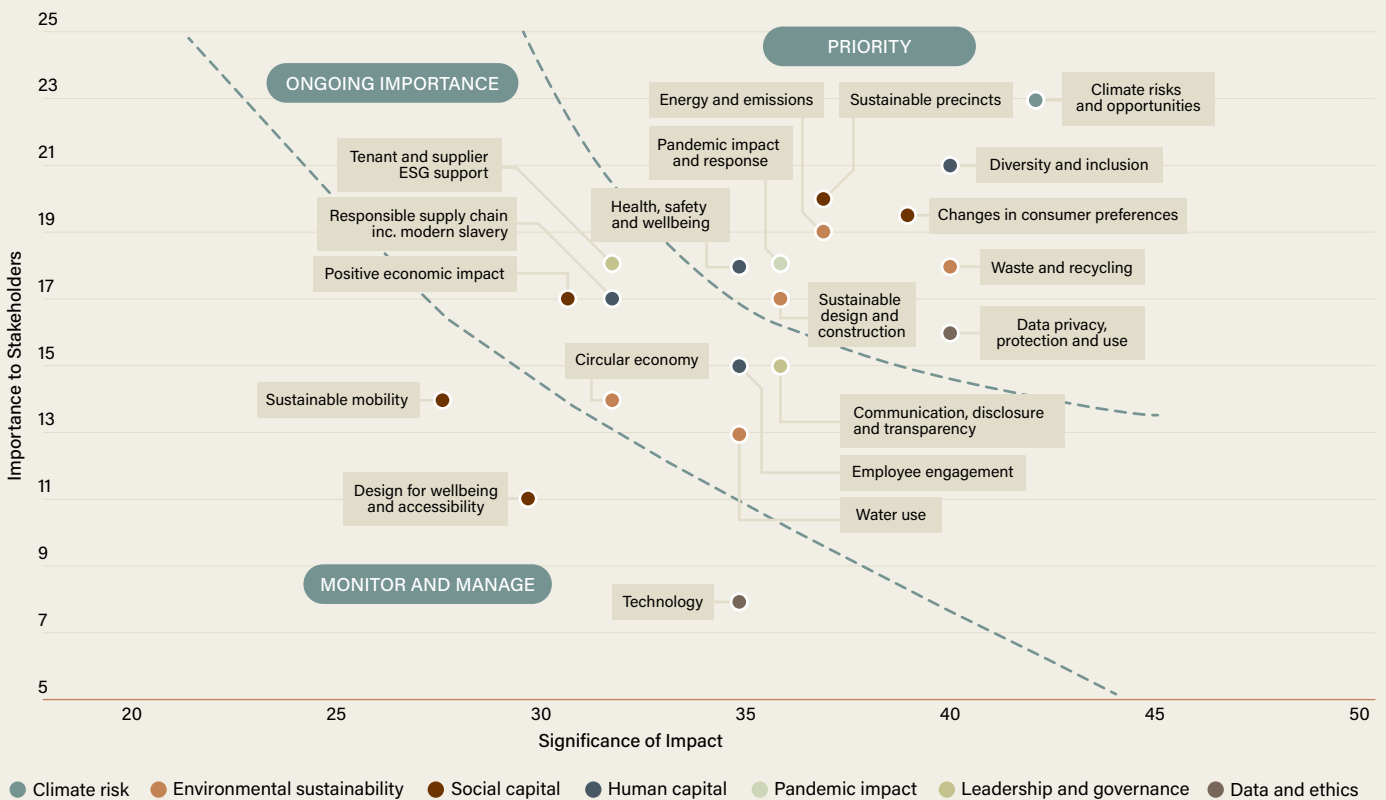
Analysis and Validation

We analysed the topics identified in both the sustainability landscape review and the stakeholder engagement sessions. Each topic was assessed, based on the level of stakeholder concern or interest, level of risk or scale of opportunity and our impact on the environment, economy and society in relation to each topic. A validation workshop was held with members of the Executive Committee and the sustainability team to confirm the material ESG topics and their priority.

Through our detailed materiality assessment, we identified the ESG topics of most concern or interest to Vicinity's stakeholders to be:

- Our response to risks and opportunities arising from climate change (adaptation and mitigation)
- Diversity and inclusion
- Responding to changing retail market conditions, trends and consumer preferences.











SUSTAINABILITY MATERIAL THEMES











The scoring method to determine material issues and their prioritisation was generated throughout the materiality process. The material themes graph is separated according to 'Importance to Stakeholders' and 'Significance of Impact' with scoring provided to each topic on a scale of 1 to 5 based on agreed upon criteria. This included mentions from research, peer benchmarking, investor feedback, internal stakeholder interviews, Executive Committee stakeholder interviews, as well as questions derived from GRI materiality tests.

MATERIALITY CONTINUED

Vicinity's identified material issues were considered through an extensive peer review and stakeholder engagement process. Where possible, key SDG's were provided for material topics as a way to align our efforts to contribute to global sustainable development. Leveraging these SDGs allows us to demonstrate our awareness of economic, environmental and social impacts, and frame the communication of our sustainability journey.









Thematic Area	SDG Alignment	Material Topic	Description
Climate Risk	 SDG 9: Industry, innovation and infrastructure	Climate risks and opportunities	<p>Understanding and managing the potential risks and opportunities related to climate change across Vicinity's value chain, including both transition and physical risks of climate change.</p> <ol style="list-style-type: none"> 1. Physical - resilience of centres and infrastructure to physical risks of climate change, both acute and chronic, and supporting customers and communities to be resilient to climate impacts. Opportunity for centres to act as a refuge during extreme weather events. 2. Transition - addressing climate transition risks associated with the transition to a lower carbon economy, including significant changes in the local economic environment/retail catchments, and policy, technology, and market risks and opportunities. Transparent disclosure of climate-related financial impacts in line with the TCFD recommendations.
	 SDG 11: Sustainable cities and communities		
	 SDG 13: Climate action		
Environmental Sustainability	 SDG 12: Responsible consumption and production	Energy and emissions	Reducing core operations emissions (scope 1, 2 and 3) through energy management and efficiency initiatives, uptake of renewable energy across centres and the use of clean technologies (including solar and battery storage). Benefits and opportunities for flow on effects to tenant/retailer emission reduction.
	 SDG 12: Responsible consumption and production	Water use	Minimising use of potable water through effective water management, water efficiency enhancements and implementing design features for collecting and reusing water.
	 SDG 12: Responsible consumption and production	Waste and recycling	Reducing natural resource consumption through minimising waste, recycling and reuse. Opportunities to provide consumer/ community education on waste disposal and recycling and supporting retailers to reduce their waste and recycle appropriately.
	 SDG 12: Responsible consumption and production	Circular economy	Supporting a cyclical business model for the use of goods, including reusing and recycling existing materials and products into new products. Incorporating circular economy principles into the building design and construction process. Providing cyclical recycling receptacles. Using non-virgin resources wherever possible in development and day-to-day running of centres.
	 SDG 9: Industry innovation and Infrastructure	Sustainable design and construction	Supporting the use of low emissions, low impact technologies in building and construction, and implementing circular economy principles in centres and in building design. Minimising impacts on the natural environment and ecosystems, preserving biodiversity and natural habitats where possible. Incorporating nature and green spaces into building design.
	 SDG 12: Responsible consumption and production		
	 SDG 17: Partnerships for the goals		

Thematic Area	SDG Alignment	Material Topic	Description
Social Capital	 SDG 11: Sustainable cities and communities	Design for wellbeing and accessibility	Designing retail spaces to be accessible for people of all abilities, and providing spaces where consumers can seek positive physical and mental wellbeing outcomes. This includes designing and making centres healthy, amenable, safe, accessible and inclusive.
	 SDG 8: Decent work and economic growth	Sustainable precincts (community hubs and consumer experience)	Providing centres -including multi-use precincts -that create the heart of a community for consumers outside of the retail offerings, reflect the values of the community in which they are situated, and provide dedicated space for community activities. Providing a safe space that supports community cohesion. Supporting and investing in social issues of significant concern in local communities (e.g. liveability, feelings of safety, marginalised groups support and inclusion, mental and physical health and wellbeing).
	 SDG 9: industry, innovation and infrastructure		
	 SDG 11: Sustainable cities and communities		
	 SDG 17: Partnerships for the goals		
	 SDG 11: Sustainable cities and communities	Sustainable mobility	Includes charging stations for vehicles, increased public transport, bicycle infrastructure, rideshare access, and accessible and inclusive parking.
	 SDG 12: Responsible consumption and production		
	No SDG alignment	Changes in consumer preferences	Understanding the shift in consumer preferences towards online shopping, and creating spaces and experiences that cannot be replicated online. Consider the consumer shift away from 'fast fashion' and a rise in 'anti-consumerism'/'conscious consumerism', and emerging opportunity to align tenants/retailers with Vicinity's own values and the values of its customers.
	 SDG 8: Decent work and economic growth	Positive economic impact	Direct and indirect employment that flows from Vicinity's operations; Vicinity's role in proactively supporting local/social/ Indigenous employment (direct and through procurement); supporting retailers and tenants during the COVID-19 crisis.



QueensPlaza, QLD

MATERIALITY CONTINUED

Thematic Area	SDG Alignment	Material Topic	Description
Human Capital	No SDG alignment	Health, safety and wellbeing	Managing the health and safety of our employees and contractors, and maintaining a workplace culture of safety. Raising awareness of and supporting the physical and mental health and wellbeing of our employees and contractors.
	 SDG 5: Gender equality	Diversity and inclusion	Creating an inclusive environment and culture that celebrates and supports all forms of diversity (including gender, LGBTQI+, people with disabilities, ethnic diversity), and respects Indigenous cultural heritage for our employees and contractors. How Vicinity reflects the communities in which it operates through its staff and centre initiatives.
	 SDG 8: Decent work and economic growth		
	 SDG 10: Reduced inequalities		
	 SDG 5: Gender equality	Responsible supply chain including modern slavery	Respecting human rights, upholding labour standards and laws in the workplace, and proactively taking action against modern slavery across our operations and supply chains, including supporting our suppliers.
	 SDG 8: Decent work and economic growth		
	 SDG 10: Reduced inequalities		
	 SDG 17: Partnerships for the goals		
No SDG alignment	Employee engagement	Providing training and development opportunities, appropriate remuneration and supporting flexible working for our employees.	
Pandemic impact	No SDG alignment	Pandemic impact and response	Preparation and management of public health events. Providing support for stakeholders, including tenants/retailers and employees throughout the COVID-19 pandemic, and addressing issues such as financial aid, flexible working, mental and physical wellbeing support. Addressing the impact of the COVID-19 on enterprise value creation, and how the pandemic response impacted/accelerated ESG action. Creating a safe space for customers to conduct 'essential' activities (e.g. grocery shopping).
	 SDG 13: Climate action	Community, disclosure and transparency	Communicating Vicinity's ESG achievements and initiatives internally and externally, especially to investors and customers. Reporting on, anticipating, and responding to ESG risks and opportunities across the business and operating context, through comprehensive reporting avenues and risk management.
Leadership and Governance	No SDG alignment	Tenant and supplier ESG support	Working with tenants and suppliers to improve their ESG outcomes, including reducing their impact on the environment, embracing circular economy principles, addressing waste and recycling, and engaging on social issues. Using our status as landlord and place maker to advocate for sustainability and guiding our tenants and suppliers to align with our sustainability values.
	No SDG alignment	Data privacy, protection and use	Responsible and transparent use of data, adequate protection in place to reduce the risk of cyber-attack.
Data ethics	No SDG alignment	Technology	Investment in new technologies and using available data responsibly to improve the customer and retailer experience.

SUSTAINABLE FINANCE FRAMEWORK AND INAUGURAL GREEN BOND

To support our commitment to deliver sustainable assets we developed a [Sustainable Finance Framework](#) in May 2022. The Sustainable Finance Framework supports our ambition to transition our assets to a low carbon economy.

The Sustainable Finance Framework has been reviewed by KPMG, who have provided a Limited Assurance Opinion with respect to alignment with the Green Bond Principles (version June 2021) published by International Capital Market Association (**ICMA**), Sustainability-Linked Bond Principles (version June 2020) published by ICMA, Green Loan Principles (version February 2021) published by the Loan Market Association (**LMA**), and Sustainability-Linked Loan Principles (version March 2022) published by the LMA as at 10 May 2022.

In May 2022, we leveraged our strengthened sustainability credentials and ratings to issue a \$300 million six-year inaugural Green Bond. Guided by our Sustainable Finance Framework, the Green Bond aligns with global market standards for sustainable debt and the United Nations Sustainable Development Goals.

The Green Bond was used to finance our lower carbon buildings (with higher NABERS Energy ratings) while diversifying our debt funding sources and extending our tenor. The Bond also enabled Vicinity to help address the increasing desire from debt investors looking to invest in sustainable debt products.

ENGAGING WITH OUR STAKEHOLDERS

Vicinity maintains memberships with various organisations and participates in a number of multi-stakeholder initiatives throughout the year. These include collaborating with our peers through our participation in the United Nations Global Compact and the National Sustainability Roundtable, Social Sustainability Roundtable and Modern Slavery Working Group with the Property Council of Australia and providing guidance on Green Star expert reference panels in conjunction with the Green Building Council of Australia.

We also continue to engage with local, State and Federal Government agencies, Non-Government Organisations, Aboriginal Land Councils, community groups and our retailers. These collaborations are an important part of our commitment to greater transparency and driving collective action on sustainability.

Our major stakeholders are outlined below (which have been identified through our ongoing relationships with these groups across our operations).

	Consumers and local communities	Suppliers and Contractors	Retailers
How we engage	<ul style="list-style-type: none"> Through centre management offices and customer services desks Direct engagement (through focus groups, one-on-one interviews) and third party research organisations Social media and centre websites Community engagement in development projects Community engagement at our centres 	<ul style="list-style-type: none"> Managing contracts and performance at national and centre level through our supplier relationship framework Development project control group meetings for approved development projects One-on-one meetings 	<ul style="list-style-type: none"> Initially through national and centre leasing teams Ongoing engagement with centre management teams Strategic meetings with key members of the senior leadership team
Material interests	<ul style="list-style-type: none"> Providing convenient and engaging shopping experiences Appropriate tenant mix to service consumers' wants and needs Human connections for themselves and with others Visible confidence in COVID-19 cleanliness, safety and response efforts Supporting local communities through targeted community investment 	<ul style="list-style-type: none"> Building collaborative and mutually beneficial partnerships Embracing innovation to meet operational and sustainability objectives Regular communication and changes in contractual and operational matters to adapt to COVID-19 Enhancement of approach to identifying and addressing Modern Slavery issues within the supply chain Active management of resource and capacity planning to provide maximum flexibility within the supply chain 	<ul style="list-style-type: none"> Ongoing tenant engagement and retention Data and insights into consumers Strong engagement with centre management Regular communication and modifications to leasing contracts to adapt to COVID-19 Access to marketing and other services to help retailers succeed
Our response	<p>Understand our consumers' wants, needs and behaviours to provide enriching community experiences and engaging market leading destinations</p> <p>Learn more about our approach in Creating Community Hubs (page 31)</p>	<p>Create long-term relationships with a view to making a positive impact on our communities and the environment</p> <p>Learn more about our approach in Our Suppliers (page 23)</p>	<p>Partner with our retailers to understand how we can support the success of their retail operations</p> <p>Learn more about our approach in Promoting Sustainability with Our Retailers (page 47)</p>

MATERIALITY CONTINUED



	Strategic Partners	Investors	Our People
How we engage	<ul style="list-style-type: none"> – Quarterly property performance review meetings; annual budget and Vision Strategy Action meetings – Six-weekly Development update meetings; Project Control Group meetings for approved development projects – Monthly and quarterly reports on our sustainability policies, practices and performance – Site visits and one-on-one meetings – Sustainability Report – Materiality reviews conducted every two years 	<ul style="list-style-type: none"> – Annual General Meeting – Annual Report – Corporate Governance Statement – Sustainability Report – Annual and half yearly results briefings – ASX announcements – Investors website page – Direct email communications – Meetings with major institutional investors 	<ul style="list-style-type: none"> – Town Halls – Senior leadership forums – Senior leader briefings – Annual employee engagement survey – Annual diversity and inclusion survey – Regular updates on the Intranet – Performance reviews and development plan meetings with people leaders
Material interests	<ul style="list-style-type: none"> – Deliver stable and growing returns – Focus on health, safety and wellbeing of all stakeholders through COVID-19 – Responding to changing consumer trends and supporting retailers to succeed – Alignment in strategy, objectives and transparency in reporting – Delivering on investment objectives 	<ul style="list-style-type: none"> – Maintaining a strong financial position – Focus on health, safety and wellbeing of stakeholders through COVID-19 – Strengthening portfolio composition – Creation of community hubs and experiences that respond to changing consumer trends as well as supporting retailers to succeed – Disciplined delivery of our development pipeline – Maintaining a strong reputation through regular and transparent disclosure – Managing ESG related risks and opportunities such as climate change, modern slavery, data privacy and cyber security 	<ul style="list-style-type: none"> – A sense of belonging at Vicinity – Learning and career development opportunities – Flexibility to balance professional and personal needs to ensure health and wellbeing – Ongoing development and career opportunities to perform in existing and future roles – Timely and transparent communication in relation to Vicinity's purpose, goals and response to the pandemic
Our response	<p>Ensuring stable and growing returns through successful asset management and development project delivery</p> <p>Learn more about our approach in Governance and Reporting (page 12)</p>	<p>Providing regular and transparent disclosure on our risks, opportunities, performance and achievements</p> <p>Learn more about our approach in our 2022 Annual Report and Reporting and Transparency (page 13)</p>	<p>Creating a diverse and inclusive workplace, ensuring our people have the tools and resources to balance life and work commitments, and enabling them to develop meaningful careers</p> <p>Learn more about our approach in Focus on our People (page 37)</p>



Chadstone, VIC - National Office

	Government and regulators	Industry groups	Community groups
How we engage	<ul style="list-style-type: none"> - Compliance reporting - Site visits - One-on-one meetings 	<ul style="list-style-type: none"> - Active participation in industry working groups and roundtables - One-on-one meetings - Participation in annual sustainability assessments 	<ul style="list-style-type: none"> - National and local partnerships and sponsorships - Regular liaison through centre management and corporate offices
Material interests	<ul style="list-style-type: none"> - Proactive and transparent communication with Federal, State and Local governments on operational and community impacts of COVID-19 - Collaborative partnerships that support local jobs and economic development - Providing a safe environment for customers and communities 	<ul style="list-style-type: none"> - Creating engaging experiences and community hubs to support local communities - Responding to industry-wide issues such as modern slavery risks - Achieving positive outcomes with industry groups around COVID-19 - Understanding commercial realities of industry issues - Improving sustainability performance, particularly in relation to climate change risks and opportunities, and waste management 	<ul style="list-style-type: none"> - Supporting local communities and providing jobs directly and indirectly through partnerships - Centres acting as a place of interaction that can offer an opportunity to build social connections - Direct and in-kind contributions to address community issues
Our response	<p>Engage with government and regulators in an open, transparent and constructive manner. At a local level, we partner with councils to address economic and social issues in our communities</p> <p>Learn more about our approach in Our Communities (page 28)</p>	<p>Engage with industry groups to learn, share our experiences and find collaborative solutions to issues impacting the industry</p>	<p>Shape better communities through our strategic community investment program which focuses on addressing youth disengagement and unemployment</p> <p>Learn more about our approach in Our Communities (page 28)</p>

SUPPLY CHAIN

PROCUREMENT

We acknowledge our role as a large customer of service providers across Australia, generating significant economic activity through the operation of our centres.

During FY22 we continued our membership with Supply Nation – a non-profit organisation focused on growing Indigenous businesses through supplier diversity. As a member of Supply Nation, we have access to exclusive tools and tailored one-on-one support to ensure we can develop a sustainable and effective supplier diversity program.

To support our RAP deliverables, we have launched our Indigenous Procurement Roadmap which aims to deliver \$6 million in spend, to Indigenous businesses between FY22 and FY27. In FY22, the first year of this Roadmap, we procured \$580K of spend through Indigenous businesses.

We have also incorporated reconciliation matters into our supplier tender pre-qualification questionnaire to provide our suppliers with the opportunity to share details about their reconciliation actions, including employment initiatives, procurement strategies and other relevant activities.

During the year, Indigenous suppliers were also invited to talk to our property teams and share their stories. Proud Palawa man, Wayne Quilliam, shared his experience working with Vicinity and the numerous projects he has been involved in during our ongoing relationship. Wayne has provided our centre teams with the opportunity to learn firsthand from one of our Indigenous suppliers and understand how we can further work with Indigenous businesses across our supply chain.



OUR SUPPLIERS

We take a proactive approach to managing sustainability risks that are inherent in our supply chain. We also recognise that there are unique opportunities to create value through our relationships with suppliers. We seek to build long-term and sustainable relationships with our strategic suppliers, with the aim of creating mutually beneficial outcomes.

In FY22, we directly engaged 2,641 Tier 1 suppliers to provide goods and services for our business, with an annual spend of \$731 million distributed across our operations, developments and refurbishments activity and our corporate offices.

Our operations are solely based in Australia, and the majority of our Tier 1 suppliers are also based in Australia.

In FY22, we identified 65 direct suppliers based overseas. These suppliers are based in 17 different countries including Australia, with over 60% in the IT industry and others in the consulting, finance, and workplace services industries.

FY22 Top 5 categories of spend



- **Construction 33%**
Includes: builders, building materials, defit and demolition, hoardings, tenancy fitouts, furniture
- **Facility Services 21%**
Includes: cleaning, security, waste, pest control
- **Repairs and Maintenance 17%**
Includes: vertical transport, electrical, plumbing, painting, building maintenance
- **Legal Services 15%**
Includes: leasing, corporate M&A, tax
- **Utilities 15%**
Includes: electricity, gas, water

We maintained our focus on partnering with social enterprises, providing us with the opportunity to make a positive impact in local communities through our day-to-day operations. We also encourage our suppliers to engage social enterprises, disadvantaged youth and Indigenous businesses in their operations and supply chains.

In FY22, we spent \$1.27 million with social enterprises and Indigenous businesses across our managed portfolio and became a member of Social Traders. Utilising such organisations to meet our procurement needs helps to create positive social and economic change for those who are often marginalised or disadvantaged in our communities.

LOCATIONS OF OUR TIER 1 SUPPLIERS

- Australia
- Austria
- Canada
- China
- Cyprus
- England
- Germany
- Ireland
- Israel
- Italy
- Japan
- The Netherlands
- New Zealand
- Pakistan
- Singapore
- Sweden
- United States of America



SUPPLY CHAIN CONTINUED



SUPPLY CHAIN GOVERNANCE

Our Procurement Standard serves as the overarching document that governs the sustainable procurement of products and services by Vicinity and the ongoing management of supplier relationships.

At the beginning of FY22, we produced our Vicinity Supplier Code of Conduct (**Supplier Code**), which is designed to underpin our Procurement Standard.

The Supplier Code outlines Vicinity's commitment to promoting responsible sourcing practices spanning from human rights, the environment and business ethics, across our organisation and suppliers.

We expect our suppliers, their sub-contractors and all third parties in our suppliers' supply chain to share our commitment in acting fairly, ethically, safely and responsibly at all times. The Supplier Code forms an important component of Vicinity's procurement processes and agreements with our suppliers.

SUPPLIER DUE DILIGENCE

Our suppliers are selected based on a rigorous procurement process that considers a number of elements, including relevant sustainability risks.

We continue to use our Supplier Sustainability Questionnaire, which is built into the Supplier Code, and is designed to evaluate our supplier's performance on their management of risks and impacts related to the products or services they provide.

The current service agreements with our operational suppliers, such as cleaning and security service providers (deemed higher risk for modern slavery), include clauses related to subcontracting without prior approval, conducting routine supplier audits, and payment of modern awards to all workers.

These requirements were also integrated into contracts established with new and existing suppliers during FY22 where the risk is considered to be relevant, with the aim of minimising any potential risks of labour exploitation in our supply chain.

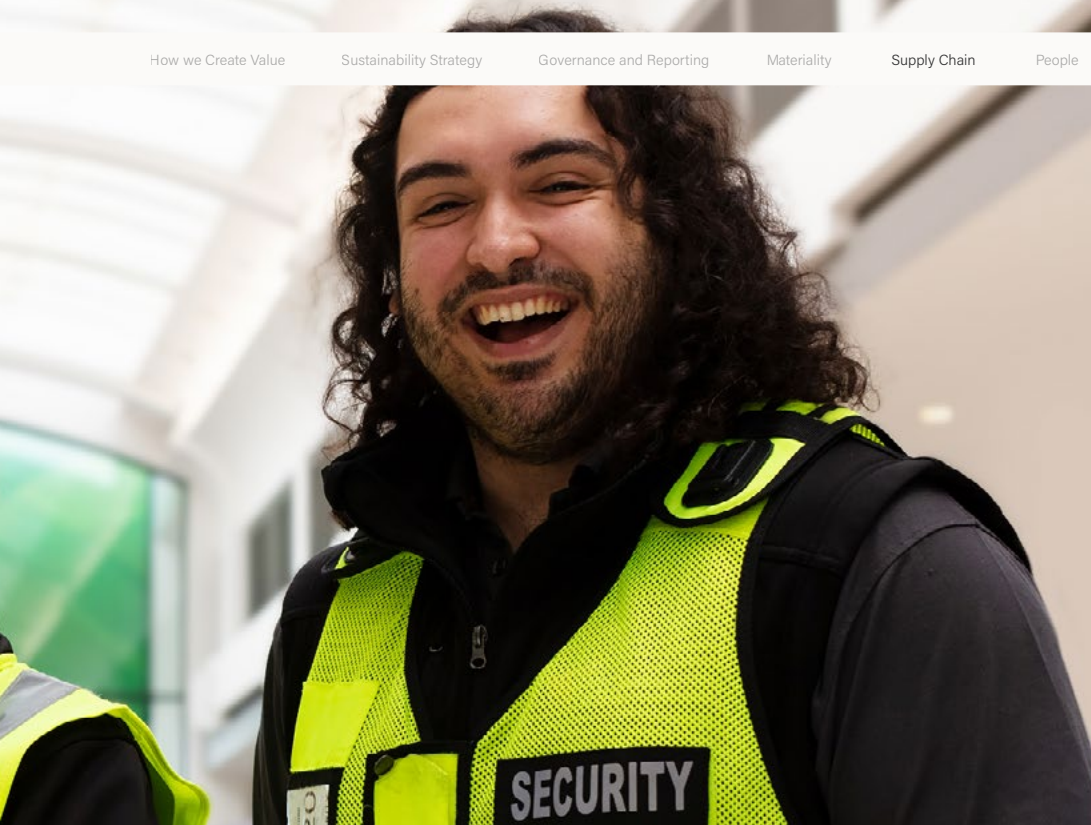
We actively manage our supplier relationships and monitor compliance with contractual obligations through regular contract management meetings. Engagement occurs at both operational and strategic levels to discuss objectives, key performance metrics, compliance and improvement opportunities.

We maintain an annual supplier audit program through which an independent workplace relations expert organisation assesses the compliance of our cleaning and security service providers with their obligations as employers on a rotating basis.

In FY22, two (from a total of eight) cleaning and security service providers underwent a detailed audit. The audit findings demonstrated compliance with obligations under the Cleaning Award and the Security Award (as applicable) with no remedial action required. A minor recommendation was made to improve the clarity of communication with security workers in relation to employee entitlements, following one instance of a worker misunderstanding role levels.

In addition to the routine audits, we conduct random spot checks on our cleaning and security service providers where information gathered is compared with time and attendance reports to identify any non-compliance related to attendance, unapproved sub-contracting and to ensure all staff have relevant qualifications (e.g., security licences).

We completed 12 of these spot checks in FY22. The spot checks did not identify any issues, with opportunities for process improvement identified in relation to staff signing in and out, resulting in the implementation of QR codes to allow for easy sign in and out.



99% of team members completed training in modern slavery risks in FY22

SUPPLIER RISK MAPPING AND ASSESSMENT

During the year, we engaged an independent expert consultant to complete a comprehensive risk assessment of 2,641 Tier 1 suppliers, to identify any human rights and modern slavery risks.

The risk assessment mapped the economic inputs required to produce products and services sourced from our Tier 1 suppliers to Tier 2 suppliers, all the way to Tier 10 of our supply chain. The supplier risk assessment was mapped according to country and industry ratings and was used to better understand and map our high-risk suppliers.

We also appointed Deloitte to provide a high-level assessment to determine if our risk profile had changed since our first high level risk assessment was completed in 2018. In our first assessment of suppliers, we did not identify any major risks.

The current state assessment and accompanying supplier category risk heatmap provided a high-level assessment of Vicinity's current approach to upholding human rights and combatting modern slavery and provided recommendations in line with the United Nations Guiding Principles on Business and Human Rights to promote continuous improvement.

Our risk matrix was updated to support our supplier management process and prioritise our efforts for further supplier engagement where we can make the greatest impact.

The risk assessment methodology categorises our suppliers into four segments based on two dimensions; their inherent risk of modern slavery based on their country and type of product or service; and their spend with us in order to identify suppliers where we have greater opportunities to influence change.

ADDRESSING MODERN SLAVERY RISKS IN OUR SUPPLY CHAIN

Since the Modern Slavery Act 2018 (the Act) came into effect, we have welcomed interest from our investors, retailers and other stakeholders on how we are responding to modern slavery risks in our own business and our supply chain.

As a reporting entity under the Act, our [2022 Modern Slavery Statement](#) outlines the continued actions undertaken by our business during the FY22 reporting period to assess and address any identified modern slavery risks.

We also continued our participation in the United Nations Global Compact (**UNGC**), and submitted our first Communication on Progress which reports our actions in support of the UNGC's ten principles on labour practices, environment, human rights and anti-corruption.

We also continue to collaborate with our peers across multi-sectors as part of the UNGC Modern Slavery Community of Practice to help inform a best practice approach.

Our cross functional Modern Slavery Working Group, chaired by our Chief Operating Officer, continued to meet quarterly throughout FY22 to drive action across our operations and our supply chain to increase our understanding of these risks, their likelihood, and how we can best address them.

A number of subject matter experts presented to the Modern Slavery Working Group throughout the year to increase understanding of our risks in key areas such as those associated with the global solar supply chain.

We have continued to implement our Responsible Procurement Action Plan and our supply chain due diligence activities, with a focus on modern slavery. We also appointed an independent human rights expert to review our draft Modern Slavery Incident Response Plan, which is designed to guide our business on how to respond to actual or suspected incidents of modern slavery.

All team members continue to receive modern slavery awareness training as part of their compliance training, which also includes understanding the process by which our people can report suspected modern slavery.

In addition, we delivered modern slavery awareness training to our Board members in June 2022.

PEOPLE

OUR FOCUS

Our centres are hubs for many local communities across Australia, where people come together to shop, connect or be entertained.

Our purpose in leveraging our shared value approach, is to deliver precincts that are inclusive, enhance wellbeing and create opportunities to connect. This recognises the role we play in shaping stronger, resilient and more prosperous communities.

We understand that our centres benefit from strong, more resilient communities in order to succeed. Our aim is to leverage our position to shape better communities, enhance local connections and deliver positive social outcomes.

We aim to achieve this through the delivery of three key objectives:

- Establish a long-term community investment program that is focused on relevant local issues directly impacting the community and delivers measurable value to our communities in which we operate
- Create capacity and resilience for our people and our communities to thrive
- Curate community experiences that connect people, place and planet.



COMMITMENTS AND ACHIEVEMENTS

Long-term objectives	FY22 objectives	FY22 performance	FY23 and beyond
Enhance in-centre experience and strengthen communities through focus on youth engagement and employment opportunities	Demonstrate measurable improvement in centre-level youth matters and stronger, more resilient communities	<p>Worked with the Australian Red Cross (ARC)</p> <p>Our work with the ARC included the WorkREDi program, which provided 33 young people who are at risk, or have had contact with the youth justice system, an opportunity to help overcome barriers to employment through training and support. The WorkREDi program has now ceased</p>	Given that the ARC WorkREDi program ceased at the end of FY22, we will be working to identify new partnership opportunities focused specifically on youth engagement
Promote local community prosperity through direct and indirect support, including employment opportunities	Increase procurement through social and Indigenous enterprises and provide recruitment opportunities for youth and Indigenous people	<p>Developed and received endorsement from Reconciliation Australia for Vicinity's second Innovate level RAP in FY22</p> <p>Developed and launched Vicinity's Indigenous Procurement Roadmap, targeting \$6 million of spend with Indigenous businesses between FY22 and FY27</p>	<p>Progress and achieve RAP deliverables as outlined in our Second Innovate RAP</p> <p>Increase our year-on-year spend with Indigenous businesses in line with our Indigenous Procurement Roadmap targets</p>
Progress sustainability initiatives to drive higher employee engagement	Achieve strong employee engagement with Vicinity's sustainability program through increased awareness and participation	Established a new baseline for employee engagement of Vicinity's sustainability strategy to better track engagement over coming years	<p>Progress towards our 40:40:20 gender target</p> <p>Support the Vicinity Way and maintain high-performance culture</p> <p>Establish an employee profile which reflects our communities</p>
Establish a responsible value chain for Vicinity	Implement Responsible Procurement Action Plan, with a focus on modern slavery	Continued the implementation of our Responsible Procurement Action Plan and published our second Modern Slavery Statement	Target 100% of Category A (high risk) suppliers assessed for modern slavery risks

PEOPLE CONTINUED

INVESTING IN OUR COMMUNITIES

Our community investment program focuses on centres and their role in building stronger more resilient communities. This includes prioritising youth engagement opportunities and supporting local community initiatives in centre.

Throughout FY22, we continued to deliver our community investment program at a corporate and centre level through various local partnerships and initiatives.

Our community investment program is rolled out across the portfolio through the implementation of centre level community investment plans. This enables the program to be delivered in a consistent manner across our portfolio, with built in flexibility to identify strategically relevant local partnerships. These documents are included in our annual centre Vision Strategy Action process to ensure the initiatives identified form part of the centres' overall operational strategy.

Our materiality analysis completed in FY22 has identified creating sustainable precincts as a priority which included the identified need to focus on youth engagement initiatives as well as the provision of safe, accessible, welcoming and inclusive public spaces for our communities.



CASE STUDY

National Gallery of Victoria at Chadstone, VIC

Chadstone, VIC proudly continued its six-year partnership with the National Gallery of Victoria (NGV), as the major partner of the Melbourne Winter Masterpieces 2022: The Picasso Century exhibition.

In celebration of the partnership, Chadstone presented three bespoke in-centre activations, including 'The Cubist Studio - Artist Lead Masterclasses', an elevated after dark experience offering painting, ceramic and still life workshops; 'Make A Creature' where visitors could sit in a luxurious setting and create a shareable digital collage, and 'The Emerging Artists Space' where children were encouraged to tap into their artistic side through portraiture and sculpture.

Chadstone and the NGV are two of Victoria's most visited destinations, collectively hosting close to 30 million local, interstate, and International visitors every year. The partnership sees Australia's largest integrated retail and lifestyle destination reaffirm its cultural aspirations and 'first-to-market' promise as it looks to offer more than just a traditional shopping experience for our customers.

In FY22, 'NGV at Chadstone' delivered a sold-out season across both bookable zones with more than 5,000 attendees.





CASE STUDY

High Tea with Santa at Queen Victoria Building, NSW

On Wednesday 17 November 2021, the Queen Victoria Building (QVB), NSW hosted both the ARC and members of the ARC community at a festive high tea with Santa. Hosted in the iconic QVB Tea Rooms, guests were invited to enjoy a traditional high tea inspired by native Australian fauna and flora and capture an intimate photo moment with Santa. Participants included ARC families, volunteers, caseworkers and their respective families.

PARTNERSHIP WITH ARC

During FY22 we worked with the ARC to help deliver our community investment program. The ARC was selected because of their broad presence across Australia and proven track record of creating a positive impact in communities by supporting youth engagement and youth employment.

Central to our work with the ARC was the implementation of the WorkREDi and Youth Connect 'Young People in our Centres' program, which focused on addressing some of the challenges facing young people in the community.

During FY22, the WorkREDi program provided 33 young people who are at risk, or have had contact with the youth justice system, an opportunity to receive support, training and develop skills to help them overcome barriers to employment.

Youth Connect 'Young People in our Centres' is an e-learning module developed for our team members. The objective is to build an understanding and awareness of challenges and to provide guidance on how to interact with young people.

In addition, we also collaborated with the ARC on Christmas fundraising and other promotional campaigns including digital marketing support in centres, raising awareness of Emergency Ready Week in September 2021 and promoting Red Cross Calling throughout March 2022.

Given that the WorkREDi program has now ceased, we will be working to identify new partnership opportunities focused specifically on youth engagement into FY23.



PEOPLE CONTINUED

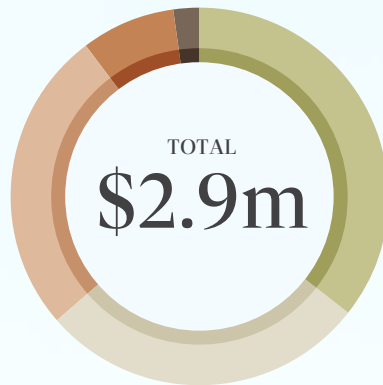
OUR COMMUNITY CONTRIBUTION

Each of our centres maintains close connections with community groups to support Vicinity's focus on strengthening their local communities, as well as other issues that are relevant to their catchment. They organise and participate in local events, make financial contributions, provide in-kind goods, services and mall space for fundraising, and leverage our consumers and retailers to make community initiatives more successful.

In FY22, we continued to broaden our multifaceted support of programs and through our targeted community investment program, we have contributed \$2.9 million. Vicinity also provided approximately \$36 million in COVID-19 rental relief to our tenants.

We benchmark all of our community investment activities using the Business for Societal Impact Group (formerly LBG) framework. The B4SI reports can be accessed through the [Sustainability Reporting](#) page on our website.

Vicinity's community contribution in FY22



- Cash **\$1.0m**
- In-kind **\$60k**
- Management costs **\$736k**
- Leverage **\$225k**
- Foregone revenue **\$791k**

CASE STUDY

Creating opportunities with the Jobs & Skills Centre at Rockingham Centre, WA

Rockingham Centre, WA first joined forces with the Jobs & Skills Centre in 2020, when the WA Government announced as part of the WA COVID-19 Recovery Plan, a \$57 million package to slash TAFE fees and deliver 15 free short courses developed to engage young people and meet skill shortages as the economy recovers.

With skills shortages worsening across WA and retailers struggling to find suitable candidates and sufficient coverage across peak periods, Rockingham Centre developed an ongoing partnership with the Jobs & Skills Centre team. In November 2021, the centre hosted a mini jobs fair and was able to assist some of our retailers place local youth into immediate roles.

The Jobs & Skills Centre team visit Rockingham Centre on a regular basis and facilitate a 'Job Ready' service. This included helping with career planning tools and resources, resume checks, mock interviews, discussing employment pathway options and explaining ways to upskill taking advantage of the free courses that are available.

Rockingham Centre shares its online retailer job opportunities with the Jobs & Skills Centre team who work with suitable candidates aiding them through the application process and providing a vital service for both job seekers and retailers.



CREATING COMMUNITY HUBS

In order for our communities to feel a strong connection with our centres we ensure they are welcoming and accessible and offer services that enhance everyone's experience.

Many of our centres serve as prominent hubs in their local communities, generating significant economic and social benefits. We seek to understand our communities' wants and needs, so that we can respond to ensure we offer an experience that is better, easier and more enjoyable.

Our centre management teams are our front line for direct engagement with consumers, retailers, local government and other community partners across Australia. Through these interactions they facilitate great in-centre experiences, keep abreast of local issues and garner feedback on the needs of our communities.

Our leasing strategy is focused on creating a tenant mix that reflects higher demand categories and changing consumer preferences. As a result, offerings at our centres are enhanced with greater café and dining options, cinemas and entertainment, and indoor and outdoor events to create a social experience that caters to our local communities. Our diversified tenant mix also supports consumers' health and wellbeing through the provision of services such as gyms, medical centres, physiotherapists, insurance companies/offices and various community service providers.

Accessibility and inclusion is a priority across our portfolio, with many of our centres providing disabled parking and amenities (such as changing places high care facilities and high tables in food courts for wheelchair access), and wheelchairs for use within the centre.



CASE STUDY

Heart Foundation Walking Group at Roselands, NSW

Like all of our centres, Roselands, NSW looks to engage with all customers, providing an inclusive and community minded space for our communities. Roselands introduced the Heart Foundation Walk, a weekly walk held each Wednesday morning, with the aim to support and build a community of walkers and create awareness around the issue of heart disease.

The community walkers have titled themselves 'The Raindrop Rovers' and to date have achieved a total of 420 walks over a span of three years and two months. The group consists of 23 walkers, headed up by our team member, Victoria Pugsley.

PEOPLE CONTINUED

VOLUNTEERING AND WORKPLACE GIVING

Our volunteering program provides the opportunity for our people to offer assistance to those in need. The volunteering program is also linked to our learning and development framework, giving our people the opportunity to build mentoring and leadership skills to succeed in the workplace, while helping to promote youth engagement and strengthen our local communities.

Our people also contribute to LifeBlood, a branch of the ARC responsible for the collection and distribution of blood and related products in Australia.

Our Elizabeth City Centre, SA team continues to work with Lifeblood and its community, providing its carpark to facilitate the giving of blood through donor mobile vans. This activation supports and encourages the local community to drive positive participation and engagement to improve community involvement, support, safety and wellbeing in the centre. As a result of this initiative, two separate blood drives were undertaken in February and May, which led to a total of 235 donations collected and 705 lives saved.

We are also committed to enabling our people to give back to the community in ways that suit them.

Through collaboration with our workplace giving partner, Good2Give, our program is delivered through an online platform, giving our people access to over 1,800 charities across Australia. Vicinity matches donations made, dollar for dollar, up to an annual matching cap for each team member.

During the ongoing crisis in Afghanistan, the Ukraine Crisis and the NSW and QLD floods, emergency appeals were launched via our workplace giving platform to enable employees to make donations to charities via relief efforts led by the ARC.



CASE STUDY

Youngster initiative at Halls Head Central, WA

Halls Head Central, WA have partnered with Youngster, a non-for-profit organisation that offers employment opportunities for young people and support services for the elderly.

Youngster offer free computer technical support sessions within the local community with each session running for 30 minutes and allowing our senior customers to ask any specific technical questions that they may have in a safe and secure environment. Running since June 2021, the sessions were held on a weekly basis in Halls Head Central's community corner on a trial basis for a three month period.

Due to the success of the program, Halls Head Central has decided to continue the initiative on a monthly basis moving forward.



ACTION TOWARDS RECONCILIATION

Our vision for reconciliation is for a future where we are actively contributing to the creation of positive change, respect, acknowledgement, and opportunities with Aboriginal and Torres Strait Islander people.

Connection to Country and culture underpins all aspects of life for Aboriginal and Torres Strait Islander people and remains fundamental to identity and way of life. We understand our role as asset creators and owners is to build strong relationships with Aboriginal and Torres Strait Islander people and create places that acknowledge and recognise their link to Country.

In FY22, Reconciliation Australia endorsed Vicinity's third RAP, our second Innovate RAP which represents the natural next step for Vicinity in increasing respect, equality and opportunity for Indigenous Australians.

We commenced our reconciliation journey in 2017 after identifying this as a significant opportunity for enriching community experiences. Since the launch of our first RAP in 2018 and second RAP in 2019 we have made considerable progress and gained significant insights from these experiences.

There have been many learnings along our journey to reconciliation. We recognise the challenges we have had in addressing and bridging employment gaps for Aboriginal and Torres Strait Islander people to join our business and we know social change takes time and commitment. In our third RAP we have further committed to deepening relationships, increasing cultural awareness and connecting Aboriginal and Torres Strait Islander peoples with employment and business opportunities across our organisation.

Our Innovate RAP is supported by our RAP Working Group to ensure a broad range of perspectives are considered when mapping out our reconciliation journey. The RAP Working Group is made up of employees from across our business representing different levels of seniority to ensure team members who are positioned to implement the deliverables can do so in a way that is relevant and meaningful across our assets and throughout our organisation.

We continue to receive cultural advisory services from Seona James, Director Indigenous Cultural Connections Pty Ltd. In FY22, we also engaged Jason Williams, National Indigenous Manager at SEDA Group, as a second cultural advisory member on our RAP Working Group to provide guidance, advice and ensure we are adhering to cultural protocols in our activities.

Vicinity engaged with numerous cultural learning programs to increase education regarding reconciliation at Vicinity. We launched virtual Cultural Confidence Training delivered by John Briggs, with 260 team members completing this training in FY22.

PARTNERSHIP

On National Close the Gap Day in FY22, we established a collaboration with SEDA – an independent secondary college and a supporter of educational support programs for Aboriginal and Torres Strait Islander students. Together with fundraising partner Bridging the Gap Foundation, we assisted in raising awareness and creating scholarships for Indigenous students to attend SEDA secondary colleges across Australia.

In May, four Indigenous SEDA students attended our National Head Office at Chadstone where they participated in a learning circle with our team members to share their personal stories. The four students created an artwork on the day to symbolise these stories and the partnership between ourselves, SEDA and Bridging the Gap Foundation. Their unique artwork is featured on tote bags in participating centres across Australia, as a gift with donation to raise funds for the scholarships.



PEOPLE CONTINUED



CASE STUDY Celebrating NAIDOC Week at our centres

NAIDOC Week continues to be a key event for our centres as they celebrate the week in a variety of ways.

As part of NAIDOC Week celebrations in July 2021, Rockingham Centre, WA hosted two events for the local community. Facilitated by Urban Indigenous and artist, Grace Comeagain, guests were invited to participate in a Collective Canvas creation. During the activity, Grace spoke about the traditional techniques of Aboriginal and Torres Strait Islander art, showing guests how to identify core symbols and how to use art as storytelling.

Our team at Karratha City, WA also celebrated a number of events for City of Karratha's 2021 NAIDOC Week celebrations. Karratha City worked with local Aboriginal and Torres Strait Islander artists to utilise temporarily available shop space to create a one-of-a-kind pop-up art display store. The celebrations also included a Welcome to Country by a Ngarluma Elder.

During NAIDOC Week, Maddington Central, WA partnered with the Foundation for Indigenous Sustainable Health (FISH) to host their first pop-up retail store in a shopping centre. The pop-up store offered a diverse product range including a selection of artwork, books, bush medicines, bush tucker, teas, coffee, beauty, hair and skin products. All products sold through FISH are sourced from 100% owned Aboriginal and Torres Strait Islander businesses.





CASE STUDY

National Reconciliation Week 2022 at Bankstown Central, NSW

In celebration of National Reconciliation Week 2022, the team at Bankstown Central, NSW partnered with Canterbury Bankstown Council and engaged with Toni Barsby, a local Indigenous artist to create a piece of artwork for a vacant hoarding within the centre.

Toni worked on this unique piece live during trade for 11 days, encouraging customers to engage with her throughout the process, and witness her beautiful art come to life. The final artwork, titled after the theme of National Reconciliation Week 2022, 'Be Brave, Make Change', used several symbols to represent the different aspects of reconciliation.

The snake is paving the way for all Indigenous people to come together, going over mountains near and far so they can talk to each other, share, learn, trade and dance so it echoes out for all to see, learn, and listen. The symbols on the left side of the painting stand for community; men, women and children all working together for reconciliation.

Edit Collection.

PEOPLE CONTINUED



CASE STUDY

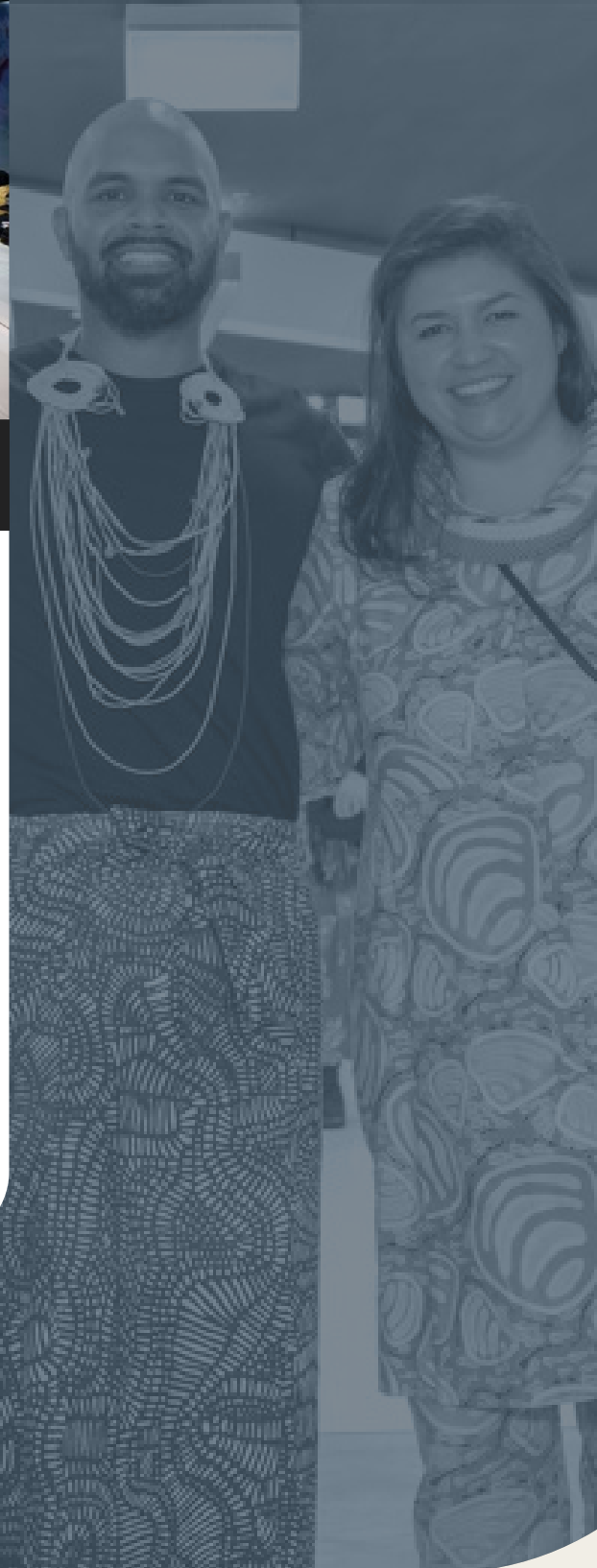
First Nations Fashion & Design at Chatswood Chase Sydney, NSW

Edit Collection – a collaboration between Vicinity, Afterpay and the Australian Fashion Council – is an evolving concept store, leveraging new technologies to create an immersive and experiential retail store. Located at Chatswood Chase Sydney, NSW the concept store brands were selected based on their sustainability, brand values and commercial performance and health, to pop-up in throughout the year, bringing customers a new retail experience every eight weeks.

During National Reconciliation Week 2022, First Nations Fashion & Design (FNFD) occupied space in the store. FNFD's core business is supporting the growth of Indigenous fashion, as well as being a national voice representing Aboriginal and Torres Strait Islander members, creating ongoing access to opportunities, skill development and industry engagement.

The official opening included a Welcome to Country and smoking ceremony by Elder Uncle Brendan Kerin and a Q&A panel hosted by Luke Currie-Richardson featuring Bobbi Lockyer (Gantharri designer and NAIDOC Artist of the Year), Nat Dann (Ihraa Swim designer), Laura Thompson (Clothing The Gaps designer) and Grace Lillian Lee (Cultural Craftsmanship designer).

Throughout the event, Uncle Brendan, Luke, and the various designers spoke to the progress we have collectively made toward reconciliation and the difference they have personally experienced in having a physical space and platform for customers to access their art, innovation, and learn from their practices that give back to both Country and community.



FOCUS ON OUR PEOPLE

We recognise that leveraging the diversity of our people by fostering an inclusive culture is a source of competitive advantage and drives organisational performance.

We want our people to thrive in a dynamic business and operating environment which offers rewarding careers, opportunities for learning and development, and supports them to grow and succeed both professionally and personally. Our values encourage behaviours that foster an inclusive culture, positive employment experiences and performance; these combine to create a great place to work that drives value and quality outcomes for our business and all our stakeholders.

Supporting our objectives around diversity, inclusion and belonging are policies such as the refreshed Diversity, Inclusion and Belonging Policy, Recruitment Policy (including the use of gender diverse shortlists and interview panels for all roles), 'Every Family' Paid Parental Leave Policy and our new Workplace Behaviour Policy.

OUR CULTURE

In an environment that is changing constantly it is important to equip our leaders with the skills required to respond to these changes. This has continued to be a critical focus in FY22.

By adapting our ways of working, leveraging our assets and capabilities differently and embracing the evolving retail landscape we will be better positioned to address current business challenges and deliver long-term, sustainable performance and growth.

Throughout FY22, we developed a systemic change program designed to enhance our operating model. The Vicinity Way program is intended to drive cultural change, enhance the capability of our people, increase execution velocity and deliver increased commercial performance over time. The Vicinity Way embeds adaptive ways of thinking and growth mindsets while also driving cohesion across the business. These new ways of working augment our existing organisational strength.

In February 2022, Vicinity's second full employee experience (EX) survey was conducted with 987 team members responding to the EX-survey, representing a 78% participation rate. Overall employee engagement was measured at 68%, a 7% point increase on the baseline from December 2020. In addition to measuring employee experience, the survey provides a means for our people leaders to listen to, and act on, the collective feedback from their teams. Our investment in building inclusive leadership and continuous listening capability has further encouraged authentic communication and leadership interactions that foster trust, remove barriers to inclusion and belonging, and encourage and value diversity of voice and thinking.

RESPECT AT WORK

At Vicinity, we have made positive steps towards responding to the legislative changes following the Respect@Work national inquiry into sexual harassment at work.

This response is in line with the amendments to the Fair Work Act to include:

1. Sexual harassment as a form of serious misconduct
2. A recommendation from Workplace Health and Safety regulators to move from a reactive complaint-based system to a proactive preventative system, and aligns to our Diversity, Inclusion and Belonging strategy which takes a broad view on diversity, including gender, race, disability and all forms of intersectional diversity.

Our response has included:

- In May 2022, we implemented a new Workplace Behaviour Policy, which sets out Vicinity's expected behavioural standards for all team members relating to harassment, bullying, racism and discrimination.
- We have developed a new training module, 'Respect@Vicinity', which focuses on sexual harassment and also addresses bullying, harassment and racism to further support these behavioural standards. This will replace the current Equal Employment Opportunity compliance training. All team members will complete this training between December 2022 and March 2023.
- By the end of 2022, Respect@Work face-to-face workshops will have been delivered to the Board, Executive Committee and Senior Leaders. An all team member session will be delivered in March 2023.

Proactively managing our obligations and creating a respectful workplace will continue to be a focus in 2023. This will include:

- Continuing to deliver Inclusive Leadership training across Vicinity
- Reinforcing behavioural requirements, knowing what to do and who to talk to, and the confidence to speak up where witnessing or experiencing inappropriate behaviour
- Foster the use of the appropriate reporting infrastructure to encourage speaking up.

We will continue to ensure that we work together in a way that is respectful, appropriate and aligned to our community expectations and legal obligations.

PEOPLE CONTINUED

OUR PEOPLE STATISTICS IN FY22

1,266

In our workforce

304

New employees

49%

Women in leadership

To see more detailed data on our people, please view our FY22 Performance Pack, which is located in Annexure B (page 62) and on the [Sustainability Reporting](#) page on our website.

Building future talent and capability

In order to successfully deliver our business strategy and navigate future challenges, we recognise we must invest in developing the talent and capabilities of our people.

In FY22, we delivered a range of programs and initiatives, including individual coaching programs and targeted career development opportunities across the business.

The newly launched Vicinity Capability Framework defines the behaviours, skills and knowledge our business expects and establishes a common language on how we should perform our work. They are applicable to all Vicinity team members and are considered the most important capabilities required to achieve our strategic goals and be a high performing team.

The dedicated focus on developing the capability of our Executive and Senior Leader teams continued in FY22 through The Vicinity Way by reframing the role of the leader at Vicinity.

Significant investment in our Executive and Senior Leaders has been made to develop adaptive leadership capability and growth mindset so they can take up their role in leading cultural change, developing our people, increasing execution velocity and driving increased commercial performance.

To inform future learning and development offerings, we continuously monitor the effectiveness of our programs through employee engagement survey questions and continuous feedback from management.



CASE STUDY Graduate program

We demonstrated our commitment to early career talent as we progressed with a new intake of graduates to our Graduate Program in FY21. Our 18-month Program provided four talented young graduates across three rotations, designed to give complete exposure into multiple areas of Vicinity's operations. Throughout the program, our graduates were supported by senior mentors, ex-graduate buddies, and ongoing training to support them in their development of becoming the future leaders of Vicinity.

In FY22 we evolved our graduate program to offer graduate positions aligned with business unit demand. Our nine new graduates are completing a 12-month program hosted by the business unit that they are aligned to with a focus on capability development, exposure to our core shopping centre business and transitioning to a non-graduate role after 12 months or earlier in line with individual development.



PERFORMANCE AND REWARD

Performance is one of the key enablers of The Vicinity Way. Having employees aligned with our goals, coupled with the right capabilities and leadership skills will help us achieve results and drive value for all stakeholders.

Fixed term and permanent team members participate in the annual goal setting process and complete a mid-year discussion with their people leader regarding progress towards achieving their goals and meeting expectations relating to core role responsibilities, values and behaviour. Another discussion is completed at the end of the performance period and people leaders determine ratings for each component. The ratings inform the short-term incentive outcome and are also considered for key people decisions including reward, promotions, lateral moves and other development opportunities. In FY22, 100% of permanent employees received a performance review.

DIVERSITY, INCLUSION AND BELONGING

Diversity, inclusion and belonging is an important focus for our business.

To build on our strong foundations, we refreshed our diversity, inclusion and belonging strategy in FY22 with the purpose of enabling an inclusive high-performance culture by providing an employment experience that embraces difference, and creates opportunities for people to feel valued, connected and have a sense of purpose and belonging at work.

We are fortunate to have team members from diverse backgrounds, religions and cultures which is reflective of the communities in which we operate. We acknowledge and celebrate many days of significance throughout the year which are aligned to our team members' cultures and beliefs.

In FY22, we leveraged these days of significance to launch diversity initiatives such as providing employees with the ability to add pronouns to email signatures as part of Vicinity's 'Wear it Purple Day' celebration for the LGBTIQ+ and Ally Community. We also launched Vicinity's Disability Employment Pilot on the International Day of People with Disability. The pilot focuses on job creation for people with a disability in guest experience roles, with two centres currently participating in the pilot.

GENDER DIVERSITY

Supporting gender equality is a key aspect of our strategy. The target set by the Board aims for 40% female, 40% male and 20% either gender (40:40:20) across each of the Workplace Gender Equality Agency (WGEA) categories and organisational levels by the end of FY23.

During FY22, we continued to measure progress against our target and report our progress to the WGEA annually. For further information, see our latest reports on the [WGEA](#) website.

Our gender composition across our whole company has been maintained at 60% female representation.

We continued to work towards our target to improve gender diversity within our business. In FY22, 49% of our leadership were women. However, we know we have more to do to achieve our gender target of 40:40:20 across our most senior roles. We continue to focus on increasing female leadership across senior leader, executive and board roles.

We continued to be a member of the Property Champions of Change in FY22, a forum established to drive greater gender equality in the property industry and increase the number of women in leadership roles.

PROMOTING EQUAL PAY

Through our diversity, inclusion and belonging strategy and action plan we are aiming to close the gap in pay rates between genders.

During FY22, we completed our annual pay equity review, which looked at gender pay gaps by employment category and in individual roles, to ensure no gender bias in fixed remuneration increases and short-term incentive payments was evident.

Importantly our detailed analysis showed that no significant gap exists for like-for-like roles. We do however continue to have a pay gap between male and female employees at an aggregate level (Group Level).

We have continued to focus on our target of 40:40:20 to increase female representation in leadership categories, which will help reduce the pay gap observed at a Group level.

For more information see our FY22 Performance Pack in Annexure B (page 62) and on the [Sustainability Reporting](#) page on our website.

Category	Our FY23 gender target	Male	Female
Board	40%	75%	25%
Executive Committee including CEO	40%	60%	40%
Other Executives and General Managers (Senior Leaders)	40%	79%	21%
Senior Managers	40%	62%	38%
Our People	40%	40%	60%

PEOPLE CONTINUED



HEALTH AND WELLBEING

'Every Family' Paid Parental Leave Policy

During FY22 Vicinity launched a new 'Every Family' Paid Parental Leave Policy that removed the gendered terms of primary and secondary carer, instead offering equal access to 16 weeks paid parental leave to every new parent, reflecting our commitment to gender equality.

The new policy and approach removes eligibility periods, encourages flexible use to meet individual families' needs and includes provisions for pregnancy loss. It is intended to encourage cultural change from within and beyond our business around traditionally gendered caregiving roles by seeking to promote parenting career breaks and flexible working as a regular way of working for all genders and all parents. The policy was launched in September/October 2021 and was retrospectively applied to employees who commenced parental leave from 1 July 2021 onwards.

Since our 'Every Family' Paid Parental Leave Policy was launched, 42 team members have accessed the new provisions, 34% of which are males at all levels of the organisation (up 7% on previous period); and 94% of males have taken up the new offer of additional leave, with 40% taking the full entitlement of 16 weeks and 40% taking the leave flexibly.

The change in mindset and behaviour is best illustrated by average leave taken. In the same period prior to the 'Every Family' Paid Parental Leave Policy was launched, males took on average nine days of secondary carers leave. Following introduction of the new policy, males have taken on average 50 days or 10 weeks leave.

We also have a partnership with Circle In – an online portal which provides additional support for those on parental leave and working parents. Our 'Keeping in Touch' program has also continued where team members may participate in workplace activities for up to 10 paid 'Keeping in Touch' days during their leave period, without losing entitlement to parental leave pay.



CASE STUDY

Wayapa Wuurrk Program at National Head Office

In November 2021, 12 team members were led by Accredited Practitioner, Alana Marsh, at our National Head Office at Chadstone, VIC, in an introductory session of the Wayapa Wuurrk program.

Wayapa Wuurrk means 'Connect to the Earth' in the language of the Maara and GunaiKurnai Peoples and the Wayapa program was created to consider what it means to be well and how to develop a relationship with our environment through the concept of ancient earth mindfulness. Wayapa Wuurrk is based on the Indigenous concept of reciprocity, that we must give to receive from Mother Earth. The session was interactive, inclusive and contained valuable sustainability principles for people, the environment and for life.

The Wayapa Wuurrk session was photographed and captured on film by Wayne Quilliam and as a result of the positive feedback received from our introductory session of the Wayapa program, Vicinity has engaged Alana to provide additional programs for our team members moving forward.

Flexible working

Flexibility has always been part of our culture. It is recognised as an important business enabler and is a key focus of our diversity, inclusion and belonging and workplace strategies.

In FY22, we successfully introduced hybrid working arrangements for office based team members and improved flexible working arrangements for our centre based team members.

The approach is principle based, dependent on the requirement to work from a specific workplace location reflecting the nature of your work and the requirements of particular teams. There is an overall expectation for team members to blend their working week to a 60/40 hybrid approach, with 60% in the office, 40% remotely. This approach may vary from week to week depending on meetings, the types of tasks required for completion and the different roles team members take up in their life outside of work.

We also provide a variety of leave options to help employees balance personal and professional responsibilities. These include formal and informal flexible working arrangements, paid parental leave, personal or carers leave, study leave, cultural leave, volunteer leave and a paid day off for team members for their birthday.

The hybrid model to working is designed to assist with attracting and retaining key talent in an evolving employment landscape and improving overall employee satisfaction. Flexibility was a key factor in our 2022 uplift in employee engagement, which increased to 68% in FY22 (FY21: 61%).

Our wellbeing program

Our vision is to empower our team to improve their wellbeing through supporting individual wellbeing needs and helping them to make positive choices about their health.

Our wellbeing program is focused on five key areas: mental health; overall health; nutrition; financial health and physical activity.

To deliver a personalised user experience for our team members, we have a program of initiatives and resources to inspire meaningful and measurable change. Free annual skin checks, flu vaccinations, discounted gym memberships, Headspace app membership and financial advice reimbursements to encourage team members to participate in personalised financial planning sessions are some of the benefits offered to team members.

We also offer a confidential employee assistance program free of charge to all employees and their immediate families.

To view our Absentee rate, see our FY22 Performance Pack in Annexure B (page 62) and on the [Sustainability Reporting](#) page on our website.

PEOPLE CONTINUED

FOCUS ON SAFETY

Our Health, Safety and Environment Management System (**HS&EMS**), along with our focus on developing team member health and safety competency and confidence, positions us well in continually managing risks and improving health, safety and environmental performance.

The HS&EMS is aligned to AS4801: Occupational Health and Safety Management Systems and AS/NZS ISO 31000 Risk Management – Principles and Guidelines.

The HS&EMS scope includes all Vicinity operations, sites and our team members for all work activities.

During FY21, we engaged Deloitte to complete a portfolio-wide health, safety and environment audit, looking at the top priority safety risks at Vicinity locations and the controls used to manage these risks. Examples of risk items reviewed included electrical safety, mobile plant, loading docks, contractor management and environmental management.

In FY22, actions arising from the audits were prioritised and closed out systematically throughout the year. This included a centre level education program on how to complete a risk assessment, safe operating procedure, or safe work method statement. At a system level, actions include reviewing the HS&EMS procedures to ensure the end user experience is streamlined while maintaining the highest possible health, safety and environmental standards. Procedures reviewed included Tenant Management, Hazardous Chemicals, Induction & Education and Permit to Work.

We take all safety incidents seriously, with reviews undertaken for every incident. Learnings are then shared through safety alerts to team members. Safety alerts may be issued following a serious or dangerous incident, a workplace health and safety regulator interaction, or to alert centres to a product recall or industry wide safety alert.

We continue to see very low numbers of serious injuries to team members. In the reporting year there was only one lost time injury. The incident was investigated, and the causes identified in accordance with Vicinity procedures and good safety management practice. The team member involved was able to return to full duties following a short period of recovery.

We employ various methods of consultation through our HS&EMS procedures including HS&EMS team meetings and HS&EMS team talks in order to have open, honest and forthright methods of consultation with all stakeholders.



PLACE

OUR FOCUS

We recognise the need to create assets that embody sustainable design and reduce negative impacts on people and the planet. This is reflected through our approach towards delivering precincts that create opportunities to connect and drive a sense of belonging and embody sustainable design. By upholding these principles, we deliver assets which are safe and reliable hubs for the communities in which we operate.

We use recognised national frameworks such as Green Star rating tools and the National Australian Built Environment Rating System (**NABERS**) to benchmark our developments and operational performance. These measures help drive continuous improvement across our asset portfolio and provide us with opportunities to implement best practice initiatives. By implementing these initiatives, we aim to provide positive outcomes for all our stakeholders, including our consumers, retail partners, suppliers and people. This extends to our sustainability strategy for developments, where Vicinity is committed to delivering new assets which uphold strong sustainability credentials.

The ongoing curation of our assets, combined with the delivery of sustainable operations and design is reflected through our high rankings in these programs, where we are one of the largest and highest rated Green Star Performance portfolios in Australia. Furthermore, we continually improve upon our operational performance, upholding 4.6 Star NABERS Energy rating and 4.0 Star NABERS Water rating (for 100% of our rateable portfolio)¹.

FUTURE FOCUS

- Explore opportunities to reduce embodied carbon at our new and existing assets
- Explore impacts on biodiversity at our assets and options for reporting against the recently announced Taskforce on Nature-related Financial Disclosures
- Build on our commitment to reducing waste at our assets and incorporate circular design principles in new developments
- Further explore sustainable mobility options
- Participate in the Green Star Performance early access program and seek to maintain a 4 Star portfolio rating under the new tool
- Maintain and increase the number of centres that are 5.0 Star NABERS Energy or above by achieving a 5.5 Star NABERS Energy portfolio rating by 2030

OUR APPROACH

Sustainable design and construction

Our sustainability objectives for developments are focused on delivering precincts that create opportunities to connect, drive a sense of belonging and embody sustainable design and Vicinity is committed to delivering developments with strong sustainability credentials. We use external ratings such as the Green Star rating system to assess our developments and to validate and communicate our buildings' environmental credentials.

Our Sustainable Design Brief guides how our development projects align with our sustainability strategy and respond to the unique needs of the local community, be that through the design of our centres or the means through which we construct them.

We are committed to using sustainable design and emerging technology to reduce energy intensity, grow our renewable energy program, and promote responsible choices in materials. We also focus on asset resilience and creating safe and reliable hubs for our communities by endeavouring to ensure these assets continue to be physically resilient in a changing climate.

During FY22, we began working with low carbon energy company, ENGIE, to deliver electric vehicle fast-charging stations in car parks across our portfolio, setting the benchmark for customer convenience.

We have also been working on a commercial partnership with Enel X, to deliver energy transformation solutions to our assets. Through this partnership, commercial industrial batteries will be installed at two of our centres in FY23, Lake Haven Centre, NSW and Broadmeadows Central, VIC which will complement the solar installations at these centres. This will also assist with the stabilisation of the electricity grid through energy storage systems.

Sustainable operations

Our operations teams are passionate about driving performance improvements across our portfolio and use recognised national frameworks such as the Green Star Performance rating tool and NABERS to help drive continuous improvement across our asset portfolio and implement best practice initiatives. By implementing these initiatives, we aim to provide positive outcomes for all stakeholders, including our consumers, retail partners, visitors, suppliers and people.

The sustained increase in our sustainability credentials is driven by the improved environmental performance at our assets as a result of an increased focus on driving operational efficiency, our journey to Net Zero Carbon by 2030 target² and resource management. Our approach to sustainable operations is expanded upon in our Planet section (page 48).

1. NABERS Sustainable Portfolio Index 2022, based on Vicinity's ownership interest and 2022 rating as at December 2021 with 100% portfolio coverage.

2. Across common mall areas of our wholly-owned retail assets.

PLACE CONTINUED

GREEN STAR PERFORMANCE

We are one of the largest and highest rated Green Star Performance portfolios in Australia, achieving a 4 Star Green Star Performance portfolio rating in June FY19.

We obtained our first Green Star Performance portfolio rating in FY16, achieving 2 Star Average Practice. We then lifted our portfolio rating to 3 Star Good Practice in FY17.

Working closely with our operations teams we have implemented best practice initiatives across a number of Green Star categories including management, indoor air quality, energy, water, materials, emissions and innovation, and achieved a 4 Star portfolio rating in FY19.

In FY22 we joined the Green Star Performance Early Access Program to assist with the development and implementation of the new Green Star Performance tool to be released in FY23. The Early Access Program will allow us to test new and updated Green Star categories and drive further best practice across our operations.

Oakleigh Central, VIC

1. Across common mall areas of our wholly-owned retail assets.





Table 1: Vicinity's portfolio sustainability performance ratings

Framework	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Green Star Performance¹	2 Star Average Practice Coverage: 100%	3 Star Good Practice Coverage: 100%	3 Star Good Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%
NABERS Energy²	3.4 Star Coverage: 56%	3.7 Star Coverage: 44%	3.6 Star Coverage: 85%	3.8 Star Coverage: 76%	3.9 Star Coverage: 86%	4.4 Star Coverage: 91%	4.6 Star Coverage: 100%
NABERS Water²	2.9 Star Coverage: 50%	3.2 Star Coverage: 44%	3.1 Star Coverage: 82%	3.3 Star Coverage: 76%	3.4 Star Coverage: 86%	3.4 Star Coverage: 91%	4.0 Star Coverage: 100%

National Australian Built Environment Rating System (NABERS)

Our business has long used the NABERS shopping centre tool to assess our building energy and water performance. NABERS provides a specific and accurate framework to measure the energy and water efficiency of our retail assets, so we can benchmark and compare the performance of our buildings.

We were ranked in the top five and top three for NABERS Energy and NABERS Water respectively, for Shopping Centres in the NABERS Sustainable Portfolios Index 2022; achieving 4.6 Star NABERS Energy and 4.0 Star NABERS Water portfolio ratings.

Over the last several years we have made significant improvements in our portfolio ratings, with NABERS Energy and NABERS Water portfolio ratings increasing from 3.5 Star and 3.1 Star respectively in FY18. We also increased our NABERS Energy and NABERS Water assessments to cover 100% of our rateable portfolio, up from 91% in FY21².

In FY17, we had just over 40% of our rateable retail assets assessed through NABERS. In FY19, NABERS expanded its Shopping Centre rating tool to allow smaller shopping centres (>15,000 sqm GLA) to be rated.

During FY20, we made significant improvements in our coverage, with 86%² of our rateable portfolio assessed with the NABERS Energy and NABERS Water tools, and obtaining first time ratings for 13 of our centres. In FY21, our coverage expanded to 91% of our eligible centres rated².

Our annual assessments help identify a number of initiatives we can implement to further improve our building energy and water efficiencies in the future.

Please see our FY22 Sustainability Performance Pack for more information including individual NABERS asset ratings in Annexure B of this document.

1. Managed portfolio.

2. NABERS Sustainable Portfolio Index 2022, based on Vicinity's ownership interest and 2021 rating as at December 2021 with 100% portfolio coverage.

PLACE CONTINUED

Bayside, VIC



CASE STUDY

5 Star Green Star certification at Ellenbrook Central, WA

Our commitment to sustainability was evident in the design and construction of the expansion of our Ellenbrook Central, WA shopping centre, located approximately 30 kilometres north-east of the Perth CBD. The development was certified 5 Star Green Star Design & As Built v1.2 in February 2022, representing Australian excellence. Sustainable practices were implemented throughout the building process and a number of best practice sustainable design features have been integrated including more than 500 new solar generating car park shades and new complementary electric vehicle charging stations connected to the centre's expansive rooftop solar system.

ENGAGING COMMUNITIES IN THE DEVELOPMENT OF CENTRES

Developments offer our business the opportunity to develop sustainable and inclusive destinations, create positive outcomes for our communities, introduce the latest retail concepts and revitalise our offer. Importantly, they also help to improve the performance efficiency and ratings of our assets.

We engage with local communities during the planning and construction of our development projects to ensure that our centres continue to evolve in line with community and regulatory expectations, and do not create any unintended negative impacts.

During development planning, our development and data science and insights teams conduct consumer research, consulting with local communities about their lifestyle preferences, shopping habits and expectations from our centres. We incorporate these findings into our concept and design works to ensure that the final product meets the needs of our retailers, consumers and the local community.

Regular engagement with the community during planning and construction phases ensures they are kept informed, interruptions are minimised, feedback is received, and any concerns are proactively addressed.

We also explore the rich history of the places where our assets are located and reflect on their past, current and future needs. We weave these stories and learnings into the design of our projects to ensure they resonate with the communities in which we operate.



PROMOTING SUSTAINABILITY WITH OUR RETAILERS

Our sustainability strategy recognises the value in building strategic partnerships with our retailers to achieve shared goals beyond those achievable on our own.

We support our retailers to be more sustainable in their operations by sharing our knowledge and insights and also providing relevant services, information and tools to help them make better informed decisions.

We support our retailers through:

- Our retail design guidelines, which include minimum sustainability requirements and best practices in shop fit outs and refurbishments
- Providing monthly energy data to retailers who purchase electricity through our embedded network to drive efficiency improvements
- An education and engagement program to help retailers improve their waste management and recycling practices
- Implementation of our community investment program, which aims to drive better retail performance via improved centre amenity and consumer experience, through alleviating youth-related issues which can sometimes play out at local shopping centres.



CASE STUDY Integrating Aboriginal history and culture into our Bayside, VIC development

On Thursday 30 June 2022, Bayside, VIC was proud to welcome Uncle Shane and the Bunurong Land Council Aboriginal Corporation, to perform a smoking ceremony to celebrate NAIDOC Week and the completion of a Cultural Values Assessment for the planned Balmoral Walk development.

Centre Manager, Gabe North-Harney opened proceedings acknowledging the enduring friendship the centre has had with the Bunurong Land Council Aboriginal Corporation and thanked them for their collaboration which will assist us in how we might interpret, and represent, the cultural significance of the site in our development.

Presented with a smoking ceremony led by Uncle Shane, the report is the result of the first stage of collaboration as we continue our plans to transform Bayside Centre into a leading retail and mixed-use precinct, headlined by the 12 Balmoral Walk office development.

Learnings from the report and our ongoing close relationship with Bunurong Land Council will help guide our development and ensure we continue to acknowledge the Traditional Custodians of the land Bayside resides on.

PLANET

OUR FOCUS

We acknowledge that climate change is one of the biggest and most significant global challenges of our time, presenting risks and opportunities across our business, communities, and economy, now and in the future.

To address this challenge, we have committed to taking action to reduce our environmental footprint and contribute positively to the communities in which we operate. Our sustainability strategy addresses both the cause and the impact of climate change through our Planet pillar.

During FY22, we continued to work towards our Net Zero Carbon by 2030 target¹ to be achieved through an integrated approach to energy and resource management. We are also building our portfolio's adaptive capacity and resilience to climate-related impacts.

We aim to achieve this through the delivery of three key objectives:

1. Deliver our Net Zero Carbon by 2030 target¹
2. Increase total renewable energy usage
3. Strengthen agility and capacity to adapt to climate related risks.



Elizabeth City Centre, SA

1. Across common mall areas of our wholly-owned retail assets.

COMMITMENTS AND ACHIEVEMENTS

Long-term objectives	FY22 objectives	FY22 progress	FY23 and beyond
Net zero carbon emissions for our 100% owned retail portfolio (Scopes 1 and 2) by 2030 to demonstrate evidence of a robust climate strategy, drive operational efficiencies and realise new revenue streams	Deliver energy efficiency improvements and on-site solar roll out program in line with or beyond carbon target interim milestones including meeting annual portfolio energy/carbon intensity reduction target of 3% (against FY21 baseline) by end FY22 Install a further 3.25 MW capacity at three shopping centres	Energy and carbon intensity increased from FY21 to FY22 across both the managed and wholly-owned portfolios. Therefore, the 3% reduction target was not met due to the impact of COVID-19 Managed portfolio <ul style="list-style-type: none"> – Energy intensity – 4.5% increase on FY21 – Carbon intensity – 1.7% increase on FY21 Wholly-owned portfolio <ul style="list-style-type: none"> – Energy intensity – 3.4% increase on FY21 – Carbon intensity – 0.3% increase on FY21. Installed 3.25 MW across three centres for a total of 32.85 MW across 22 centres 	Continue to deliver on our Net Zero Carbon by 2030 target ¹ through our decarbonisation program Explore further options for our decarbonisation program
	Deliver resource efficiency programs to drive improved environmental and financial outcomes including developing a medium and long-term centre and portfolio level water intensity target	Established a managed portfolio wide NABERS Water target <ul style="list-style-type: none"> – 2025: 4.5 Star – 2030: 5 Star Achieved a 4 Star NABERS Water portfolio rating and placed third on the NABERS SPI 2022 Water intensity reduced by 0.6% from FY21 to FY22	Increase water use efficiency
	Deliver programs that enable our retailers to improve their sustainability performance including meeting annual portfolio target of 54% diversion rate for operational waste (12-month average) by end of FY22	Achieved a materials diversion rate of 53% across the portfolio	Increase materials diverted from landfill
Increase the resilience of our business and support our retailers and local communities by protecting and preparing our centres for the impacts of climate change	Develop a framework for measuring resilience and establish a baseline for climate resilience for each centre by end FY22 Enhance climate resilience of our centres through the progression of our climate scenario analysis of physical and transition risks	Completed a scenario analysis for climate related transition risks and reviewed our net zero commitments in line with 1.5°C climate trajectory	Strengthen agility and capacity to adapt to climate related risks

1. Across common mall areas of our wholly-owned retail assets.

PLANET CONTINUED

OUR CLIMATE JOURNEY

START

FY15

Vicinity Centres established

FY16

Launched Vicinity's first sustainability strategy

First certification under Green Star Performance

First high-level physical climate-related risk assessment across portfolio

FY17

Climate-related decision-making review

FY18

Review of financial implications of physical climate-related risk

FY19

Committed to Net Zero Carbon by 2030 target¹

Installed our first solar panels at Castle Plaza, SA

Achieved 4 Star Green Star Performance across portfolio

FY20

Updated emergency preparedness procedures in line with physical climate scenario analysis

Introduced physical climate-related risks into asset risk registers

OUR APPROACH TO MANAGING CLIMATE CHANGE

Mitigation

To mitigate the impacts of climate change, we are committed to decarbonising our operations.

Our Net Zero Carbon by 2030 target¹ goal, established in 2019, is our long-term target aligning to the Paris Agreement.

Our progress towards achieving this target is driven by our Integrated Energy Strategy (IES), made up of our large-scale onsite solar program and scaled-up energy efficiency initiatives. We are also planning to transition away from carbon intensive energy sources through scaling back fossil fuel-reliant equipment.

Since 2017, we have been implementing our IES to make our business more sustainable, energy resilient and cost effective. The IES focuses on four pillars:

1. Renewable Generation
2. Storage
3. Energy Efficiency
4. Demand Management.

Our objectives are to deliver long-term outcomes through creating energy-smart destinations, improving energy resilience, reducing the consumption of electricity generated from the national grid, and significantly reducing our carbon emissions.

Adaptation and resilience

Our increased effort to understand the climate-related risks and opportunities for our business is demonstrated by our formal support for the TCFD.

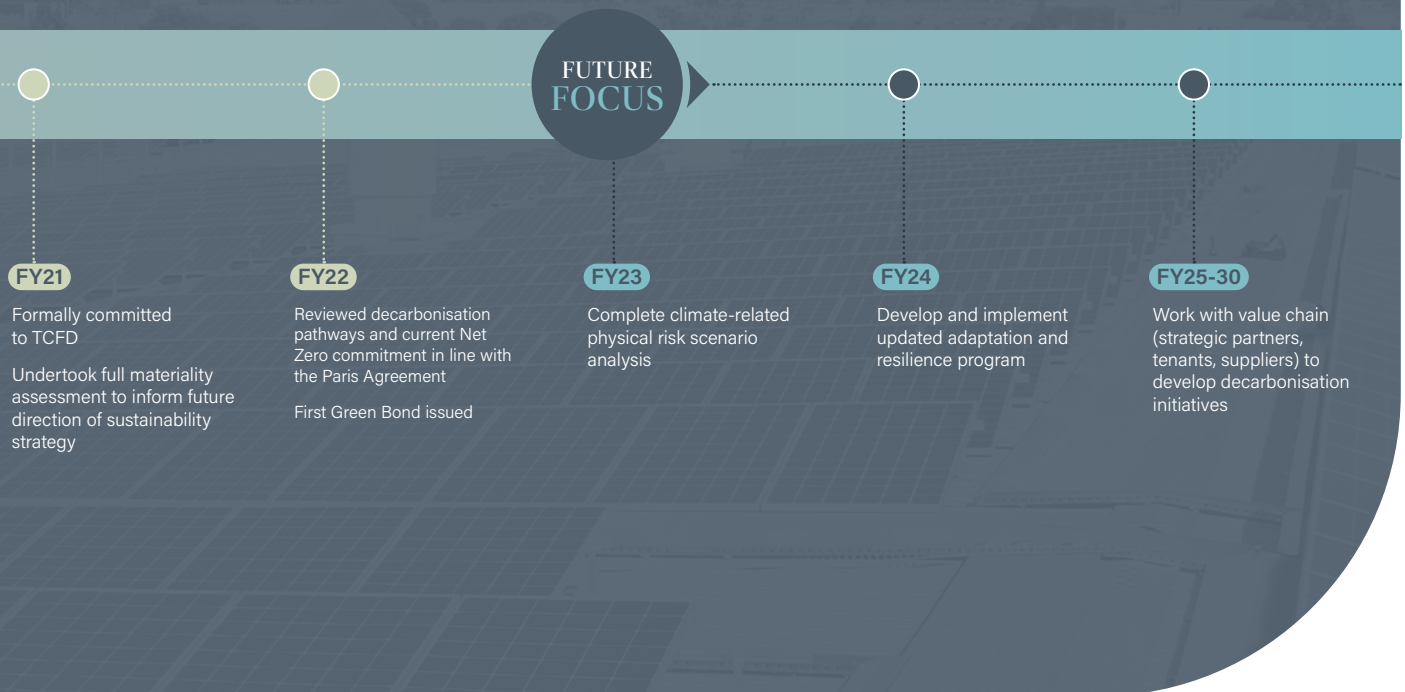
To build adaptability and resilience into our portfolio, since 2016 we have undertaken several initiatives including:

- A high-level assessment of climate risks for each asset was completed with the results being used to identify and prioritise centres with the highest potential climate change impacts for future resilience initiatives
- Assets were analysed against projected long-term climate variables i.e., flooding, hail, and bushfires, under certain climate scenarios
- Incorporated physical climate risk considerations into each asset's risk register and included actions that increase the climate resilience of our assets in strategic asset plans
- Investigating scalable, portfolio-wide initiatives to build climate resilience across our assets. For example, a stormwater management program
- In FY18 we completed our first investigation into the financial implications and sensitivities associated with climate-related physical risks on our business under two climate scenarios (RCP 4.5 and RCP 8.5).

Building on the work done to date, in this past year we have taken several steps to further enhance our sustainability strategy and identify climate risks within our business. Initiatives undertaken in FY22 include:

- Completion of a materiality assessment refresh to identify any new, key emerging material issues across the business
- Commenced a review of our sustainability strategy to align to materiality assessment outcomes
- Commenced work to identify key climate-related transitional and physical risks and opportunities facing our business
- Commenced work to complete a climate scenario analysis to assess the financial impacts of key transition risks and opportunities.

1. Across common mall areas of our wholly-owned retail assets.



OUR PERFORMANCE

We have continued to perform well on our journey to Net Zero Carbon by 2030 target¹ and have reduced energy intensity across our managed portfolio since FY16.

As our centres transitioned out of COVID-19 related lockdowns, there were modest increases in energy and materials going to landfill in FY22 compared to FY21, reflecting a return to full centre operations. Water use remained stable during this period.

All increases were a consequence of centres that were more heavily impacted by COVID-19 related lockdowns utilising major energy infrastructure such as boilers, coolers, heaters and lighting at a greater rate than during periods impacted by COVID-19 shutdowns.

As our centres continue to recover and visitation increases, we anticipate a slight upward trend across these metrics which will subsequently flatten as we realign our resource efficiency efforts across our centres¹.

Our performance data is based on Vicinity's portfolio as at 30 June 2022, and include assets divested during the financial year. This includes restatements to historical years data where necessary. In FY22 Scope 3 emissions include tenancy emissions which has resulted in a material increase in the reported Scope 3 emissions.

NET ZERO CARBON 2030 TARGET¹

Vicinity has set a public target to achieve Net Zero Carbon by 2030 target¹. This long-term target aligns to Australia's commitments under the Paris Agreement (United Nations Framework Convention on Climate Change) and will be achieved through a combination of Vicinity's solar investment and accelerated energy efficiency programs.

The Net Zero target covers the Scope 1 and Scope 2 carbon emissions from the common mall area of Vicinity's 32 wholly-owned centres - that is, the direct emissions within our operational control at these assets.

The target is expected to be achieved via a scaled-up energy efficiency program and moving away from carbon intensive energy sources through electrification of equipment and plant currently running on fuel sources such as gas, as well as installing large-scale onsite solar across our portfolio.

Since FY16 we have reduced our energy intensity by 27% and carbon intensity by 38% since FY16.

1. Across common mall areas of our wholly-owned retail assets.

PLANET CONTINUED

Table 2: Performance against Net Zero Carbon by 2030 target¹

	Unit	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Energy Intensity	MJ/sqm	305	292	285	261	220	215	222
Reduction against Net Zero by 2030, common mall areas, wholly-owned assets (specific to baseline in FY16)	%		-4	-6	-14	-28	-29	-27
Scope 1 and Scope 2 Emissions Intensity	kgCO ₂ -e/sqm	73	66	64	59	46	45	45
Scope 1 and Scope 2 against Net Zero by 2030, common mall areas, wholly owned assets (specific to baseline in FY16)	%		-9	-12	-19	-36	-39	-38

MANAGED PORTFOLIO

Energy

Energy efficiency is a key component of our IES and also a part of our broader resource efficiency program that collectively focuses on driving continuous improvements in how we manage operational energy, water, and waste across our assets.

The program is supported by our ambitious portfolio and centre level targets and initiatives, including a lifecycle replacement program focussing on lighting, vertical transport, heating and cooling, along with optimising building operations and performance through building controls. We saw an increase in the volume of solar energy generated between FY19 and FY20 then decrease subsequently in FY21 and FY22. This is due to the fact that in both FY19 and FY20 we were allocating all solar energy generated to base building only. During FY21 we changed our approach, whereby we commenced allocation of solar energy to both base building and tenant.

Although energy intensity increased by 5% from FY21 to FY22, as our operations transitioned to a post-COVID scenario, we continued our focus upon the implementation of projects that will ultimately deliver energy reductions at centres.

Table 3: Energy use and intensity for managed portfolio

	Unit	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Electricity (non-renewable)	GJ	646,129	651,375	644,330	623,364	472,954	515,792	523,853
Solar Generated	GJ	-	-	-	17,609	105,277	35,848	40,081
Fuel Combustion (includes natural gas, diesel and LPG)	GJ	64,968	64,278	65,965	65,762	76,904	70,296	74,388
Total	GJ	711,097	715,653	710,295	706,735	655,136	621,937	641,340
Energy intensity	MJ/sqm	324	311	306	299	267	254	264
Reduction from FY16 (baseline)	%		-4	-6	-8	-18	-22	-18

1. Across common mall areas of our wholly-owned retail assets.



Castle Plaza, SA

CASE STUDY

Automated Demand Management

We have developed an internal machine learning algorithm that leverages our virtual Building Management System solutions and defines the correlations between energy demand and external factors such as weather forces, foot traffic and time of day. This algorithm predicts demand curves accurately and shows where we can achieve energy efficiencies during those times.

We undertook a trial across five centres in VIC and WA in FY21 as a proof of concept which proved successful. This was followed by a rollout of the program to the rest of our WA portfolio in FY22. A national rollout across our portfolio will follow in FY23.

PLANET CONTINUED

ON-SITE SOLAR

In FY18, we committed to a \$73 million investment in on-site solar generation to deliver energy resilience and efficiencies and ultimately assist us in meeting our Net Zero Carbon by 2030 target¹.

Since the first solar panels were installed at Castle Plaza, SA in December 2018, we have installed more than 32.85 MW worth of solar capacity across 22 centres. This includes the addition of 1.55 MW at Chadstone, VIC, 0.92 MW at The Glen, VIC and 0.78 MW at Nepean Village, NSW during FY22.

Our onsite solar program has displaced about 10% of our energy demand from the grid and has the capacity to generate around 46,215 MWh per year – the equivalent of powering 8,099 average Australian homes.

Table 4: Renewable energy for managed portfolio

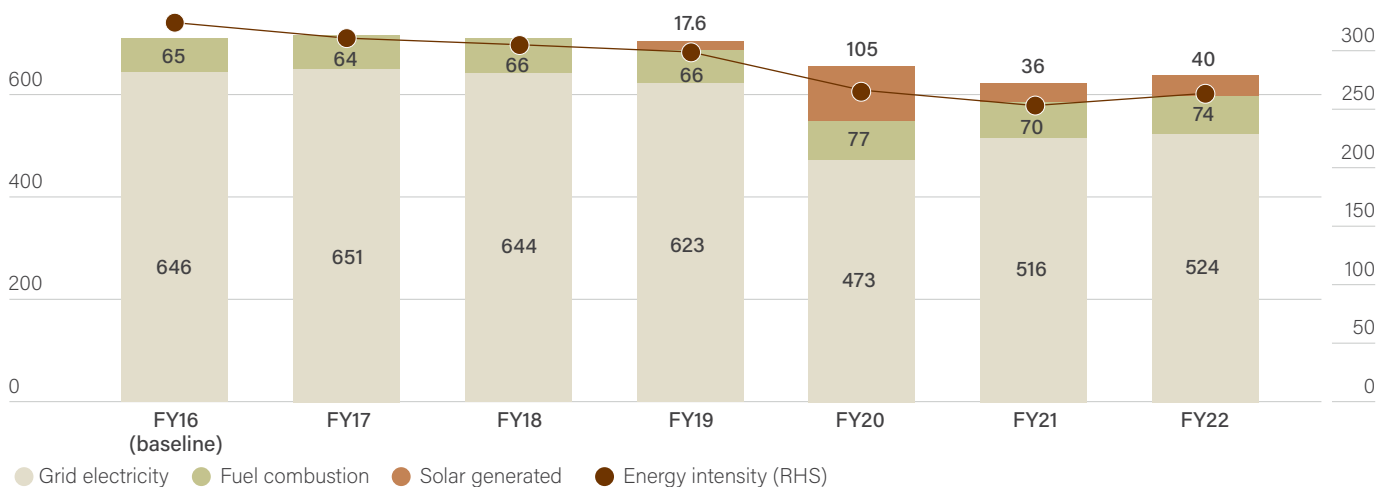
		FY16	FY17	FY18	FY19	FY20	FY21	FY22
Renewable energy consumption	MWh	–	–	–	4,891	29,244	34,746	41,655
Solar exported	MWh				74	1,854	4,167	4,550
Renewable energy generation	MWh	–	–	–	4,965	31,098	38,913	46,215
% Renewable energy (generated and consumed onsite²)	%	0	0	0	1	7	9	10

Graph 1: Energy use and intensity for Managed portfolio

Greenhouse Gas (GHG) Emissions

800 Absolute energy use (terajoules)

Energy intensity (megajoules/sqm) 350



1. Across common mall areas of our wholly-owned retail assets.

2. % Renewable Energy consumed on-site (base+tenant).

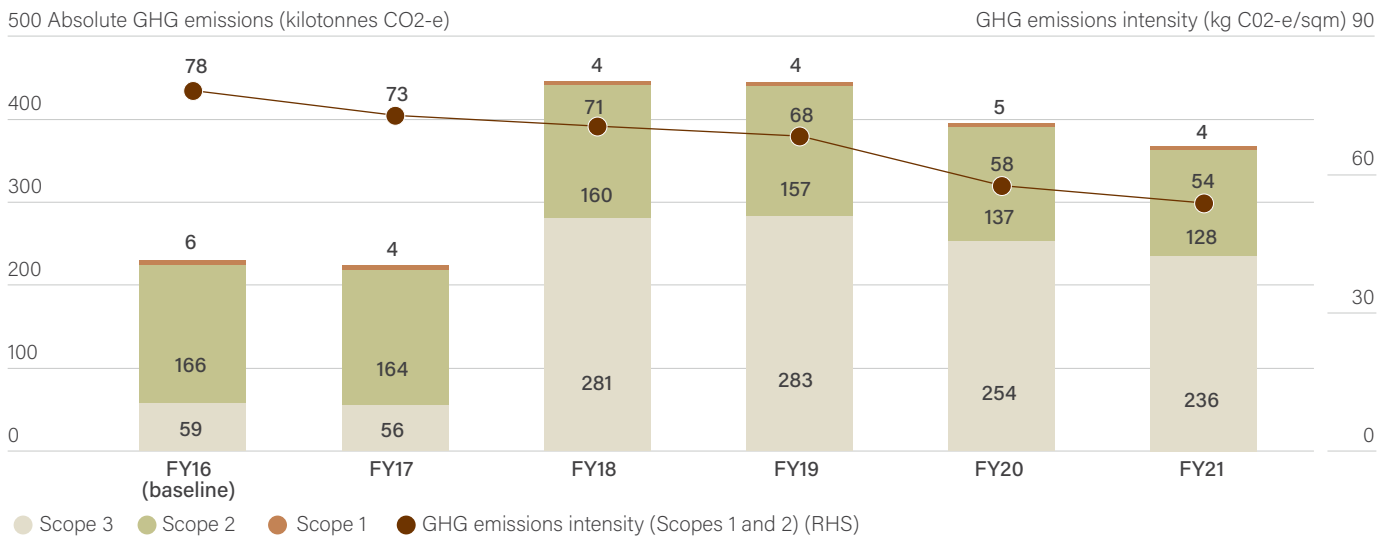
As a business we measure Scopes 1 and 2 and a small portion of our Scope 3 emissions. During the year we saw an increase of 2% in our carbon intensity which is predominately due to the impact of COVID-19. During FY22 we have commenced reporting on tenant related emissions as part of our Scope 3 emissions and will continue to work with our tenants into FY23 and beyond to better understand Scope 3 emission data capture and deliver a more complete picture.

Whilst we have captured tenant data on a regular basis since FY18 our data represents our tenants on our embedded networks only.

Table 5: GHG emissions for Managed portfolio

		FY16	FY17	FY18	FY19	FY20	FY21	FY22
Scope 1	tCO2-e	5,787	4,261	3,830	4,076	4,752	4,139	4,299
Scope 2	tCO2-e	165,718	163,568	160,147	157,350	136,835	127,745	128,126
Scopes 1 and 2	tCO2-e	171,505	167,828	163,977	161,427	141,587	131,883	132,425
Scope 3¹	tCO2-e	59,190	56,154	281,373	282,959	254,454	235,625	233,539
Total¹	tCO2-e	230,694	223,983	445,350	444,385	396,041	367,508	365,964
Intensity Scopes 1 and 2	kgCO2-e/sqm	79	73	71	69	58	54	55
Reduction from FY16 (baseline)	%		-7	-10	-12	-26	-31	-30

Graph 2: GHG emissions for Managed portfolio



1. Includes Vicinity's tenants on our embedded network only.

PLANET CONTINUED

MANAGING OUR RESOURCES

WATER

Across much of Australia, water is a scarce resource that must be managed responsibly. To reduce water use we are progressively installing water submetering across the portfolio for water intensive tenants such as car washes and food retailers, as well as at major base-building uses such as irrigation and amenities.

This helps centre management teams to engage with water intensive tenants to increase awareness around efficient use of water and identify system leaks in a more proactive way. To date we have installed over water submetering across 1,300 tenancies and base building uses across 50 centres.

Proactive water use management has resulted in water use intensity remaining stable from FY21 to FY22, despite a transition to post-COVID operations.

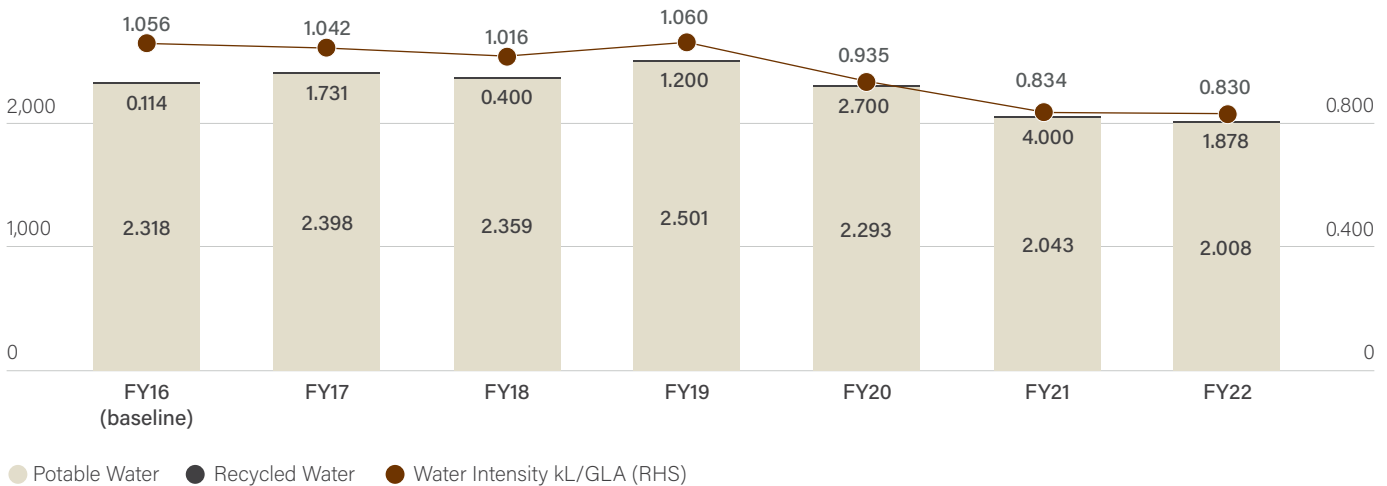
Table 6: Water use for Managed portfolio

		FY16	FY17	FY18	FY19	FY20	FY21	FY22
Potable water	ML	2,318	2,398	2,359	2,501	2,293	2,043	2,008
Recycled water	ML	0.114	1.731	0.400	1.200	2.700	4.000	1.878
Total	ML	2318	2400	2360	2502	2296	2047	2010
Intensity	KL/sqm	1.056	1.042	1.016	1.060	0.935	0.834	0.830
Reduction from FY16 (baseline)	%		-1	-4	0	-11	-21	-21

Graph 3: Water use for Managed portfolio

3,000 Absolute water use (megalitres)

Water intensity (Kilolitres per GLA) 1.200



WASTE

As a retail property owner and manager, waste is one of our largest indirect environmental impacts.

Our retailers generate large quantities of waste, largely through packaging materials and food waste. To ensure that as much waste as possible is recycled, we provide infrastructure, guidance and support to our retailers and consumers across our centres.

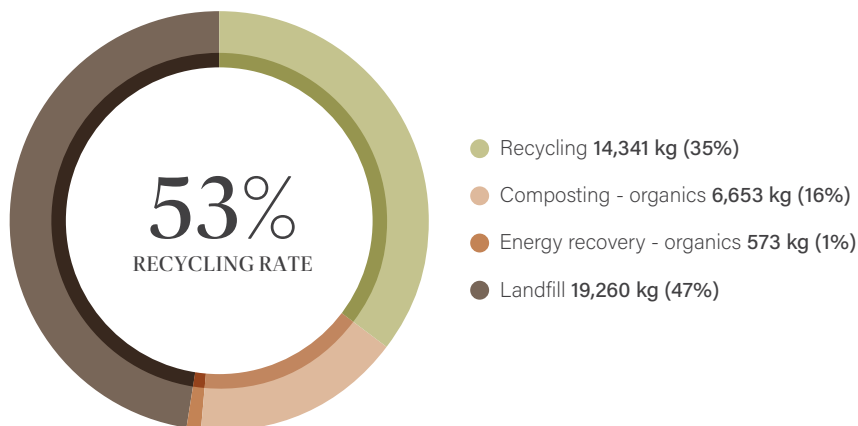
Our materials recovery strategy aims to increase materials diversion from landfill, with a focus on increasing diversion of organics (food waste), fibre (paper and cardboard), and mixed recycling. The strategy delivers this through ongoing engagement with our retailers, infrastructure reviews and upgrades so we have fit-for-purpose equipment at each centre, and innovation and collaboration with our service providers to identify best practices, processes, and technologies.

Total waste generation has increased by 1% from FY21 to FY22, with diversion of materials from landfill remaining stable between FY21 and FY22. Across the portfolio diversion from landfill increased from 35% in FY16 to 53% in FY22.

Table 7: Waste use for Managed portfolio

		FY16	FY17	FY18	FY19	FY20	FY21	FY22
Recycling	t	15,284	17,065	14,295	15,913	16,403	18,506	14,341
Composting	t	–	–	4,317	5,270	3,926	2,260	6,653
Energy recovery	t	–	–	2,153	2,296	1,414	453	573
Landfill	t	27,630	28,954	27,957	29,213	22,776	19,385	19,260
Total	t	42,914	46,019	48,723	52,692	44,518	40,604	40,827
Diversion Rate	%	35	37	43	41	49	52	53

Graph 4: Waste use for Managed portfolio



ANNEXURE A

2022 GRI CONTENT INDEX

Vicinity Centres sustainability disclosures within our FY22 Sustainability Report are prepared in accordance with the GRI Standard at a core level. The GRI Content Index below references sections of the report, and where relevant, the [2022 Annual Report](#) and the [2022 Corporate Governance Statement](#). Additionally, Vicinity's FY22 Performance Pack, which contains current and historical years' performance data can be accessed in Annexure B on page 62.

GRI Standard	Disclosure	Reference (URL and/or page reference)
General disclosures		
GRI 2: General Disclosures 2021	102-1 Organisation Details	About Us
	102-2 Entities included in the organisation's sustainability reporting	About Us
	102-3 Reporting Period, frequency and contact point	Our Sustainability Report (page 1)
	102-4 Restatement of Information	Annexure B: Prior Year Statements (page 62)
	102-5 External Assurance	Our Sustainability Report (page 73)
	102-6 Activities, value chain and other business relationships	About Us Supply Chain (page 22) 2022 Modern Slavery Statement Engaging with our stakeholders (page 19)
	102-7 Employees	About Us People - Our People statistics in FY22 (page 38) Annexure B: Data - Our workforce statistics (page 63)
	102-8 Workers who are not employees	N/A
	102-9 Governance structure and composition	2022 Annual Report (Governance page 34) Governance Structure (page 12)
	102-10 Nomination and selection of the highest governance body	2022 Annual Report (Governance page 34) 2022 Corporate Governance Statement (page 4)
	102-11 Chair of the highest governance body	2022 Annual Report (Governance page 34) 2022 Corporate Governance Statement (page 4)
	102-12 Role of the highest governance body in overseeing the management of impacts	2022 Annual Report (Governance page 36) 2022 Corporate Governance Statement (pages 4 and 7)
	102-13 Delegation of responsibility for managing impacts	Governance Structure (page 12) Reporting and Transparency (page 13)
	102-14 Role of the highest governance body in Sustainability Reporting	Governance and Reporting (page 12) Vicinity's Governance Structure (page 12)
	102-15 Conflicts of interest	Conflicts of Interest Policy
	102-16 Communications of critical concerns	The sustainability team reports quarterly to the board on each of its material topics as well as performance against these metrics. Furthermore, through the Audit and Risk & Compliance Committees, the sustainability team also provides regular updates on critical concerns.

ANNEXURE A CONTINUED

2022 GRI CONTENT INDEX CONTINUED

GRI Standard	Disclosure	Reference (URL and/or page reference)
General disclosures		
GRI 2: General Disclosures 2021 continued	102-17 Collective knowledge of the highest governance body	Supply Chain - Addressing Modern Slavery risks in our supply chain (page 25)
	102-18 Evaluation of the performance of the highest governance body	2022 Corporate Governance Statement (page 4)
	102-19 Remuneration policies	2022 Annual Report (pages 55-71)
	102-20 Process to determine remuneration	Vicinity has a Remuneration and Human Resources Committee which assists the Board in fulfilling its corporate governance responsibilities in relation to the remuneration framework, remuneration and performance of the CEO as well as the Executive Committee and remuneration disclosures. 2022 Annual Report (pages 55-71)
	102-21 Annual total compensation ratio	N/A
	102-22 Statement on sustainable development strategy	A message from our Chairman (page 2) A message from our Acting CEO (page 3)
	102-23 Policy commitments	Vicinity's policy commitments for responsible business conduct are described throughout this report. Where policies are published externally, links are provided within this report
	102-24 Embedding policy commitments	Embedding Vicinity's policy commitments for responsible business conduct are described throughout this report. Where policies are published externally, links are provided within this report
	102-25 Process to remediate negative impacts	2022 Modern Slavery Statement Supply Chain - Addressing Modern Slavery risks in our supply chain (page 25)
	102-26 Mechanisms for seeking advice and raising concerns	Code of Conduct Policy Whistleblower Policy
	102-27 Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations during FY22
	102-28 Member Associations	Engaging with our Suppliers (page 19) Governance and Reporting (page 12)
	102-29 Approach to stakeholder Engagement	Engaging with our Suppliers (page 19) Governance and Reporting (page 12)
102-30 Collective bargaining agreements	Vicinity respects and is guided by Fair Work Australia and the Fair Work Act 2009 on individuals rights to freely join and/or form a trade union of their choice and their right to collective bargaining. Human Rights Policy Supplier Code of Conduct	

ANNEXURE A CONTINUED

2022 GRI CONTENT INDEX CONTINUED

Material issues

Climate risk and opportunities

GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Planet - Our Approach to Managing Climate Change (page 50)
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Energy and emissions

GRI 302: Energy 2016	302-1 Energy consumption within the organization	Planet - Managed Portfolio - Energy (page 52) Annexure B: Data - Energy use (page 69)
	302-3 Energy intensity	Planet - Managed Portfolio - Energy (page 52) Annexure B: Data - Energy use (page 69)
	302-4 Reduction of energy consumption	Planet - Managed Portfolio - Energy (page 52) Annexure B: Data - Energy use (page 69)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Planet - Managed Portfolio - GHG (page 55) Annexure B: Data - Greenhouse gas emissions (page 70)
	305-2 Energy indirect (Scope 2) GHG emissions	Planet - Managed Portfolio - GHG (page 55) Annexure B: Data - Greenhouse gas emissions (page 70)
	305-3 Other indirect (Scope 3) GHG emissions	Planet - Managed Portfolio - GHG (page 55) Annexure B: Data - Greenhouse gas emissions (page 70)
	305-4 GHG emissions intensity	Planet - Managed Portfolio - GHG (page 55) Annexure B: Data - Greenhouse gas emissions (page 70)
	305-5 Reduction of GHG emissions	Planet - Managed Portfolio - GHG (page 55) Annexure B: Data - Greenhouse gas emission (page 70)

Water use

GRI 303: Water and effluents 2018	303-5 Water consumption	Planet - Managed Portfolio - Water (page 56) Annexure B: Data - Water use (page 70)
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Waste and recycling

GRI 306-3: Waste 2020	306-3 Waste generated	Planet - Managed Portfolio - Waste (page 57) Annexure B: Data - Waste generated (page 69)
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Sustainable precincts

GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	Action Towards Reconciliation (page 33) Place - Engaging communities in the Development of Centres (page 46) Investing in our communities (page 28)
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Action Towards Reconciliation (page 33) Investing in our communities (page 28) Creating Community hubs (page 31) Place - Engaging communities in the Development of Centres (page 46)
Non-GRI	Employee participation in volunteering and workplace giving	Annexure B: Data - Sustainability Engagement (page 68)
Non-GRI	Net Promotor Score	Measuring customer satisfaction and advocacy (page 11)

ANNEXURE A CONTINUED

2022 GRI CONTENT INDEX CONTINUED

Material issues

Physical safety

GRI 403: Occupational health and safety 2018	403-1 Occupational Health and Safety management system	Focus on safety (page 42)
	403-3 Occupational health services	Focus on safety (page 42)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Focus on Safety (page 42)
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Focus on Safety (page 42)
	403-9 Work related injuries	Focus on Safety (page 42) Annexure B: Data - Absentee rate for employees and internal contractors (page 65) Annexure B: Data - Injury performance indicators for employees and internal contractors (page 65)

Diversity, Inclusion and belonging

GRI 401: Employment 2016	401-3 Parental leave	'Every Family' Paid Parental Leave Policy (page 40) Annexure B: Data - Return to work and retention rate after parental leave (page 65)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, inclusion and belonging – (page 39) Annexure B: Data - Age Diversity (page 67) Annexure B: Data - Gender Diversity (page 67)
	405-2 Ratio of basic salary and remuneration of women to men	Diversity, inclusion and belonging – Promoting equal pay (page 39) Annexure B: Data - Percentage of remuneration from women to men (page 67)

Responsible supply chain including modern slavery

GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain (page 24)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Action Towards Reconciliation (page 33) People (page 26) Investing in our communities (page 28) Creating Community hubs (page 31) Place (page 43)
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain (page 24)

Employee engagement

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Focus on our People (page 37) Annexure B: Data - New hires and turnover (page 64)
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Annexure B: Data - Average hours of training (page 66)
	404-3 Percentage of employees receiving regular performance and career development reviews	Focus on our People - Performance and reward (page 39) Annexure B: Data - Percentage of employees who received performance reviews, by gender and by employee category (page 66)
Non-GRI	Employee Engagement Score	Focus on our People (page 37) Annexure B: Data - Employee engagement (page 68)

Communication, disclosure and transparency

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2022 Annual Report – Statement of Comprehensive Income (page 73), Portfolio and financial performance (page 11), Tax transparency (page 40)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Ethics and risk management (page 13)
GRI 415: Public Policy 2016	415-1 Political contributions	Ethics and Risk management (page 13)

Data privacy, protection and use

GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	If there is a notable data breach, it is reported to the Office of the Australian Information Commissioner
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ANNEXURE B: DATA

FY22 SUSTAINABILITY PERFORMANCE PACK

Organisational boundary

Performance data and metrics are reported at a Vicinity Group level, unless otherwise stated. Environmental performance data and building sustainability ratings are also presented at an asset level. Vicinity has used an operational control-based approach to report our environmental performance data, which includes all assets under our management control. Our social data covers all retail assets under our operational control as well as the corporate offices we occupy to run our business.

Prior year statements

Where relevant, prior period figures have been restated when more accurate data becomes available or when there have been material changes to the methodologies for data calculation and estimation. Historical data in our FY22 Sustainability Performance Pack has been restated to reflect asset ownership as at 30 June 2022 and includes assets divested in FY22.

Baseline

For environmental performance data, FY16 is considered as our baseline.

External assurance

Vicinity has obtained independent limited assurance by KPMG over some of the indicators reported within this data pack. Access our assurance statement in Annexure C (page 73) and on the [Sustainability Reporting](#) page on our website.

Further information

Further information about definitions, methodologies and approaches used by Vicinity to prepare its environmental; and social performance data can be found in our [FY22 Sustainability Reporting Criteria](#), available on our website.

ANNEXURE B: DATA CONTINUED

PEOPLE

GRI 102-7: Our workforce statistics

	FY16		FY17		FY18		FY19		FY20		FY21		FY22		Total
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Total workforce	519	766	519	788	531	781	557	798	515	777	482	753	504	762	1,266
By employment type															
Full-time	459	516	472	516	506	551	525	563	481	528	443	523	454	523	977
Part-time	15	146	15	173	25	230	32	235	34	249	39	230	50	239	289
By contract															
Permanent	474	662	487	689	499	699	525	720	485	698	445	650	451	654	1,105
Fixed-term contractors	36	61	20	56	23	38	24	38	16	22	18	42	23	41	64
Casual	9	43	12	43	9	44	8	40	14	57	19	61	30	67	97
By state															
ACT	11	11	-	-	0	0	0	0	0	0	0	0	0	0	0
NSW	67	113	74	115	70	119	74	109	60	111	55	111	50	111	161
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
QLD	57	101	58	91	60	83	58	85	49	68	45	62	40	55	95
SA	23	24	24	27	21	27	26	30	26	30	20	26	19	29	48
TAS	7	12	6	12	6	11	6	12	6	11	6	10	4	10	14
VIC	298	428	295	456	316	456	333	475	318	481	307	476	343	491	834
WA	56	77	62	87	58	85	60	87	56	76	49	68	48	66	114
Employees by Age															
Under 30	-	-	-	-	59	114	66	137	57	124	59	116	62	117	179
30-50	-	-	-	-	322	497	351	484	323	476	292	444	298	447	745
Over 50	-	-	-	-	150	170	140	177	135	177	131	193	144	198	342

Employees by region (FY22)

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Total
Employees by employment type									
Full-time	0	121	0	64	36	8	647	101	977
Part-time	0	40	0	31	12	6	187	13	289
Employees by contract type									
Permanent	0	135	0	80	43	12	725	110	1,105
Temporary employees	0	8	0	3	2	0	47	4	64
Non-guaranteed hours employees	0	18	0	12	3	2	62	0	97
Total workforce	0	161	0	95	48	14	834	114	1,266

ANNEXURE B: DATA CONTINUED

PEOPLE CONTINUED

GRI 401-1: New hires¹

	FY16		FY17		FY18		FY19		FY20		FY21		FY22	
By gender	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Male	126	24%	104	20%	123	23%	117	21%	60	12%	72	14%	122	24%
Female	169	22%	168	21%	143	18%	152	19%	124	16%	156	20%	182	24%
By age														
Under 30	80	40%	75	39%	75	43%	79	39%	65	36%	65	37%	97	54%
30-50	175	21%	165	20%	157	19%	157	19%	95	12%	124	17%	157	21%
Over 50	40	14%	32	12%	34	11%	33	10%	24	8%	39	12%	50	15%
By state²														
ACT	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%
NSW	-	-	-	-	-	-	-	-	-	-	40	24%	46	29%
NT	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%
QLD	-	-	-	-	-	-	-	-	-	-	23	21%	17	18%
SA	-	-	-	-	-	-	-	-	-	-	5	11%	9	19%
TAS	-	-	-	-	-	-	-	-	-	-	2	12%	4	29%
VIC	-	-	-	-	-	-	-	-	-	-	133	17%	204	24%
WA	-	-	-	-	-	-	-	-	-	-	25	21%	24	21%
Group total	295	23%	272	21%	266	20%	269	20%	184	14%	228	18%	304	24%

1. The number of new hires in each category as a proportion of employees in that category.

2. FY21 is the first year we are reporting this indicator by region.

GRI 401-1: Turnover¹

	FY16		FY17		FY18		FY19		FY20		FY21		FY22	
By gender	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Male	154	30%	127	24%	108	20%	96	17%	98	18%	112	23%	113	23%
Female	223	29%	191	24%	164	21%	139	17%	140	18%	180	24%	186	25%
By age														
Under 30	62	31%	62	32%	62	36%	53	26%	49	26%	48	27%	78	44%
30-50	234	28%	188	22%	151	18%	136	16%	137	17%	172	23%	156	21%
Over 50	81	28%	68	25%	59	18%	46	15%	52	17%	72	22%	65	20%
By state²														
ACT	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%
NSW	-	-	-	-	-	-	-	-	-	-	51	31%	56	35%
NT	-	-	-	-	-	-	-	-	-	-	0	0%	0	0%
QLD	-	-	-	-	-	-	-	-	-	-	35	33%	29	31%
SA	-	-	-	-	-	-	-	-	-	-	14	30%	7	15%
TAS	-	-	-	-	-	-	-	-	-	-	3	19%	5	36%
VIC	-	-	-	-	-	-	-	-	-	-	150	19%	175	21%
WA	-	-	-	-	-	-	-	-	-	-	39	33%	27	24%
Group total	377	29%	318	24%	272	21%	235	17%	238	18%	292	23%	299	26%

1. The number of employee exits (voluntary and involuntary) in each category as a proportion of employees in that category.

2. FY21 is the first year we are reporting this indicator by region. Fixed-term employees are excluded from the terminations/turnover calculations as they exited as planned due to the end of their fixed-term contract.

ANNEXURE B: DATA CONTINUED

PEOPLE CONTINUED

GRI 401-3: Return to work and retention rate after parental leave

	FY17		FY18		FY19		FY20		FY21		FY22	
	M	F	M	F	M	F	M	F	M	F	M	F
Employees entitled to parental leave	487	689	402	598	432	611	441	624	397	557	451	654
Employees that took parental leave	6	42	15	42	13	58	25	69	17	55	21	42
Employees who returned to work in the reporting period after parental leave ended	6	48	15	23	14	29	26	38	14	25	16	24
Employees who returned to work after parental leave ended in the previous financial year	6	29	6	48	15	23	14	29	26	38	14	25
Employees who returned to work after parental leave ended who were still employed 12 months after their return	5	26	5	27	9	22	9	25	15	29	16	24
Return to work rate ¹	100%	100%	100%	55%	93%	67%	200%	66%	56%	36%	94%	44%
Retention rate	83%	90%	83%	56%	60%	96%	64%	86%	58%	76%	114% ²	96%

1. The number of employees who returned to work in the reporting period after parental leave ended as a proportion of employees that took parental leave and are due to return.
2. This exceeds 100% as we had more male employees return to work after parental leave in FY22 than we did in the prior FY reporting period.

GRI 403-9: Absentee rate for employees and internal contractors

Category	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Absentee Rate ¹	1.31	1.57	1.93	1.87	1.65	1.43	1.88

1. Percentage of days lost as a result of absences. Absentee rate for FY16 only covered half the year (from 1 January to 30 June 2016). Therefore, the increase in the absentee rate is due to improved data capture from FY17 onwards.

GRI 403-9: Injury performance indicators for employees and internal contractors

Category	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Lost Time Injury Frequency Rate ¹	3.31	2.40	See note 3	See note 3	See note 3	See note 3	See note 3
Total Recordable Injury Frequency Rate ²	5.67	3.84					
Fatalities	0	0	0	0	0	0	0

Definitions:

A Lost Time Injury (LTI) is an occurrence that resulted in a fatality, permanent disability or time lost from work of one day/shift or more.

Medical Treatment Injury (MTI) is a work related injury or illness requiring or receiving medical or hospital treatment.

1. The number of LTIs for each million hours worked over a 12 month rolling period.
2. The number of LTIs and MTIs for each million hours worked over a 12 month rolling period.
3. Vicinity has extremely low injury rates with our workforce, which has made it difficult to identify further meaningful improvement opportunities. Given these low injury rates, Vicinity has determined that we will no longer report injury performance indicators in our annual sustainability reporting, but will resume reporting if there is a material increase, and will continue to monitor our performance internally to ensure the effectiveness of our safety practices is maintained.

ANNEXURE B: DATA CONTINUED

PEOPLE CONTINUED

GRI 404-1: Average hours of training

Category	Board	CEO and Executive Committee	Other Executive/GM (Senior Leader category)	Senior Managers (People Leader category)	Other Managers	Our People (Team Member category)	Average hours per employee (excluding Board)
Average Hours of training per employee category	0	3.7	5	7.5	0	3.7	5.2
Gender							
Average training hours per Male	0	3.3	4.8	6.5	0	3.8	5.0
Average training hours per Female	0	4.1	5.9	8.3	0	3.8	5.4

GRI 404-3: Percentage of employees who received performance reviews, by gender and by employee category¹

Category	FY17	FY18	FY19	FY20	FY21	FY22
Male	100%	100%	100%	100%	100%	100%
Female	100%	100%	100%	100%	100%	100%
Executive Committee ²	100%	100%	100%	100%	100%	100%
Senior Leaders	100%	100%	100%	100%	100%	100%
Our People (Team Members) ³	100%	100%	100%	100%	100%	100%

Category	Number of fixed term and permanent employees who received performance reviews	Number of permanent employees in the category	Percentage of all employees out of permanent employees who received performance reviews	Percentage of permanent employees out of all employees who received performance reviews	Percentage of permanent employees who received performance review
Total permanent employees	1,115	1,058	105%	95%	100%
Male	442	421	105%	95%	100%
Female	673	637	106%	95%	100%
Executive Committee ¹	7	7	100%	100%	100%
Senior Leaders	37	37	100%	100%	100%
Our people ²	1,071	1,014	106%	95%	100%

1. Excluding the CEO and KMP. Including other Executive Committee members.

2. Our people: all other employees.

ANNEXURE B: DATA CONTINUED

PEOPLE CONTINUED

GRI 405-1: Age diversity

Category	FY17			FY18			FY19			FY20			FY21			FY22		
	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50	Under 30	30-50	Over 50
Board	-	-	100%	-	-	100%	-	-	100%	-	-	100%	-	-	100%	0%	0%	100%
CEO and Executive Committee	-	67%	33%	-	44%	56%	-	50%	50%	-	50%	50%	-	30%	60%	0%	40%	60%
Other Executives and General Managers (Senior Leaders ¹)	-	86%	14%	-	78%	22%	-	68%	32%	-	69%	31%	-	46%	54%	0%	55%	45%
Senior Managers ²	1%	85%	14%	7%	73%	20%	8%	71%	21%	1%	83%	16%	5%	69%	26%	5%	68%	27%
Our People ³	16%	62%	21%	19%	58%	23%	21%	55%	24%	18%	58%	24%	21%	55%	25%	21%	54%	25%
Group	15%	65%	21%	13%	65%	22%	15%	62%	23%	14%	62%	24%	14%	60%	26%	14%	59%	27%

1. Other executives and general managers WGEA category.

2. Senior manager WGEA category.

3. Non-manager WGEA category.

GRI 405-1: Gender diversity

Category	FY16		FY17		FY18		FY19		FY20		FY21		FY22	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Board	73%	27%	70%	30%	67%	33%	63%	37%	75%	25%	75%	25%	71%	29%
CEO and Executive Committee	78%	22%	67%	33%	67%	33%	70%	30%	67%	33%	67%	33%	60%	40%
Other Executives and General Managers (Senior Leaders ¹)	63%	37%	66%	34%	67%	33%	74%	26%	76%	24%	77%	23%	79%	21%
Senior Managers ²	70%	30%	62%	38%	63%	37%	45%	55%	67%	33%	62%	38%	55%	45%
Other Managers ³									46%	54%	40%	60%	-	-
Our People ⁴	32%	68%	33%	67%	33%	67%	36%	64%	34%	66%	32%	68%	34%	66%
Group	40%	60%	40%	60%	40%	60%	41%	59%	40%	60%	39%	61%	43%	57%

1. Other executives and general managers WGEA category.

2. Senior manager WGEA category.

3. Other manager WGEA category - FY20 is the first year we have reported on this category. As of FY22, this is no longer an employee category and will not be reported on moving forward.

4. Non-manager WGEA category.

GRI 405-2: Percentage of remuneration from women to men

Category	FY18		FY19		FY20		FY21		FY22	
	Remuneration	Basic Salary	Remuneration	Basic Salary	Remuneration	Basic Salary	Remuneration	Basic Salary	Remuneration	Basic Salary
Executive Committee ¹	86%	99%	95%	78%	85%	102%	104%	78%	87%	
Senior Leaders	77%	80%	84%	79%	83%	82%	87%	87%	89%	
Team Members	70%	75%	77%	70%	73%	70%	73%	71%	74%	

1. Excluding the CEO and KMP. Including other Executive Committee members.

ANNEXURE B: DATA CONTINUED

PEOPLE CONTINUED

GRI 413-1: Centres with community investment plans

	FY18	FY19	FY20	FY21	FY22
Percentage of centres with community investment plans in place	89%	100%	78%	0% ¹	70%

1. Due to COVID-19 and a restructure of our marketing team, no Community Investment Plans were completed in FY21, plans to update these into our new Vision Strategy Action Plans are underway for FY22.

Non-GRI: Community investment ('000 AUD)

	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Total ¹	1,772	3,701	4,362	3,119	5,568	3,151	2,910
By type							
Cash	435.4	622	980	479	1518	1606	1064
Time and in-kind	62.4	158	321	174	285	58	94
Management costs	783.6	849	873	608	946	573	736
Leverage	491	276	379	385	426	107	225
Foregone revenue	0	1796	1809	1,474	2393	807	791

1. The total community investment spend has been calculated using the Business for Societal Impact (formerly London Benchmarking Group) framework.

Non-GRI: Employee engagement

Category	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Employee engagement score	66	71	73	68	64 ¹	61	68
Response rate	80	89	86	85	43	75	78

1. The FY20 employee engagement score was sourced as part of an unattributed COVID-19 pulse survey open for four business days during which time 67% of the employee population was either partially or fully stood down.

Non-GRI: Sustainability engagement

	FY18	FY19	FY20	FY21	FY22
Employee participation in volunteering	9%	9%	4%	4%	2.21%
Employee participation in work place giving ¹	3%	2.7%	18% ²	2%	2.40%
Sustainability engagement	74%	79%	n/a ³	73%	65%

1. Number of recurring donors.

2. Increase primarily a result of bushfire appeal set up in January 2020, which resulted in strong employee participation.

3. Due to COVID-19, a full engagement survey was not completed in FY20.

ANNEXURE B: DATA CONTINUED

PLACE

Non-GRI: Framework

	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22
Green Star Performance ¹	2 Star Average Practice Coverage: 100%	3 Star Good Practice Coverage: 100%	3 Star Good Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%	4 Star Australian Best Practice Coverage: 100%
NABERS Energy ^{2,3}	3.4 Star Coverage: 56%	3.7 Star Coverage: 44%	3.6 Star Coverage: 85%	3.8 Star Coverage: 76%	3.9 Star Coverage: 86%	4.4 Star Coverage: 91%	4.6 Star Coverage: 100%
NABERS Water ^{2,3}	2.9 Star Coverage: 50%	3.2 Star Coverage: 44%	3.1 Star Coverage: 82%	3.3 Star Coverage: 76%	3.4 Star Coverage: 85%	3.4 Star Coverage: 91%	4.0 Star Coverage: 100%

1. Managed portfolio.

2. NABERS Sustainable Portfolio Index 2022, based on Vicinity's ownership interest and 2021 rating as at December 2021 with 100% portfolio coverage.

3. For asset level Green Star and NABERS ratings, go to 'Asset environmental data' refer to pages 71-72.

PLANET

GRI 302: Energy use

Type	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	% change from FY21
Non renewable									
Grid electricity	gigajoules	646,129	651,375	644,330	623,364	472,954	515,792	523,853	2%
Fuel combustion (natural gas, diesel and LPG)	gigajoules	64,968	64,278	65,965	65,762	76,904	70,296	74,388	6%
Renewable									
Solar	gigajoules	-	-	-	17,609	105,277	35,848	40,081	12%
Total	gigajoules	711,097	715,653	710,295	706,735	655,136	621,937	641,340	3%
GRI 302-3,302-4: Energy intensity	MJ/sqm³	324	311	306	299	267	254	264	4%

See notes below.

GRI 306-3: Waste generated

Disposal method	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	% change from FY21	Composition
Recycling	tonnes	15,284	17,065	14,295	15,913	16,403	18505.8	14341.1	-23%	35%
Composting - organics	tonnes	-	-	4,317	5,270	3,926	2259.7	6652.7	194%	16%
Energy Recovery - organics	tonnes	-	-	2,153	2,296	1,414	453.2	572.6	26%	1%
Landfill	tonnes	27,630	28,954	27,957	29,213	22,776	19384.9	19260.1	-1%	47%
Total waste generated	tonnes	42,914	46,019	48,723	52,692	44,518	40,604	40,827	1%	100%
Recycling Rate	% of total waste	36%	37%	43%	45%	49%	52%	53%	1%	0%

See notes below.

*FY19 Water intensity was misreported in the FY19 performance pack. This number was updated in the FY20 performance pack.

Notes

- Reporting scope is for assets under management. Reduced operating hours due to COVID-19 during March to June 2020 has impacted performance. Energy intensity was 290 MJ/sqm and carbon intensity was 63.5 kg CO₂-e for non-COVID impacted performance period (12 months to 29 February 2020). For more information on reporting scope and criteria, refer to the Sustainability page on our website.
- Third party assurance has been undertaken for this dataset.
- Square metres (sqm) refers to retail footprint of GLA.
- Tonnes carbon dioxide equivalent.
- Data has been restated from the figures previously reported, based on receipt of invoices.
- Asset level data for FY22 (page 71).

ANNEXURE B: DATA CONTINUED

PLANET CONTINUED

GRI 303-5: Water use

Water source	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	% change from FY21
Municipal water supplies	megalitres	2,318	2,398	2,359	2,501	2,293	2,043	2,008	-2%
Rainwater collected and directly stored	megalitres	0	1.7	0.4	1.2	2.7	4.0	1.9	-53%
Total water use	megalitres	2,318	2,400	2,360	2,502	2,296	2,047	2,010	-2%
Water intensity	kL/sqm	1.056	1.042	1.016	1.060	0.935	0.834	0.830	0%

See notes below.

GRI 305: Greenhouse gas emissions

Emissions	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	% change from FY21
GRI 305-1:Scope 1	tCO ₂ -e ₄	5,787	4,261	3,830	4,076	4,752	4,139	4,299	4%
GRI 305-2:Scope 2	tCO ₂ -e ₄	165,718	163,568	160,147	157,350	136,835	127,745	128,126	0%
Total Scopes 1 and 2	tCO₂-e₄	171,505	167,828	163,977	161,427	141,587	131,883	132,425	0%
GRI 305-3:Scope 3	tCO ₂ -e ₄	59,190	56,154	281,373	282,959	254,454	235,625	233,539	-1%
GRI 305-4:Emissions intensity (Scopes 1 and 2)	kg CO ₂ -e ₄ / sqm ³	78	73	71	68	58	54	55	2%

See notes below.

Non-GRI: Environmental performance^{1,2,6,7}

Type	Unit	FY16 (baseline)	FY17	FY18	FY19	FY20	FY21	FY22	% change from FY21
GLA	sqm ³	2,194,906	2,302,097	2,323,152	2,360,100	2,454,558	2,453,192	2,421,749	-1%

See notes below.

*FY19 Water intensity was misreported in the FY19 performance pack. This number was updated in the FY20 performance pack.

Notes

1. Reporting scope is for assets under management. Reduced operating hours due to COVID-19 during March to June 2020 has impacted performance. Energy intensity was 290 MJ/sqm and carbon intensity was 63.5 kg CO₂-e for non-COVID impacted performance period (12 months to 29 February 2020). For more information on reporting scope and criteria, refer to the [Sustainability](#) page on our website.
2. Third party assurance has been undertaken for this dataset.
3. Square metres (sqm) refers to retail footprint of GLA.
4. Tonnes carbon dioxide equivalent.
6. Data has been restated from the figures previously reported, based on receipt of invoices.
7. Asset level data for FY22 (page 71).

ANNEXURE B: DATA CONTINUED

PLANET CONTINUED

Non-GRI: Asset level environmental performance, as at June 2022

Centre name	Benchmarking				Energy				GHG Emissions				Water		Waste
	Green Star Performance Star	NABERS Energy Rating Star	NABERS Water Rating Star	Absolute consumption (GJ)	Intensity (MJ/sqm GLA)	Scope 1 (tonnes CO2-e)	Scope 2 (tonnes CO2-e)	Scope 3 (tonnes CO2-e)	Intensity (Scope 1+2) (kg CO2-e/sqm GLA)	Absolute consumption (kilolitres (kL))	Water intensity (kL/sqm GLA)	Total Landfill	Recycling	Total Recycling	Recycling rate
Altona Gate	4	5	5	5,859	222	16	1,016	2,815	57	11,371	0.432	210	251	54%	
Armistade Central	3	0	6	4,033	274	0	739	513	60	3,156	0.214	63	75	54%	
Bankstown Central	4	4.5	3	22,112	281	0	4,050	2,273	62	82,828	1.052	824	964	54%	
Bayside	4	5.5	5	20,849	232	154	3,272	7,094	55	36,579	0.408	631	698	53%	
Box Hill Central North	3	2	0	7,924	541	24	1,365	1,885	137	14,276	0.975	295	164	36%	
Box Hill Central South	3	Exempt	Exempt	14,707	582	256	1,783	1,375	113	53,946	2.135	822	844	51%	
Broadmeadows Central	4	5.5	5.5	10,995	180	0	2,014	5,725	48	25,885	0.423	484	453	48%	
Buranda Village	4	3	4	3,856	334	80	706	298	81	13,313	1.153	128	80	38%	
Carlingford Court	3	4	4	9,137	274	0	1,674	2,559	60	48,502	1.457	400	409	51%	
Castle Plaza	3	5.5	3.5	2,291	100	0	420	2,262	10	19,375	0.848	130	168	56%	
Chadstone	4	5.5	3	53,484	248	214	9,037	27,438	62	175,456	0.815	1,890	2,011	52%	
Chatswood Chase Sydney	4	4.5	3	18,366	285	0	3,364	5,335	63	57,321	0.891	447	864	66%	
Colonnades	4	5.5	4	11,940	138	101	1,827	4,144	12	59,515	0.687	324	366	53%	
Cranbourne Park	4	3	4.5	9,473	204	0	1,735	5,841	54	23,729	0.512	357	251	41%	
DFO Brisbane	4	4.5	5.5	8,642	332	0	1,583	2,626	74	13,605	0.523	198	318	62%	
DFO Essendon	4	5.5	5.5	5,902	113	0	1,081	429	30	12,249	0.234	168	275	62%	
DFO Homebush	4	5	5	9,327	330	0	1,709	2,612	73	17,437	0.618	243	372	60%	
DFO Moorabbin	4	Exempt	Exempt	6,347	259	190	487	2,302	37	11,000	0.448	143	237	62%	
DFO South Wharf	3	4	4.5	19,922	357	67	3,413	6,173	90	37,671	0.675	322	405	56%	
DFO Perth	3	4.5	3.5	4,572	193	20	766	1,650	34	23,267	0.980	47	329	87%	
DFO Uni Hill	Not Applicable	0	5.5	9,328	474	0	1,709	1,519	126	4,819	0.000	156	139	47%	
Dianella Plaza	4	5.5	3.5	920	54	0	169	3,496	10	16,465	0.960	108	178	62%	
Eastlands	4	5.5	4	7,458	222	0	1,366	737	10	17,777	0.530	533	335	39%	
Elizabeth City Centre	4	5	3	15,679	195	74	2,607	4,330	18	49,470	0.615	489	348	42%	
Ellenbrook Central	4	4.5	5.5	6,940	147	42	1,121	7,502	25	30,600	0.647	209	155	43%	
Emporium Melbourne	3	1	4.5	28,527	637	413	3,758	6,018	131	44,803	1.001	349	805	70%	
Galleria	4	4	4	17,926	245	0	3,283	8,453	46	63,773	0.871	292	585	67%	
Grand Plaza	4	4.5	4	10,333	194	243	1,893	3,991	48	55,220	1.036	423	318	43%	
Gympie Central	4	5	4.5	4,851	343	0	889	1,077	76	7,988	0.564	128	179	58%	
Halls Head Central	4	5	5	2,647	137	8	457	3,315	25	9,473	0.489	115	64	36%	
Karratha City	3	4	3	5,462	239	0	1,000	6,154	45	30,861	1.350	212	145	40%	

ANNEXURE B: DATA CONTINUED

PLANET CONTINUED

Non-GRI: Asset level environmental performance, as at June 2022

Centre name	Benchmarking				Energy			GHG Emissions				Water		Waste	
	Green Star Performance Star	NABERS Energy Rating Star	NABERS Water Rating Star	NABERS Star	Absolute consumption (GJ)	Intensity (MJ/sqm GLA)	Scope 1 (tonnes CO2-e)	Scope 2 (tonnes CO2-e)	Scope 3 (tonnes CO2-e)	Intensity (Scope 1+2) kg CO2-e/sqm GLA	Absolute consumption (kilolitres (kL))	Water intensity (kL/sqm GLA)	Total Landfill	Total Recycling	Recycling rate
Kurralta Central	4	6	4	4	650	61	0	119	152	6	6,580	0.616	85	66	44%
Lake Haven Centre	4	5	4.5	4.5	7,018	162	0	1,286	6,026	36	23,673	0.546	179	308	63%
Livingston Marketplace	3	6	3	3	698	45	0	128	2,761	8	11,221	0.719	108	93	46%
Maddington Central	4	4	3.5	3.5	6,021	216	0	1,103	4,082	41	24,166	0.867	118	207	64%
Mandurah Forum	4	5	3	3	14,155	214	43	2,439	8,651	39	63,487	0.958	473	550	54%
Midland Gate	4	4	3.5	3.5	22,254	323	86	4,076	8,674	62	58,869	0.855	452	793	64%
Mornington Central	4	4	4.5	4.5	2,114	186	0	387	804	50	3,086	0.271	71	35	33%
Mount Pleasant Centre	Divested	Divested	Divested	Divested	2,392	313	0	438	174	69	4,204	0.549	72	37	34%
The Myer Centre Brisbane	4	4	4	4	17,568	268	0	3,218	6,471	60	67,171	1.024	420	437	51%
Nepean Village	3	4.5	2.5	2.5	2,311	100	0	423	1,571	22	24,854	1.079	276	369	57%
Northgate	4	5	3.5	3.5	2,211	114	0	405	238	5	17,568	0.902	172	83	33%
Northland	4	Underway	Underway	Underway	39,088	401	646	4,863	8,881	79	73,590	0.755	862	534	38%
Oakleigh Central	4	5	4	4	3,821	269	61	482	1,074	54	7,667	0.540	104	268	72%
QueensPlaza	3	4	3	3	10,889	278	0	1,994	2,485	62	46,024	1.175	170	333	66%
Queen Victoria Building	2	Exempt	Exempt	Exempt	19,789	1,394	306	2,538	2,998	236	33,120	2.333	190	138	42%
Rockingham Centre	4	5	3	3	9,423	154	0	1,726	9,708	29	82,015	1.342	491	467	49%
Roselands	4	4.5	2	2	14,934	234	0	2,735	3,686	51	77,295	1.211	506	1,190	70%
Roxburgh Village	4	5	3.5	3.5	8,755	354	261	674	4,172	50	22,107	0.894	311	436	58%
Runaway Bay Centre	Divested	Divested	Divested	Divested	6,988	193	0	1,280	1,887	43	708	0.020	191	161	46%
Sunshine Marketplace	4	5	5.5	5.5	3,585	105	0	657	1,320	28	15,411	0.450	213	130	38%
Taigum Square	4	6	4	4	3,409	149	57	625	1,676	36	21,437	0.939	158	168	51%
The Galeries	3	Exempt	Exempt	Exempt	18,605	1,235	86	3,102	2,893	252	32,074	2.129	363	291	44%
The Glen	3	3.5	1	1	44,259	575	793	5,287	10,544	110	118,480	1.540	1,103	878	44%
The Strand Arcade	3	Exempt	Exempt	Exempt	1,330	233	0	244	26	51	2,051	0.360	0	0	0%
Victoria Gardens Shopping Centre	4	5	5	5	7,927	209	54	1,260	2,087	50	22,868	0.602	498	312	39%
Victoria Park Central	3	3.5	0	0	858	149	0	157	805	28	8,793	1.524	72	49	41%
Warriewood Square	4	5	4	4	2,990	98	2	541	2,210	21	22,244	0.732	189	208	52%
Warwick Grove	4	4.5	5	5	4,975	155	0	910	4,844	29	29,951	0.933	174	156	47%
Whitsunday Plaza	4	5.5	5	5	2,514	112	0	460	213	25	17,093	0.765	97	85	47%
					641,340	264	4,299	103,850	233,061	55	2,009,537	0.830	19,260	21,566	53%

ANNEXURE C: EXTERNAL ASSURANCE STATEMENT



Independent Limited Assurance Report to the Directors of Vicinity Centres PM Pty Ltd

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Selected Sustainability Performance Data included in Vicinity Centres PM Pty Ltd's (Vicinity Centres) FY22 Sustainability Report, which has been prepared by Vicinity Centres in accordance with the Criteria for the year ended 30 June 2022.

Information Subject to Assurance

Vicinity Centres engaged KPMG to perform a limited assurance engagement in relation to Selected Sustainability Performance Data as disclosed in the Vicinity Centres FY22 Sustainability Report. The 2022 Sustainability Report covers Vicinity Centres' operations for the year ended 30 June 2022 unless otherwise indicated.

The Selected Sustainability Performance Data comprises the following:

Selected Sustainability Performance Data	Reported data	Selected Sustainability Performance Data	Reported data
Total scope 1 GHG emissions (tCO ₂ -e)	4,299	Employee absentee rate (%)	1.88
Total scope 2 GHG emissions (tCO ₂ -e)	128,126	Number of Direct (Tier 1) Suppliers	2,641
Total scope 3 GHG emissions (tCO ₂ -e)	233,539	Total Supplier Annual Spend (\$m)	731
Carbon intensity: scope 1 and 2 GHG emissions – Managed portfolio (kg CO ₂ -e/sqm)	55	Progress against net zero targets – wholly-owned assets (% movement in carbon intensity)	-38
Total spent with social & indigenous businesses (\$m)	1.27	Progress against net zero targets – wholly-owned assets (% movement in energy intensity)	-27
Total energy consumption (GJ)	641,340	Waste diversion rate (% recycled)	53
Potable water (ML)	2,008	Community Investment (\$m)	2.9
Total of waste and recycling (tonnes)	40,827	Women in leadership (%)	49
Energy intensity – Managed portfolio (MJ/sqm)	264	Sqm of gross lettable area (million)	2.4
Renewable energy consumption (MWh)	41,655	Total indigenous procurement spend (\$')	580
Renewable energy generation (MWh)	46,215		

Criteria

The Selected Sustainability Performance Data have been prepared in accordance with Vicinity Centres' "Sustainability Reporting Criteria FY2022", available on Vicinity Centres' [website](#) ("the Criteria").

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (the Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Selected Sustainability Performance Data, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- gaining an understanding of the reporting processes supporting the business activities related to the Selected Sustainability Performance Data;
- conducting interviews with relevant Vicinity Centres personnel to understand the internal controls, governance structure and reporting process over the Selected Sustainability Performance Data;
- evaluating the appropriateness of the Criteria with respect to the Selected Sustainability Performance Data;
- undertaking analytical review procedures to support the reasonableness of the data;

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ANNEXURE C: EXTERNAL ASSURANCE STATEMENT CONTINUED



- walkthroughs and testing of the Selected Sustainability Performance Data to source documentation on a sample basis;
- identifying and testing assumptions supporting the calculations; and
- reviewing the Vicinity Centres 2022 Sustainability Report and Annual Report for consistency with the Selected Sustainability Performance Data.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Vicinity Centres.

Use of this Assurance Report

This report has been prepared for the Directors of Vicinity Centres for the purpose of providing an assurance conclusion on the Selected Sustainability Performance Data within the Vicinity 2022 Sustainability Report and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Vicinity Centres, or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the Criteria is appropriate to meet their needs;
- preparing and presenting the Selected Sustainability Performance Data in accordance with the Criteria; and
- establishing internal controls that enable the preparation and presentation of the Selected Sustainability Performance Data that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Selected Sustainability Performance Data for the year ended 30 June 2022, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

KPMG
Melbourne

Adrian King
Partner
1 December 2022

Sarah Newman
Director
1 December 2022

ANNEXURE D: POLICIES

- Human Rights Policy
- Community Policy
- Sustainable Procurement Policy
- Health and Safety Policy
- Diversity, Inclusion and Belonging Policy
- Climate Policy
- Environment Policy



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