



ASX RELEASE

28 October 2024

SUSTAINABILITY REPORT 2024

HMC Capital Limited (ASX: HMC) is pleased to provide its Sustainability Report 2024 as attached.

This announcement is authorised for release by the Board.

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About HMC Capital

HMC Capital is a leading ASX-listed diversified alternative asset manager focused on real estate, private equity, energy transition, digital infrastructure and private credit. We manage approximately \$15.4bn on behalf of institutional, high net worth and retail investors. We have a highly experienced and aligned team with deep investment and operational expertise. Our point of difference is our ability to execute large, complex transactions. This has underpinned our rapid FUM growth and track record of generating outsized returns for our investors. We are well positioned to grow our FUM to over \$20bn in the medium term.

Moving forward

SUSTAINABILITY REPORT 2024



About this report

The HMC Capital Sustainability Report sets out our environmental, social and governance (ESG) strategy and a review of our performance for the financial year ended 30 June 2024. It demonstrates how we have applied our ESG strategy in addressing the sustainability issues identified as being material to our business and stakeholders. Our ESG strategy has been endorsed by the HMC Capital Board.

Data is as at 30 June 2024 unless otherwise stated.

This report has been prepared with reference to the Global Reporting Initiatives (GRI) Standards (2021). In future years we aim to align with sustainability reporting standards and guidance as set out by the International Sustainability Standards Board (ISSB) and Australian Accounting Standards Board (AASB).

Acknowledgement of Country

HMC Capital acknowledges the Traditional Custodians of Country throughout Australia and celebrates their diverse culture and connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.



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An update from our Chair and CEO

The financial year 2024 was a landmark year for HMC Capital, with our corporate strategy delivering significant growth and transforming our business.

We are building good momentum in delivering our ESG commitments to create long-term value for our investors and stakeholders. This Sustainability Report outlines our achievements and progress during the year.



David Di Pilla
Managing Director and Group CEO
HMC Capital



Chris Saxon
Chair
HMC Capital

FY24 was a strong year for the Group. We established three new platforms – energy transition, private credit and digital infrastructure – aiming to capitalise on global megatrends; and built teams to lead their growth. These new growth platforms will reshape the Group’s core business activities from FY25.

As we mark five years since our listing on the Australian Securities Exchange (ASX), we are proud of our progress in addressing the environmental, social and governance issues that matter most to our stakeholders.

Healthy Communities are the focus of our ESG framework, creating places where people have access to products, services and experiences to live healthy lives. The framework’s six themes focus our efforts on the areas where HMC Capital can make a positive impact to the communities surrounding our assets and investments.

Our ambitions and efforts continue to contribute to healthy communities by servicing their needs through our network of assets; delivering lasting positive local social outcomes; and taking responsibility for our environmental impacts.

We have built solid momentum in the delivery of our sustainability program, moving the Group forward and further maturing our approach during the year.

Environment

We continue to make substantial progress in addressing our Climate Action and Green Future environmental impact themes. HMC Capital is committed to contributing to the transition to a low carbon economy, in line with our Climate Action theme.

We delivered our Emissions Roadmap commitments for FY24, 21% reduction in scope 1 and 2 carbon emissions across like-for-like assets compared to our FY22 baseline¹, with an additional 9% reduction from surrender of Energy Savings Certificates (should they be applied to our Net Zero Emissions roadmap)². Our Environmental Management System is also now in place at all feasible assets³. Together with the completion of the LED lighting roll-out⁴, these initiatives are enabling us to optimise energy use and building performance to reduce both emissions and costs. We have further progressed our solar roll-out, exceeding our FY24 target of 30% of feasible sites to have solar installed⁵, with further installation ongoing throughout FY25.

¹ All achievements and targets are reported from a HMC Group level. Like-for-like asset dataset; a) Excludes assets where the tenant is responsible for electricity consumption and has complete operational control of the property; b) includes assets where we have a full data set for the FY22 baseline year and FY24 and have been held in the portfolio for the duration of both these periods; c) excludes assets that were held for sale, acquired and divested during FY24 and since FY22 baseline was formed, and assets that were developed post-FY22 (as FY22 baseline is not an accurate reflection of the consumption profile).

² ~2,900 Energy Savings Certificates (ESCs) surrendered through ESC scheme administrator (IPART).

³ Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative (solar and/or EMS).

⁴ Excludes assets with pending development impacting the installation of LED.

⁵ As at August 2024.

⁶ As at 31 July 2024. Source: HMC Capital x Eat Up MOU 2024 Impact Report.

Our Green Future theme focuses on operating in a way that sustainably sources, consumes and manages resources. Pleasingly, we achieved an average 4.2 Star NABERS Energy and an average 5 Star NABERS Water rating for the portfolio this year⁵ – recognition of our continued efforts to use natural resources thoughtfully. This focus extends to our HomeCo Daily Needs REIT (HDN) development projects, with the South Nowra and Glenmore Park developments now submitted for 4 Star Green Star assessment in addition to the Mackay project targeting 4 Star Green Star rating submission in FY25.

Social

We aim to provide Australians with access to quality infrastructure that offers the services they need to live healthy lives. Our initiatives are delivered in partnership with local stakeholders in the communities surrounding our assets.

Connection focuses on addressing essential community needs related to health, wellness and daily services. Our Social Impact Framework guides the Group’s investment and management decisions, which are informed by our responsible investment standards and community needs assessments.

During FY24, the HMC Foundation awarded its inaugural grants to three community organisations supporting young people. Our CommunityCo initiative’s national partnership with Eat Up Australia provided 13,000⁶ sandwiches to vulnerable school children, made by our employees and customers.

Our Respect social theme is fundamental to our ability to create long-term value, and an area in which we continue to make good progress. We continued to meet or exceed our diversity target, with women making up 50% of our workforce and 53% of Independent Board Director positions across the Group.

The endorsement of our Reflect Reconciliation Action Plan by Reconciliation Australia was a highlight of the year. We acknowledge that we are just beginning our journey and look forward to learning from Aboriginal and Torres Strait Islander people and developing our approach in the years ahead.

Governance

HMC Capital is committed to ongoing, effective and transparent governance, with our efforts guided by our Accountability and Alignment governance themes. We strive for best practice governance and are pleased with our continued improvement.

Our Accountability theme ensures that we earn and keep stakeholder trust. We use ESG reporting frameworks to benchmark our transparency and performance. We were again recognised for our efforts during FY24, with HMC Capital receiving an ‘AA’ rating from MSCI ESG Ratings and HDN awarded 2024 ESG Regional Top-Rated Company by Morningstar Sustainability.

The Alignment governance theme seeks to embed sustainability into our business. Our strong governance framework underpins our business, investment and sustainability decisions and initiatives. It includes the Code of Conduct and our suite of corporate governance policies to support individual accountability and effective, independent, responsible and transparent decision making that is in the best interests of our stakeholders. We are implementing recommendations to further strengthen our governance approach, following an independent review of our Board during FY23.

Looking Ahead

The year ahead is one for capitalising on opportunities through our expanded five-platform business. As we continue to grow, our sustainability efforts remain an important priority across all parts of the Group. Our strategic investment in StorEnergy, a specialist developer, owner and operator of utility-scale battery energy storage systems, shows the central role of sustainability for the Group’s future.

Given the evolution of our business in FY25, in the coming year we expect to review our ESG framework to ensure it can support our sustainability ambitions in the years ahead. It remains vitally important to our ability to create long-term value for our investors and stakeholders.

We thank our employees, partners and stakeholders for their contributions to our sustainability initiatives during the year. We have much to be proud of and an exciting road ahead as we continue moving forward.

About HMC Capital



HMC Capital is an ASX-listed diversified alternative asset manager. We focus on investing in high-conviction and scalable real asset strategies on behalf of individuals, large institutions and super funds. HMC manages \$12.7 billion of external AUM across its five funds.¹

¹ AUM as at 30 June 2024. Includes undrawn equity commitments plus debt for LML Fund, \$1.6bn real estate development pipeline. Includes AUM of \$1.6bn for Payton and \$0.7bn for StratCap which were not owned by HMC as at 30 June 2024.



Established Funds




Targeted and long-term investment approach focused on high conviction megatrends

	REAL ESTATE	PRIVATE EQUITY
Strategic Investments		
Description	<p>HMC manages over \$9.6bn¹ of real estate across multiple vehicles supported by a diversified investor base spanning listed and unlisted investors</p>	<p>HMC's Private Equity platform was established in August 2022 with the launch of HMC Capital Partners Fund I (HMCCP). HMCCP invests in ASX-listed companies where we help management teams and boards unlock value via improved capital allocation and portfolio management</p>

1. As at 30 June 24 and includes undrawn equity plus debt for Last Mile Logistics Fund and property development pipelines across HDN, HCW, LML and UHF.

New Growth Platforms Established

Strategic investments in institutionally scalable platforms and high conviction sectors

	PRIVATE CREDIT	ENERGY TRANSITION	DIGITAL INFRASTRUCTURE
Strategic Investments			
Description	<p>Commercial Real Estate (CRE) private debt asset manager with \$1.6bn AUM predominantly in residential development loans</p>	<p>Developer, owner and operator of large-scale Battery Energy Storage Systems (BESS) across Australia's National Electricity Market</p>	<p>Specialist North American based Digital Infrastructure asset manager with \$0.7bn of AUM</p>



ESG Strategy and Material Issues

HMC Capital's sustainability focus is on creating Healthy Communities, where people have access to products, services and experiences to live healthy lives.



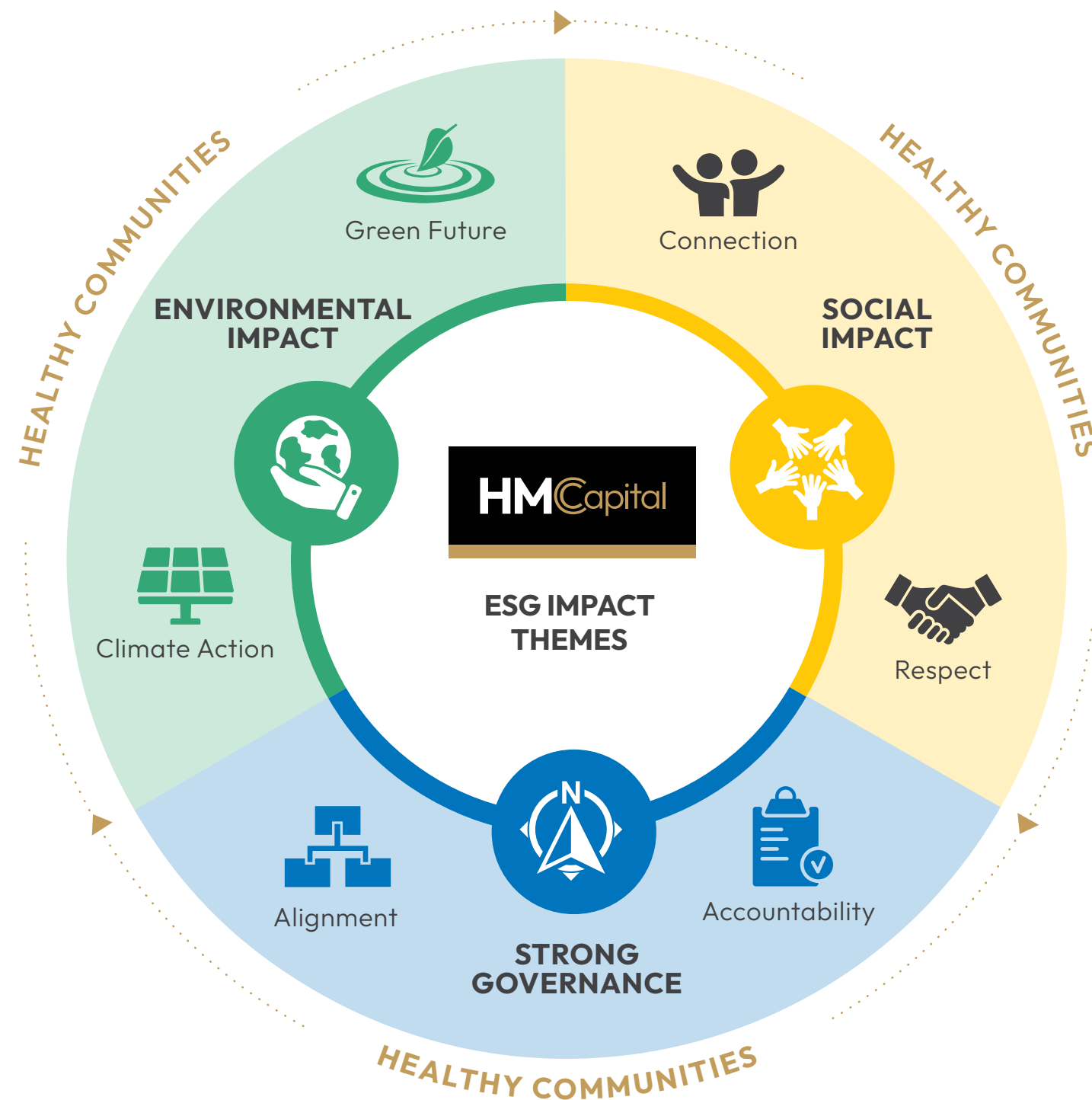
Our ESG strategy was formulated following a thorough materiality assessment, which identified the most important environmental, social and governance topics in consultation with our stakeholders.

Given the recent expansion of our business activities, we plan to undertake a materiality assessment in FY25. This will inform a review of our ESG strategy to define our ambition and drive action across the Group's five platforms.

Healthy Communities

We create Healthy Communities by driving change across six impact themes: Climate Action, Green Future, Connection, Respect, Alignment and Accountability.

Our commitments frame how we view sustainability in our investment strategy and asset management approach. We report regularly against our commitments within each theme and will continue to develop our reporting as our approach matures into the future.



FY24 Highlights

Environment ▶

Climate Action

Commitments

- Reduce carbon emissions and intensity
- Achieve environmentally efficient and resilient infrastructure
- Adopt renewable energy resources

FY24 Highlights

- 21% reduction in scope 1 and 2 carbon emissions across like-for-like assets compared to our FY22 baseline¹ with an additional 9% reduction from surrender of Energy Savings Certificates (should they be applied to our Net Zero Emissions roadmap)²
- Exceeded target to have solar installed at 30% of feasible assets³
- Energy Management System installed at all feasible sites³

Green Future

Commitments

- Trial waste minimisation and use influence to mitigate waste
- Enhance water efficiency
- Deploy environmentally friendly building materials and practices

FY24 Highlights

- Achieved average 4.2 Star NABERS Energy and average 5 Star NABERS Water portfolio ratings⁴
- Commenced roll-out of new waste management process
- 4 Star Green Star rating now submitted for HDN's South Nowra and Glenmore Park developments

¹ All achievements and targets are reported from a HMC Group level. Like-for-like asset dataset; a) Excludes assets where the tenant is responsible for electricity consumption and has complete operational control of the property; b) includes assets where we have a full data set for the FY22 baseline year and FY24 and have been held in the portfolio for the duration of both these periods; c) excludes assets that were held for sale, acquired and divested during FY24 and since FY22 baseline was formed, and assets that were developed post-FY22 (as FY22 baseline is not an accurate reflection of the consumption profile).

² ~2,900 Energy Savings Certificates (ESCs) surrendered through ESC scheme administrator (IPART).

³ Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative (solar and/or EMS).

⁴ As at August 2024.

Social ▶

Connection

Commitments

- Engage with communities to create connection and understanding
- Strengthen equitable access to essential products and services
- Provide safe spaces for communities

FY24 Highlights

- First grants awarded by the HMC Capital Foundation to three organisations
- Prepared 13,000 sandwiches to feed vulnerable children with CommunityCo's first national partner, Eat Up Australia⁵

Respect

Commitments

- Show respect for human rights
- Ensure all employees enjoy wellbeing, safety, and equal opportunity to reach their full potential
- Invest in the development of an environment where our people feel engaged and aligned with our values

FY24 Highlights

- Received final endorsement from Reconciliation Australia and publicly released our Reflect Reconciliation Action Plan (RAP)
- Nil employee Lost Time Injuries
- Met our 50% gender diversity target across our entire organisation

⁵ Eat Up Australia as at 31 July 2024.

Governance ▶

Accountability

Commitments

- Robust and transparent sustainability-related governance standards and processes
- Hold strong and transparent relationships with investors
- Leverage business relationships to promote responsible business practices

FY24 Highlights

- HDN awarded 2024 ESG Regional Top-Rated Company with Morningstar Sustainalytics
- HMC received a rating of 'AA' in the MSCI ESG Rating
- HDN issued its second Modern Slavery Statement

Alignment

Commitments

- Establish strong Board diversity, independence and skillset
- Embed sustainability objectives in KPIs, remuneration and incentive structures
- Build an organisational culture that drives sustainable outcomes

FY24 Highlights

- Exceeded 50% gender diversity target amongst Independent Board Director positions (53%)
- HMC Capital became a signatory of 40:40 Vision
- Completed an independent evaluation of the HMC Capital Board, with recommendations currently being implemented

Environment

HMC Capital is playing an active role in the transition to a greener and low carbon economy. Our targets focus on decarbonisation, future-proofing and transitioning our business.



Climate Action

HMC Capital is committed to contributing to Australia’s transition to a low carbon economy.

The Climate Action environmental theme drives us to actively minimise carbon emissions by integrating climate considerations throughout our investment strategy – from acquisition due diligence to development design and construction, through to ongoing operations.

Three key areas that guide our efforts: transitioning the real assets we manage and control towards net zero carbon scope 1 and scope 2 emissions by 2028; considering environmental factors in the acquisition, development and maintenance of our assets; and seeking to responsibly adopt renewable energy sources and technologies.

Our Net Zero Emissions Roadmap sets out our actions towards net zero across three phases: optimising energy consumption at our assets; generating renewable energy onsite; and developing onsite energy storage solutions.

Our Commitments	Progress in FY24
Reduce carbon emissions and intensity	<ul style="list-style-type: none"> – 21% reduction in scope 1 and 2 carbon emissions across like-for-like assets compared to our FY22 baseline¹, with an additional 9% reduction from surrender of Energy Savings Certificates (should they be applied to our Net Zero Emissions roadmap)² – Energy Management System installed at all feasible sites³ – LED lighting conversions completed at feasible assets⁴
Achieve environmentally efficient and resilient infrastructure	<ul style="list-style-type: none"> – Well progressed environmental initiatives roll-out per our Net Zero Emissions roadmap – Continued using our ESG Checklist to consider environmental factors in due diligence, informing investment decisions and ensuring they support our net zero strategy
Adopt renewable energy resources	<ul style="list-style-type: none"> – 26 active solar PV systems at HDN and HCW assets. This results in 52% of feasible sites with solar installed, exceeding our 30% target for FY24³

¹ All achievements and targets are reported from a HMC Group level. Like-for-like asset dataset; a) Excludes assets where the tenant is responsible for electricity consumption and has complete operational control of the property; b) includes assets where we have a full data set for the FY22 baseline year and FY24 and have been held in the portfolio for the duration of both these periods; c) excludes assets that were held for sale, acquired and divested during FY24 and since FY22 baseline was formed, and assets that were developed post-FY22 (as FY22 baseline is not an accurate reflection of the consumption profile).
² ~2,900 Energy Savings Certificates (ESCs) surrendered through ESC scheme administrator (IPART).
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⁴ Excludes assets with pending development impacting the installation of LED.



Energy efficiency

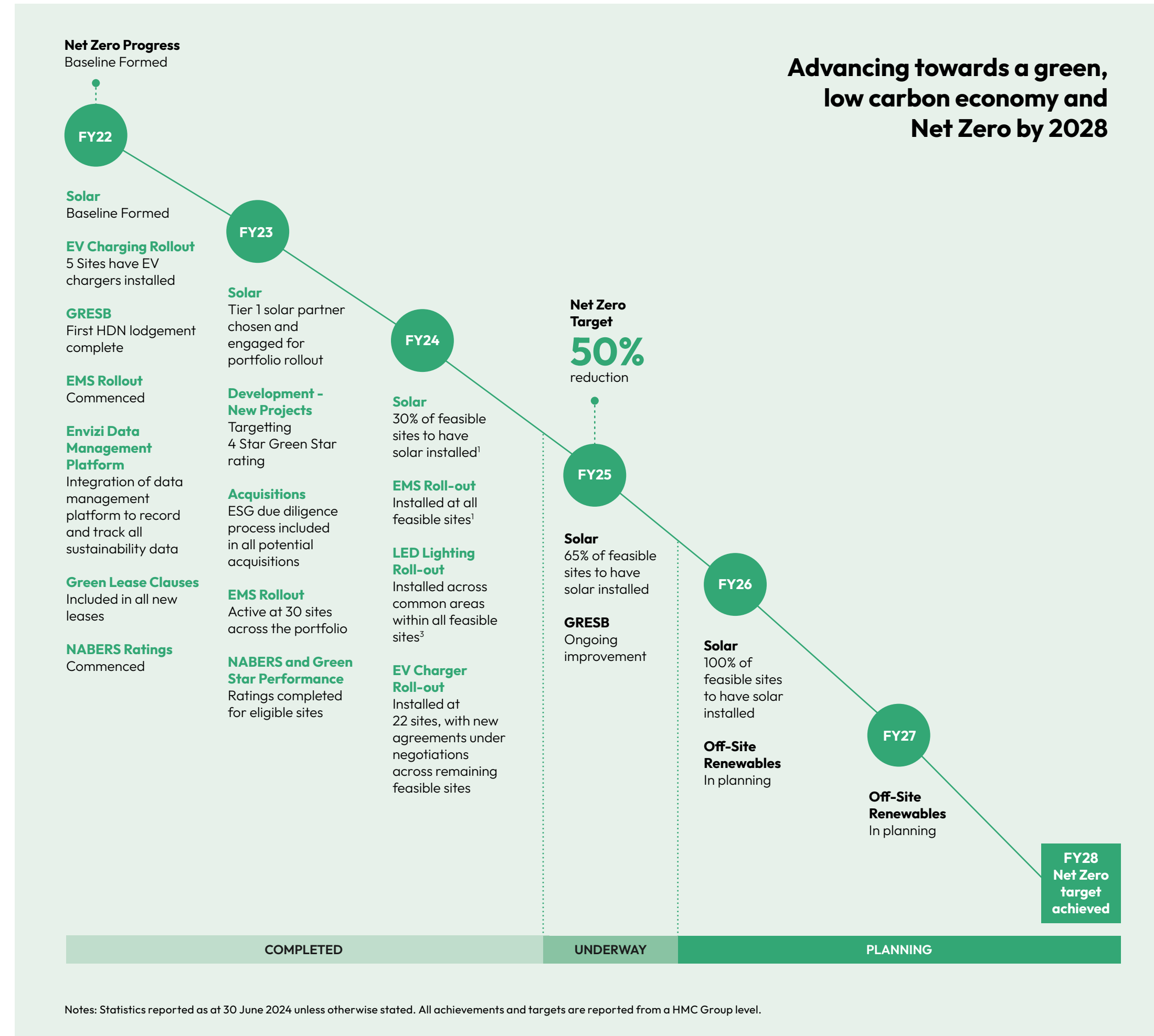
Optimising the energy efficiency of our assets is a key workstream in our Net Zero Emissions Roadmap. The Energy Management System (EMS) implementation continued during FY24, achieving our FY24 target with EMS now installed at all feasible assets. For FY24, there were 36 feasible assets for our EMS roll out¹.

Since commencing the EMS project in 2021, the system has proven effective in optimising building energy performance. The EMS has reduced energy consumption at the installed sites by an average of ~20%.² We continue to review all asset acquisitions for feasibility and will implement the EMS at feasible sites as they join the portfolio.

Our LED lighting program continued to increase our energy efficiency, with common area and car park lighting at all 47 feasible assets for our LED roll out³. During the year, we replaced 274 lights at **HomeCo Castle Hill** with LEDs, which are expected to reduce energy consumption by approximately 76,700 kW and emissions by 81 tCO₂e per year. The 160 LED lights installed in **HomeCo North Lakes** are expected to reduce the centre's energy consumption by approximately 71% per year and reduce emissions by 28 tCO₂e per year.

¹ Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative (solar and/or EMS).
² Compared to baseline created at the time of installation. Includes assets installed for greater than three months from August 2024.
³ Excludes assets with pending development impacting the installation of LED.

Net Zero Emissions Roadmap



Renewable energy

We continued to install onsite renewable energy generation during FY24 – another workstream in our Net Zero Emissions Roadmap.

During FY24, we installed solar photovoltaic (PV) systems at a further nine assets across our portfolio. We also acquired three assets with pre-existing active solar systems. As a result, there are now 26 assets with active solar PV within our portfolio that are operated and/or owned either internally or by our tenants, out of our 50 feasible sites for our solar program. As such, 52% of feasible sites now have active solar PV installed, exceeding our FY24 target to have solar installed at 30% of feasible sites¹.

Some assets are not suitable for solar systems due to unsuitable infrastructure and/or no operational control of certain assets in our portfolio.

Solar installations are currently in design or under construction at a further 12 assets and are due for completion in the coming year. Based on this roll out timeline, we expect to exceed our Net Zero Emissions Roadmap progress goal to have solar installed at 65% of feasible sites by the end of FY25¹ and look forward to our continued progress in this space.



HomeCo Kellyville Grove, New South Wales.

¹ Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative (solar and/or EMS).

Transition to Net Zero

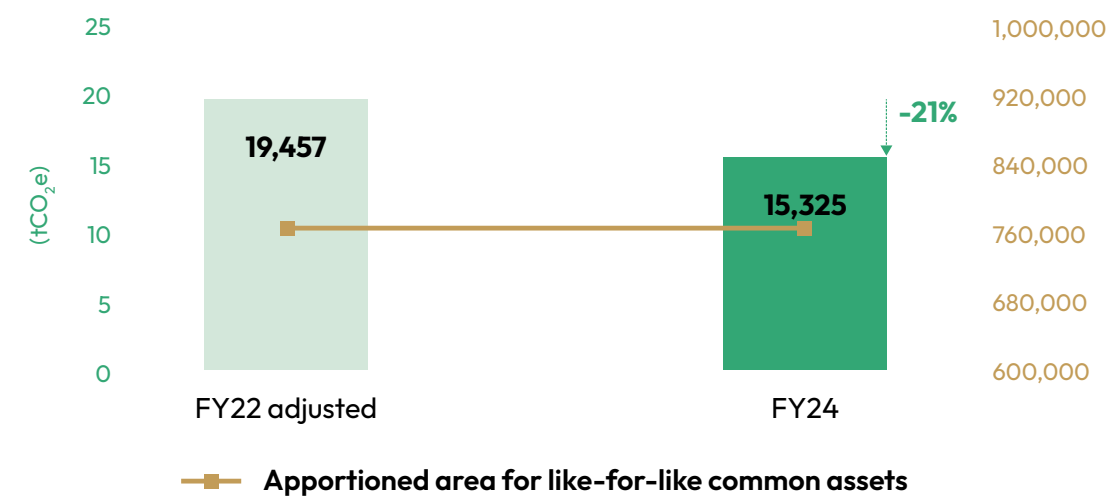
We continue to focus on reducing our emissions to improve our resilience to the potential risks and costs associated with the transition to a net zero economy.

Per our Net Zero Emissions Roadmap, we had a 30% emissions reduction target for FY24 based on like-for-like common assets in our FY22 baseline. During FY24, we reduced our scope 1 and scope 2 emissions by 21% across like-for-like real estate assets compared to our FY22 baseline¹. This reduction was driven predominantly by the installation of Energy Management Systems (EMS), increased onsite renewable energy generation, and a reduction in the State-set carbon emissions factors applied.

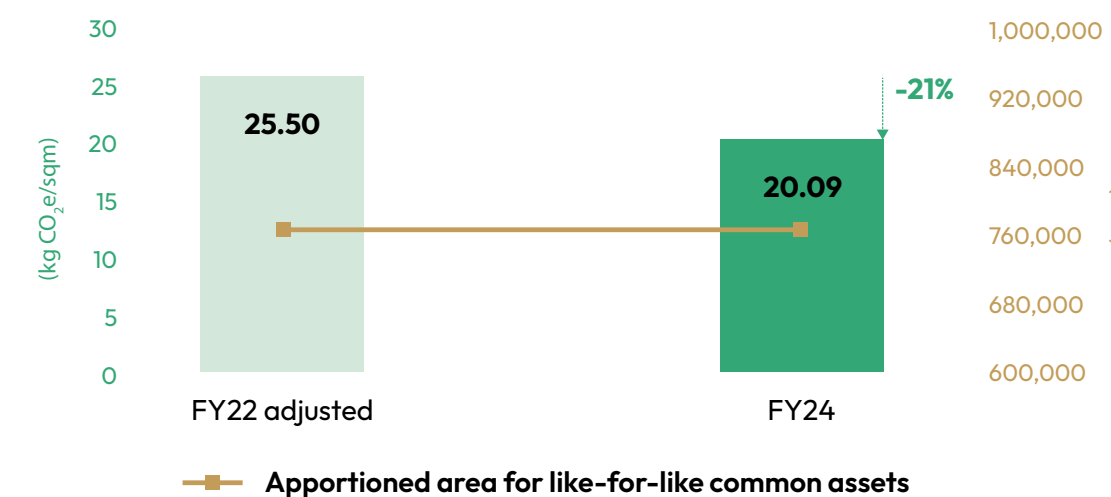
By 30 June 2024, EMS was installed across all 36 feasible sites and had solar installed at 26 feasible sites². This progress has accumulated over the last number of years. In addition to the

Like-for-Like Assets between FY22 and FY24¹:

Scope 1 and 2 emissions



Emissions intensity



EMS sites rolled out in FY22 and FY23, we installed EMS at the remaining 16 feasible sites during FY24 (~45% of total feasible sites for EMS)². Similarly, in addition to the solar active in FY23, we also installed solar at nine sites across our portfolio and acquired three assets with pre-existing solar systems (24% of feasible sites for our solar initiative roll out) during the year².

As these initiatives were installed throughout the year, we have not yet seen the benefit of the annualised associated emissions reduction across these sites, which we expect to see throughout FY25.

Through the installation of our Energy Management Systems initiative, we have generated ~14,900 Energy Savings Certificates (ESCs) under the New South Wales Energy Savings Scheme (ESS) and ~2,900 Victorian Energy Efficiency Certificates (VEECs) under the Victorian Energy Upgrades (VEU) program. From the ESCs that were created in FY24, we have surrendered ~2,900. An ESC represents one notional Megawatt hour (MWh) of energy and are registered with the scheme administrator, IPART. The certificates are typically sold by generators to scheme participants, which includes electricity companies or other energy market participants.

We have surrendered the ESCs we have generated in lieu of selling them. The surrendering of these certificates has been acknowledged by the ESC administrator. These equate to an additional 9% of reductions for scope 1 and scope 2 should they be applied to our emissions roadmap. We are reviewing this methodology for surrendering the ESC with regulators. We expect future years reductions will be not require any surrendering of these certificates moving forward given the run rate of initiatives taken at an asset level.

For FY25, our historic Net Zero Emissions Roadmap targets a 50% reduction in scope 1 and scope 2 carbon emissions for like-for-like assets in our FY22 baseline¹. We will continue with our EMS roll-out to newly acquired sites (where feasible) and we anticipate a further 12 sites to have solar installed throughout the year. We understand that with the currently changing climate, our emissions reduction progress may not be linear and as we continue to roll out the full benefit of our environmental initiatives, the result will be impacted by the timing of our EMS and solar roll-out.

Moreover, the FY25 targets for HMC Group will also be revised and reviewed given the significant transformative acquisitions the Group is making. This may see the targets adjusted to reflect the nature of the business as an alternative asset manager moving forward.

In preparation for the recent regulatory changes, we have obtained independent limited assurance of the totals included in the tables on this page. This assurance has also been obtained for the like-for-like common assets emissions reduction of 21% between our FY22 baseline and FY24¹. Limited assurance has been performed by KPMG, as detailed in the KPMG opinion included in the Appendix of this report.

We continue to review our ESG strategy to ensure our commitments and targets (including our Net Zero Emissions Roadmap) remain relevant for our business as HMC Capital as a Group evolves.

Absolute Data for FY22 and FY24:

FY22			
Funds	Base Building Electricity (kWh) ¹	Gas (MJ)	Total emissions, Scope 1 and 2 tCO ₂ -e ²
HDN	26,796,660	2,231,251	21,884
HCW	1,787,734	-	1,435
Other ³	1,084,435	-	1,005
Total	29,668,829	2,231,251	24,324

FY24			
Funds	Base Building Electricity (kWh) ¹	Gas (MJ)	Total emissions, Scope 1 and 2 tCO ₂ -e ²
HDN	27,334,462	2,434,719	18,682
HCW	2,966,356	-	2,135
Other ³	85,554	-	58
Total	30,386,371	2,434,719	20,875

1 Excludes assets where the tenant is responsible for electricity consumption and has complete operational control of the property.
 2 Location-based.
 3 Assets held by HMC not in HDN and HCW.

The data at a total level included in the above tables is comprised of assets where HMC Capital was deemed to hold operational control for sustainability reporting purposes during the relevant period, including assets that were divested or acquired during that period. As previously stated, the Net Zero Emissions Roadmap comparison between FY24 and FY22 is calculated using the like-for-like common assets between the FY24 and FY22 portfolios¹.

Adjustments to our baseline year

The comparison between FY24 and FY22 is calculated using the like-for-like assets between the FY24 and FY22 portfolios. Similar to FY23, our baseline has been updated for further information now available at a number of assets and to reflect the like-for-like assets between our FY22 and FY24 portfolios. The unadjusted FY22 data remains available in our FY22 Sustainability Report, which is available on our [website](#).

Supporting electric vehicle charging

We continued to roll out electric vehicle (EV) charging stations, with 11 installed during the year. As of August 2024, we have EV charging stations operating at 22 assets in Queensland, New South Wales, Victoria, South Australia and Western Australia, with roll out at a further 18 sites planned. Due to growing customer demand and growing use of EVs, we are also looking to increase the number of EV charging stations at existing sites. Charging stations are currently powered by grid electricity with our ambition to use renewable energy in the future, in line with our decarbonisation strategy.



HomeCo Leppington, New South Wales.

1 All achievements and targets are reported from a HMC Group level. Like-for-like asset dataset; a) Excludes assets where the tenant is responsible for electricity consumption and has complete operational control of the property; b) includes assets where we have a full data set for the FY22 baseline year and FY24 and have been held in the portfolio for the duration of both these periods; c) excludes assets that were held for sale, acquired and divested during FY24 and since FY22 baseline was formed, and assets that were developed post-FY22 (as FY22 baseline is not an accurate reflection of the consumption profile).
 2 Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative (solar and/or EMS).

Climate-related strategy and disclosure

We are conducting climate change scenario analysis this year to explore climate change impacts, risks and opportunities for our business. This process is built on the work undertaken in FY23 to understand climate-related issues and appropriate responses.

We are assessing future risks to our portfolio from physical climate hazards, such as bushfires, flooding, and cyclones, using different climate scenarios (RCP 2.6, 4.5, 8.5 and SSP 1-2.6, 2-4.5, 5-8.5) to evaluate potential impacts under 1.5°C, 2°C, and 4°C temperature outcomes for 2030, 2050 and 2090.

Given the wide geographical distribution of our assets and the changing nature of physical climate risks, each asset faces varying risk levels. Our analysis involves:

- Identifying current physical climate risks across our Australian assets
- Examining these risks across different emission pathways over multiple timeframes
- Using a climate risk monitoring platform for assessment

The scenario analysis will inform our strategy and risk management practices, highlighting where vulnerabilities exist and how we can adapt to climate change impacts, including extreme weather events and long-term climatic shifts. We expect these insights to guide

changes in building management to maintain optimal operations and mitigate property damage.

Adaptation actions we can take to increase our portfolio’s climate resilience include structural adjustments to buildings and designing management systems to accommodate increased extreme weather events. Further details are available in the Policies and Procedures section, starting on page 31.

In addition, we are continuing to identify the high-level financial impacts associated with the Group’s exposure to climate-related risks and opportunities and implementing management strategies to address those impacts.

With the climate scenario analysis nearing completion, in FY25 we will consider developing additional targets and governance processes, and seek to integrate climate outcomes into our strategic and financial planning. From FY25 onwards, we will regularly review our climate strategy, performance against targets, and the quality and completeness of our climate-related disclosures.

With the Australian Sustainability Reporting Standards now finalised, we intend to further enhance our Climate-related Disclosure Roadmap in future years to prepare for the mandatory climate reporting regime.

Environmental factors inform investment due diligence

The acquisition, development and divestment of assets changes the environmental profile of our portfolio over time. We incorporate environmental factors into the due diligence process for investments and developments, using our ESG Checklist to ensure they align with our sustainability ambitions and commitments and meet our performance expectations.

This checklist is informed by external guidance regarding best practice and reviewed by the HMC Sustainability team. Following an acquisition, new assets are amalgamated into our net zero strategy and their performance managed or improved using green building performance ratings where appropriate.



HomeCo West Ryde, New South Wales.

Climate-related disclosure roadmap

	Scenario Analysis (FY24)	Check and Adjust (FY25)
Governance	Incorporate climate-related issues into relevant governance and management bodies.	Ongoing review and approval of climate-related issues by appropriate governance and management bodies.
Strategy	Exploring qualitative and quantitative scenarios to update issues, management strategies and financial impacts.	Integrate climate-related scenario analysis into our strategic and financial planning.
Risk Management	Embedding climate-related risks into our Risk Management Framework.	Ongoing monitoring and risk management of climate-related issues.
Metrics and Targets	Analyse metrics trends to develop targets and assess our strategic position and their financial impact.	Ongoing analysis of metrics and targets performance to assess our strategic position and their financial impact.
Disclosure	Disclose our scenarios, assumptions, time frames and associated governance, risk management and metrics and targets.	Ongoing comprehensive disclosure against all pillars.

CASE STUDY

Reducing asset energy consumption

The recently completed implementation of our smart Energy Management System (EMS) is helping us optimise the energy efficiency of our assets. Now operational at all 36 feasible sites¹, the system enables us to manage energy more efficiently as we progress towards our goal of net zero emissions by 2028.

The project began in 2021, with the EMS piloted during the year before its roll-out to automate and streamline energy management at our assets. Using artificial intelligence, the EMS manages lighting and heating, ventilation and air conditioning (HVAC) while maintaining comfortable indoor conditions for tenants and customers.

It integrates with existing solar system data to use onsite renewable and offsite grid electricity in line with local conditions, with real time monitoring of building performance to anticipate future maintenance needs.

With the implementation now complete, the EMS has reduced portfolio energy consumption by ~20% in FY24². We expect to maintain and increase these efficiency benefits as our use of the EMS continues to mature.

¹ Sites that are classified as feasible include assets where we have operational control, and the building infrastructure and architecture is suitable for the proposed sustainability initiative.
² Compared to baseline created at the time of installation. Includes assets installed for greater than three months from August 2024.

Green Future

By operating in a way that sustainably sources, consumes and manages resources, we drive better outcomes for our business, our stakeholders and the planet.

Our Green Future environmental theme focuses on how we champion the preservation and restoration of the natural environment.

HMC Capital contributes to a greener future through sustainable development by incorporating circular economy principles into our waste management practices, efficiently using water at our assets, and seeking opportunities to enhance nature.

Our Commitments

- Trial waste minimisation and use influence to mitigate waste
- Enhance water efficiency

- Deploy environmentally friendly building materials and practices

Progress in FY24

- Commenced national partnership with Veolia to roll out waste compactors to feasible sites as part of our waste management strategy. During FY24, we installed six compactors across the HDN portfolio
- NABERS and Green Star Performance ratings attained across our portfolio
- Achieved average 4.2 Star NABERS Energy portfolio rating¹
- Achieved average 5 Star NABERS Water portfolio rating¹
- 4 Star Green Star rating now submitted for HDN's South Nowra and Glenmore Park developments, with Mackay rating to be submitted in FY25

- Finalised minimum sustainability design standards across applicable developments, in line with 4 Star Green Star certification pathway
- Continued to encourage tenant sustainability through our Tenant Fitout Guide (TFG), which supports targeted Green Star ratings in new development leases and the use of environmentally friendly building materials
- Natural environment maintenance program helps to increase green cover and reduce the visual impact of our assets in partnership with local councils

¹ As at August 2024.



HomeCo Glenmore Park Town Centre, New South Wales.

Green building performance ratings

Green building performance ratings help us to validate and benchmark the environmental performance of eligible assets under our operational control¹. We attained an average 4.2 Star NABERS Energy portfolio rating (~95% of eligible assets rated), and an average 5 Star NABERS Water portfolio rating (~95% of eligible assets rated) representing ‘Excellent Building Performance’².

As of August 2024, we had 37 assets rated across HDN and HCW. The sites that have not been rated are due to the asset type (for example the NABERS rating tool was unsuitable for rating childcare centres and Large Format Retail assets without common mall areas in FY24), assets that were not under our operational control or assets that were acquired during the year. We expect to file NABERS ratings for the newly acquired assets once we have a sufficient level of data for the submissions.

An asset’s NABERS performance can vary between reporting periods due to factors such as the tenant mix, which impacts water performance, and the roll-out of energy efficiency initiatives and solar PV systems, which impact energy use.

We completed our review of the NABERS ratings audit and improvement plans across energy and/or water management at 14 assets. Together with our property managers, Knight Frank, we reviewed assets with a NABERS Energy and/or NABERS Water rating of 3.5 Stars or less to identify efficiency improvement areas. With the implementation of the audit recommendations, we expect the performance of these assets to improve, and therefore their ratings, over the course of the next rating period.

Water consumption

As an organisation, we remain aware of the importance of the impact water efficiencies have on our wider communities and progress to a greener future.

From our review of the NABERS audits completed by our property managers and existing onsite infrastructure we understand the next step forward to be able to set appropriate targets is to increase sub-metering at our managed assets which we are currently reviewing this year.

This will enable us to have further oversight of where the water usage occurs, including tenant and common area consumption detail, leading to better identification of what improvements and efficiencies can be made to our water consumption.

	Number of assets rated		Portfolio coverage*	
	FY23	FY24	FY23	FY24
NABERS Energy	40	37	HDN: 95% HCW: 80%	HDN: 97% HCW: 80%
NABERS Water	34	35	HDN: 94% HCW: 80%	HDN: 97% HCW: 80%

* Feasible assets exclude assets that were acquired during FY24 where we do not have historical information. In FY24, assets with no common mall area are ineligible for NABERS Energy and Water ratings. For HCW, only assets eligible for rating and under HCW operational control can be NABERS rated.

CASE STUDY

Partnering with tenants to reduce fit-out waste

We continued partnering with incoming tenants to reduce fit-out waste by encouraging reuse of key materials and features in their new space. Reuse also reduces total fit-out time, lowering costs and enabling new tenants to start trading sooner.

At **Menai Marketplace**, new tenant Paddock 2234 repurposed 95% of the existing butchery fitout when they moved into the centre. We worked together to restore the existing displays, repaint, install new lighting and replace signage; while meeting the relevant food retailer health code standards.

Similarly, our tenancy and asset teams worked with Spectacle Hub to repurpose an existing fit-out before opening at **HomeCo Armstrong Creek** in July 2024. With the existing materials in excellent condition, Spectacle Hub made minor flooring and joinery changes and retained the consulting rooms, shopfront, ceiling and lighting.

The new World Gym at **HomeCo Gregory Hills** has effectively combined reuse and rebranding for its members to enjoy. Inheriting an older fit-out, we supported World Gym to retain the amenities and lobby area and introduce new finishes to elevate the space for a sustainable and appealing member experience upon opening in February 2024.

Recycling these fit-outs has given these materials a longer life, reducing the amount of fit-out waste sent to landfill.



HomeCo Gregory Hills, New South Wales.

1 In FY24, NABERS was unable to rate childcare centres and Large Format Retail assets without common mall areas.

2 NABERS data is as at August 2024.

Reducing waste

We continued to audit asset waste performance, further analysing the feasibility of opportunities to reduce our waste footprint at 13 assets during FY24. Undertaken with our waste contractor and building manager, waste audits consider factors including tenant mix and waste behaviours, as well as current comingled waste levels to identify actions to increase recycling at each asset.

Smart compactors were introduced at six assets this year, five in New South Wales and one in Victoria, to streamline waste disposal and recycling. These compactors accurately measure waste, improve data collection, reduce waste collections and, together with education, encourage tenants to better manage waste. We will continue to roll out smart compactors during FY25.

Supporting customers to recycle

Our partnership with SCR Group continued during the year, which provides our customers with avenues to donate clothing through drop-off hubs located at our assets. In FY24¹, SCR repurposed more than 3,123,000 kilograms of unwanted clothing collected from 44 locations across our portfolio. Almost 80% of collected items were rehomed with communities in need, with the balance recycled into wiper rags (14%) or clinker to bind cement products (7%).

Green building ratings

We use the Green Building Council of Australia (GBCA) Green Star Buildings rating to benchmark the design and construction of our development and major refurbishment projects. HDN targets ratings for all new developments using the tool.

During FY24, we submitted HDN's **South Nowra** development for assessment at the 4 Star Green Star level, aiming to become the first large format retail centre in Australia to achieve this certification. This rating represents 'best practice' performance against criteria including health and wellbeing, resilience, environmental impact and placemaking. We have also now submitted our development at **Glenmore Park** targeting 4 Star Green Star, with our **Mackay** development due to be submitted for 4 Star Green Star rating in FY25.

We also consider the WELL Building Standard for specific assets, particularly those acquired or developed with partners. The WELL Building rating system is a performance-based system for measuring, certifying and monitoring features of the built environment that impact human health and wellbeing.

HCW is reviewing the feasibility and suitability of a WELL rating for **The George Centre** private hospital development stages two and three of the Camden Medical Precinct. Find out more about The George Centre in the case study on page 22.



HomeCo South Nowra, New South Wales.

¹ Source: FY24 SCR Group Sustainability and Impact Report for HMC Capital Sites.

CASE STUDY

Developing precincts for the future with Green Star Design

Our developments continue to achieve industry best practice, implementing leading technologies across emissions, energy, water, and waste efficiency. These efforts are exemplified in our Green Star Design submission for Glenmore Park, where investment in sustainable design enhances the environmental performance of our properties and reduces long-term operational costs.

The Glenmore Park Town Centre is the ultimate destination for all things home and lifestyle. Our goal in developing the previously underutilised area of the centre was to create a thriving health and services precinct that serves the local community. In line with industry best practice and HMC Capital's sustainability goals, we targeted a 4 Star Green Star rating that incorporated people, emissions, energy, water, waste and air quality into the design. Our approach prioritised materials with lower embodied carbon content and chose more efficient HVAC systems and water fixtures. The design leveraged the roof space to install a solar array and implemented efficient irrigation systems to reduce water consumption across the site's gardens.

Despite the challenge of operating in an active retail environment, our site team maintained rigorous recycling and separation practices during demolition and construction, successfully diverting 90% of waste from landfill. These practices have fostered an ongoing culture of waste management, with initiatives to reduce operational waste throughout the centre's lifespan. Air quality is a lasting focus, with the centre's HVAC system specifically designed to account for the site's ambient conditions, ensuring a healthy environment for all occupants.

The development is anticipated to deliver long-term benefits to the community, including job creation and the establishment of new health and service facilities, such as a Service NSW tenancy with learner driver testing services.

We filed our submission to the Green Building Council of Australia in the third quarter of calendar year 2024 and look forward to achieving certification.



HomeCo Glenmore Park Town Centre, New South Wales.

Social

We aim to provide Australians with access to quality local infrastructure to enable the services they need to live their way. Our social impact initiatives are delivered through a partnership approach with key stakeholders in the communities surrounding our assets.



Connection

Connection is a social theme that focuses our response to essential local community needs related to health, wellness and daily services.

HMC Capital aims to provide Australians with access to quality local infrastructure that enables the services they need to live their way. By collaborating with partners in the communities where we operate, we can further amplify our social influence across our national portfolio.

Our Commitments

- Engage deeply with communities to create connection and understanding
- Strengthen equitable access to essential products and services
- Provide safe spaces for communities

Progress in FY24

- Continued to complete Needs Assessments for all new acquisitions where appropriate
- Applied Responsible Investment standards to all acquisitions, supported by periodic reviews
- Developed action plans to address community needs identified in Needs Assessments, following successful acquisitions
- HMC Capital Foundation awarded first grants to three organisations
- Progressed our CommunityCo national charity partnership with Eat Up, preparing 13,000¹ sandwiches to feed vulnerable school children
- Continued supporting health, wellbeing and lifestyle through the HomeCo 'Healthy Communities' campaign



¹ As at 31 July 2024. Source: HMC Capital x Eat Up MOU 2024 Impact Report.

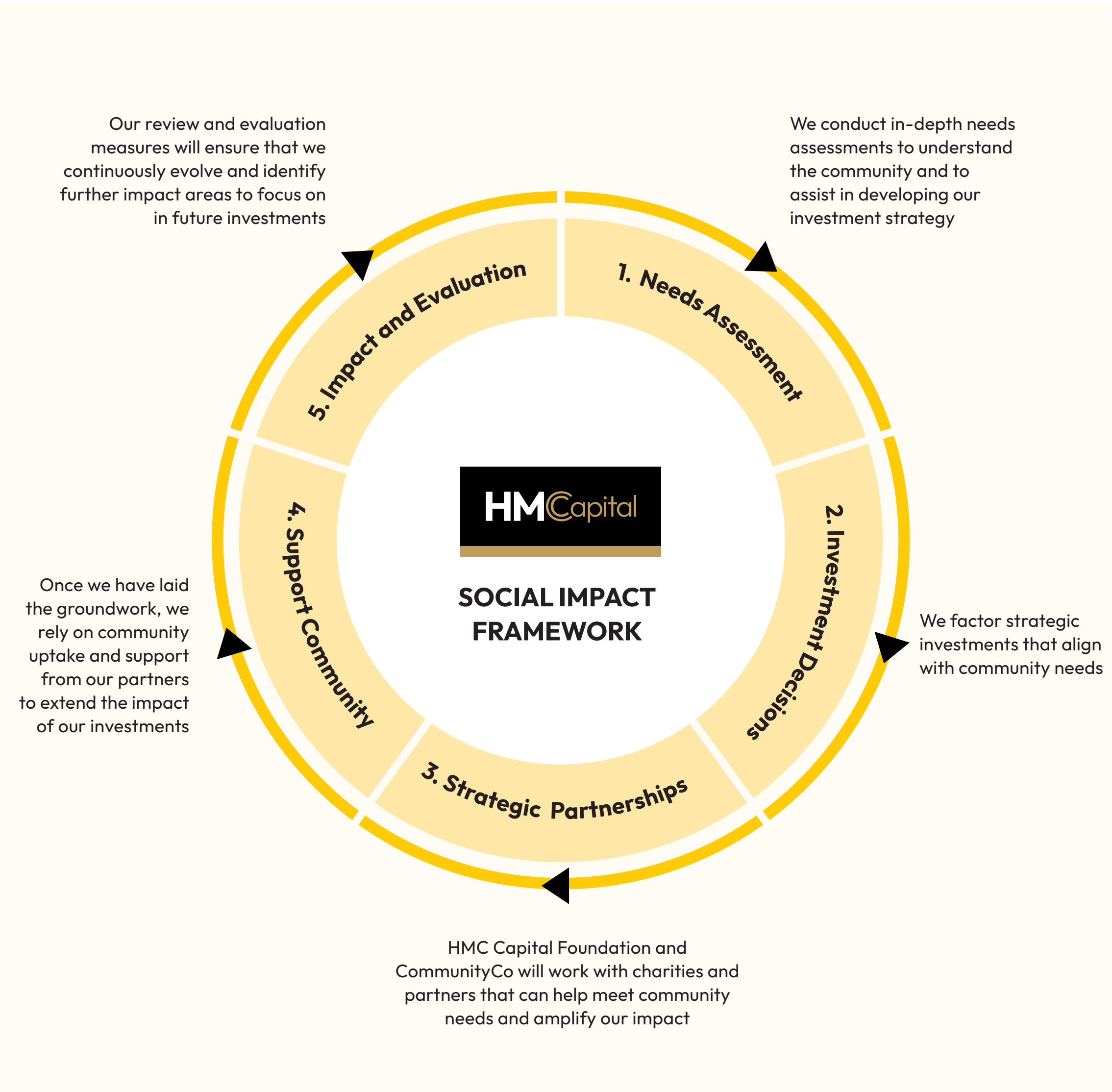
Social Impact Framework

The HMC Capital Social Impact Framework guides the Group’s investment and management decisions. It helps ensure that we:

- Understand local community needs
- Provide safe, clean, and inclusive spaces for communities to connect
- Work with tenants and operators to offer products, services and experiences that meet customer and community needs

Our registered charitable foundation, the HMC Capital Foundation, supports our Social Impact Framework and distributes funding to local communities through charities and community groups. Our CommunityCo initiative focuses on the needs of young people by working with community partners at the local asset level.

Having established a national partnership during FY23, this year we continued working closely with **Eat Up Australia** to combat childhood hunger – a key issue identified in our 2022 social impact needs assessment. Together we hosted sandwich making sessions with our employees and customers, making 13,000 sandwiches for distribution at 42 local schools in 310 volunteer hours, at 31 July 2024¹. Find out more in the case study on page 22.



¹ Source: HMC Capital x Eat Up MOU 2024 Impact Report.

CASE STUDY

Supporting young people through the HMC Capital Foundation

The HMC Capital Foundation supports charities and partners that can help meet the needs of our community to accelerate our social impact. The Foundation works to ensure its funds are applied wisely to create real, lasting and positive change.

To that end, in March 2024, the Foundation awarded its very first grants since inception to three charitable organisations aligned with its broad mission of supporting youth and breaking the cycle of inequality for future generations.

The grant recipients for FY24 were:

1. **Monash University William Cooper Institute** which maintains a commitment to advancing Indigenous education in Australia.
2. **Gotcha4Life Foundation** which provides mental fitness campaigns, workshops, programs and resources in schools, sports clubs, workplaces and communities Australia-wide.
3. **Feel the Magic** which supports young people aged 7 to 18 with grief education programs following the death of a parent, guardian or sibling.

The work of each grant recipient above closely aligns with the focus areas identified in our social needs assessment: (1) to support youth aged under 18 through access to education and health services; (2) upskilling, training and further development; and (3) health and wellbeing.

In the case of:

1. Monash University William Cooper Institute

The grant funds will be applied to supporting two Indigenous Leaders Scholarships, providing students who have demonstrated leadership potential with robust support towards their living and study costs while they immerse themselves in additional learning and networking opportunities.

Monash University believes in the power of scholarships to transform lives and communities. A gift to its Indigenous scholarships and grants program directly supports Indigenous students and their communities to overcome systemic disadvantage. When we remove the obstacles to success – such as financial hardship, juggling study and part-time work, or unaffordable accommodation – talented young Indigenous Australians can make choices based on their aspirations, not their circumstances.

Importantly, the benefits flow on beyond the individual. Obtaining a degree improves lifelong socioeconomic circumstances for the individual's family; graduates become role models for those in their communities; and more Indigenous graduates in the workforce can increase cultural safety and the number of services with Indigenous staff – known to increase accessibility for Indigenous Peoples.

“ Scholarships supporting Monash Indigenous students are not just financial support; they offer pathways to empowerment. When combined with comprehensive support from the William Cooper Institute, they form a recipe for success. Thank you, HMC, for your commitment to investing in and nurturing future Indigenous leadership. ”

ERIN PENNETT, DIRECTOR, WILLIAM COOPER INSTITUTE

2. Gotcha4Life Foundation

See the case study page for further details on the Gotcha4Life Foundation and how the HMC Capital Foundation grant has been utilised by the charity.



3. Feel the Magic

Feel the Magic will utilise the grant provided by HMC Capital Foundation to fund its Camp Magic Program, which will directly benefit 30 children and their families by offering them access to our 2.5-day overnight program.

Camp Magic is specifically designed to support children aged 7 to 17 who have experienced significant bereavement, focusing on their mental health needs through a structured and compassionate framework. The program addresses challenges such as anxiety, depression and emotional instability by creating a safe and supportive environment where children can express their emotions and develop coping strategies.

“ On behalf of Feel the Magic, I would like to express our deepest gratitude to HMC Capital Foundation for their generous donation. Your support is instrumental in enabling Feel the Magic to offer essential programs for children dealing with grief and loss as well as contributing to the health and wellbeing of these children for many years to come. We value HMC Capital's commitment, which makes a profound impact on our mission and the lives of the children we serve. ”

KRISTY THOMAS, CO-FOUNDER, COO

The Foundation's Advisory Committee was appointed during FY24 and oversees recommendations for the distribution of grants, as well as progress reporting by grant recipients.

Applications for potential FY25 grants will open in Q2FY25. Find out more on the HMC Capital [website](#).



Developed by clinical psychologists, educators, and individuals with lived experience of grief and loss, the Camp Magic Program includes workshops on healthy grieving techniques, peer support sessions, and therapeutic activities aimed at fostering emotional resilience. As part of this program all parents and guardians are offered 2 x 2 hour workshops that provide them with the same tools and strategies for healthy grieving and parenting through grief.

In Australia, 1 in 20 children will lose a parent before the age of 18. This statistic does not account for those who have lost a sibling or legal guardian, suggesting the actual number of affected children is significantly higher.

CASE STUDY

The HMC Capital Foundation grant for Gotcha4Life Foundation

The grant funds will be applied to the delivery of the Gotcha4Life Mentally Fit Primary Schools – a prevention-first, whole-of-school approach that builds mental fitness and the wellbeing of students, teachers and families both in and out of the classroom.

Designed by experienced educators and mental health specialists, Mentally Fit Primary Schools is informed by the latest research, leading SEL frameworks, and the National Children’s Mental Health and Wellbeing Strategy. Our three mental health protective factors and program inclusions align with the 2023 Australian Curriculum Content Connections for Mental Health and Wellbeing. This tailored approach addresses each school’s unique needs and complements existing wellbeing programs, while filling gaps in wellbeing education capacity and curriculum.

Specifically this grant has enabled Gotcha4Life to secure a Mental Fitness Educator who will be based in Western Sydney. Mental Fitness Educators are qualified teachers who help coach and support schools year-round to build their wellbeing capacity across four key domains:

Empowering School Leadership and Structures: Creating a shared vision, language, and plan around mental fitness and wellbeing and integrating into school practices.

Supporting and Equipping Staff: Enhancing staff wellbeing and increasing educator capacity to support their own and their students’ mental fitness.

Student Voice, Skills and Engagement: Developing student mental fitness and wellbeing skills, leadership and voice and cultivating a sense of belonging and connection among students.

Family Caregiver Partnership: Nurturing meaningful parent-carer-teacher partnerships and a shared approach to mental fitness between school and home.

“Gotcha4Life worked with the whole school to teach them about mental fitness. Well, the kids loved it. They were up and jumping around and building their mental fitness.”

HEAD OF LEARNING SUPPORT, PARTICIPATING SCHOOL



“It’s been received very positively. The students get to talk about their feelings with others, and ensure they have support networks in place to cope with life’s challenges.”

STAGE 3 TEACHER, PARTICIPATING SCHOOL



HomeCo Healthy Communities

Supporting the social needs of communities

Our CommunityCo and Healthy Communities initiatives focus on bringing communities together in addition to seeding and supporting businesses and partners that share our ambitions.

The HomeCo Kids Club expanded during the year, with 4,500 children attending regular free activities across eight assets during FY24. During some of these Kids' Clubs, we worked in collaboration with key stakeholders and retailers; for example, teaching children how to make healthy food while learning healthy habits.

We also partnered with tenants and community organisations to host local community events, hosting 41 sessions for more than 1,500 people at selected assets. **HomeCo Southlands Boulevard** and **HomeCo Menai Marketplace** collaborated with tenant Sushi Hub to host sushi-making workshops, with 400 children preparing their own sushi rolls. Cookie decorating with Muffin Break at **HomeCo Southlands Boulevard** was enjoyed by 320 children, while children from Cubbyhouse Preschool added their handprints to the wall art at **HomeCo Menai Marketplace**. Four family cinema nights at **HomeCo Prestons** were attended by 450 people.

Days of significance are also times for community celebration. During FY24, **HomeCo Woodlea Town** marked both Holi and Easter with nightly entertainment for the Festival of Colour celebration. **HomeCo Southlands Boulevard** held a Lunar New Year celebration, with a Lion Dance Fung Shui performance and children's workshops.

During the Christmas period, we continued hosting Sensitive Santa sessions for children with sensory needs. Thirty-seven families attended these low-noise, calm sessions at **HomeCo Glenmore Park Town Centre** and **HomeCo Menai Marketplace**. In FY25, we plan to expand the number of sessions at these assets to increase their accessibility for our customers.

In partnership with the Salvation Army, we hosted the annual charity trolley challenge at 12 assets. Customers filled 73 trolleys with donated items in a three-hour period to support local families in need, with the food donated valued at around \$18,250.

Our HomeCo 'Healthy Communities' campaign encourages our customers to focus on their health, wellbeing and lifestyle through local activations and events.

In FY24, five assets held creativity-focused community workshops for all ages, with 2,280 people attending 114 workshops to make crafts and home décor items from quality materials. At **HomeCo Castle Hill**, these popular workshops are regularly frequented by local disability services providers and carers. We provide an inclusive and welcoming environment where everyone can participate and enjoy creative arts and crafts. They offer engaging, accessible experiences where people can learn new skills, build friendships and connect with fellow community members.

Staying connected to local community groups and getting them actively involved in our assets where possible is extremely important to us. An example of this is our recent partnership with The Menai Men's Shed. Established in 2010, the local group aims to provide a safe, comfortable, affordable and accessible venue where men can find social support and camaraderie while engaging in meaningful projects. **HomeCo Menai Marketplace** partnered with Menai Men's Shed members to build a bookshelf for the centre's Community Book Exchange. Following this successful collaboration, we are looking to engage with other local community organisations to further encourage health and wellbeing.



“ We love the bracelets and glitter bar. My daughter is 13 and in a wheelchair and she was absolutely thrilled! Your business is so (dis)ability inclusive – big thank you. ”

HOMECO CASTLE HILL CUSTOMER

CASE STUDY

Scaling up our partnership with Eat Up Australia

We are proud to partner with Eat Up Australia to provide school lunches for children who are going without – as many as one in five students at the schools that Eat Up supports.¹

Founded with a vision to ensure no child goes hungry at school, Eat Up partners with schools and community organisations to identify and support children at risk of going without lunch. Each week, they make and deliver more than 30,000 lunches directly to schools nationally.

Eat Up's mission aligns with our focus on supporting youth aged under 18 through access to education and health services, and health and wellbeing – areas identified in the social needs assessment we completed in 2022. Children who miss meals can experience fatigue, poor concentration, learning difficulties and behavioural problems in school.

Having established our national partnership during FY23, this year we scaled up our support by providing opportunities for our employees and customers to contribute to Eat Up's work. We hosted five sandwich-making sessions in 2024 with customers at **HomeCo Logan, HomeCo Menai Marketplace** and **HomeCo Southlands Boulevard**.

Our **HomeCo Glenmore Park** asset team took part in a workplace session, with sandwiches going to local Penrith schools.

Together we prepared 13,000 sandwiches for distribution at 43 local schools and donated 310 volunteer hours as at 31 July 2024², contributing to the 50,000 sandwiches that our donation helped facilitate for the year. For FY25, we have already held a number of sandwich making sessions. We continue this progress with several further customer sessions planned for the rest of the year as we continue to grow this important partnership.

Our partnership has directly impacted the scale of Eat Up Australia's national operations, allowing the charity to grow the number of supported schools by 34%. Together we have enhanced the charity's ability to reach and support more children, underscoring the positive outcomes of collaborating to address critical social challenges.



CASE STUDY

Expanding health services in south-western Sydney

HCW is investing in the future of healthcare in south-western Sydney, with plans progressing to expand the Camden Medical Precinct.

The George Private Hospital, a 78-bed private surgical and maternity hospital operated by Acurio, opened in June 2023. There is significant demand for private healthcare services in the catchment area, and over 500 babies have already been born at The George as at August 2024.

Stages 2 and 3 of the Precinct comprise a significant private medical and surgical hospital (including a comprehensive cancer care centre) and a medical research facility. Planning progressed further during FY24, including the activation of the State Significant Development Approval for the proposed \$300m+ development projects.

When completed, the Camden Medical Precinct will be home to several health 'Centres of Excellence' that will provide much needed integrated healthcare infrastructure for the south-west growth corridor.

¹ Eat Up Learn, Grow and Succeed Report, 2022.

² Source: HMC Capital x Eat Up MOU 2024 Impact Report.

Respect

Respect is a social theme that is fundamental to our ability to create long-term value. We acknowledge and consider the inherent dignity, safety, diversity and human rights of all people we engage with.

Our Commitments

- Show respect for human rights
- Ensure all employees enjoy wellbeing, safety and equal opportunity to reach their full potential
- Invest in developing a work environment in which our people feel engaged and aligned with our values

Progress in FY24

- Published HDN's second Modern Slavery Statement
- 50% gender diversity across the entire organisation
- Received final endorsement from Reconciliation Australia and publicly released Reflect RAP
- Nil employee Lost Time Injuries
- 100% of employees completed mandatory compliance training



Workforce statistics

	FY22	FY23	FY24
Full-time employees	75	75	86
Part-time employees	3	4	4
Total employees	78	79	90

Health and safety

HMC Capital is committed to ensuring the health and safety of our people, customers, tenants, onsite teams, and contractors in the workplace and when they visit our assets and developments. Our Work Health and Safety Policy outlines how we manage any potential risks to ensure the safety and wellbeing of our community. It includes our key objectives and commitments, including: the physical and psychological safety of workers; implementing safe systems of work and work design to enhance health, wellbeing, and productivity; and continuous improvement in safety matters.

We have three lines of defence to ensure safety at our assets:

- We engage Knight Frank in the facilities management of our assets
- Comprehensive property risk assessments are conducted for all our centres reporting on physical risks, and
- Our insurers provide property damage and public liability insurance, and conduct annual audits of key safety controls and systems

There were no employee Lost-Time Injuries recorded across the Group during FY24. In the HDN portfolio, the average incident rate during FY24 was 1 in 197,446 square metres, with all incidents classified as minor.

We communicate our work health and safety policies and procedures to all employees during onboarding and through regular training and internal updates, reinforcing that safety is everyone’s responsibility and the importance of timely incident reporting.

Championing inclusion and diversity

We recognise the value and importance of inclusion and diversity in our workplace. Our team brings together diverse skills, backgrounds, perspectives and experiences to our work each day.

Our Diversity Policy promotes diversity as part of an inclusive work environment, addressing issues of gender, age, ethnicity, marital or family status, religious or cultural background, sexual orientation or preference, disability and mental impairment.

The Board is responsible for the Diversity Policy, including to regularly review and monitor its effectiveness.

Gender diversity

The Board set gender diversity targets for FY24, which focused on:

- Increasing the number of women across the entire organisation
- Increasing the number of women in senior executive roles
- Increasing the number of women on the HMC Capital Board in order to have not less than 30% of its Directors of each gender
- Ensuring female representation on the Board of each Company’s managed vehicles
- Monitoring the number of women in independent Director positions across the Company Board and its managed vehicles

Achieving gender diversity

Relevant Objective	FY22 historical	FY23 historical	FY24 actual	FY25 target
Women employed in whole organisation	51%	52%	50%	50%
Women in senior executive roles*	45%	48%	48%	50%
Women in HMC Capital Board Director positions	29%	29%	29%	50%
Women in managed entity Board Director positions (HDN, HCW and HMC Capital Partners Fund)	41%	44%	44%	50%
Women in independent Board Director positions across the Group (HMC, HDN, HCW and HMC Capital Partners Fund)	50%	53%	53%	50%

*Senior executives include managers who hold roles designated as senior executive roles, as well as Key Management Personnel.

HMC Capital continues to progress towards our goal of 50% female representation across the organisation, including Executives and Directors.

In FY24, female representation across the organisation met our 50% target and exceeded our target for Independent Board Director positions across the Group. Women in senior roles increased to 48%, slightly below target. With limited changes to the Directors of HMC Capital and our managed entities, women’s representation remained below target for these positions.

We continue to offer benefits and initiatives to support diversity across our organisation, including six months paid parental leave and up to 12 months superannuation. Our recruitment processes encourage applications from diverse candidates, and we complete regular gender pay reviews to confirm we have parity for roles and recognition for high performing employees.

In April 2024, HMC Capital became a signatory to 40:40 Vision, a cross-industry initiative to pursue gender balance in executive leadership in ASX 300 companies, further illustrating our commitment to gender diversity. We have committed to achieving gender balance – 40% female, 40% male and 20% any gender – in our executive leadership by 2030 and to publishing our medium- and long-term gender targets and supporting action plan. We will seek to report our progress against these commitments in future reports.



CASE STUDY

Developing our Reflect Reconciliation Action Plan

Reconciliation is a path to build relationships and connections that can positively influence our communities. HMC Capital has a role to play in acknowledging and addressing the historical disparity between Aboriginal and Torres Strait Islander peoples and the rest of Australia – aligned with our role as responsible stewards of the funds and assets entrusted to us.

We began our reconciliation journey in FY23, establishing a working group to explore what reconciliation means to HMC Capital and develop our first Reconciliation Action Plan (RAP). Consisting of employees from across the Group, the RAP Working Group worked closely with an Aboriginal and Torres Strait Islander-owned Indigenous engagement consultant. Together we conducted workshops for our Executive and the Working Group to build our vision and strategy for reconciliation.

The Working Group then prepared our Reflect RAP. Guided by Reconciliation Australia, it sets out 13 key actions across four focus areas: relationships, respect, opportunities and governance. We have appointed a RAP Champion, our Managing Director and CEO, who champions internal awareness and engagement in the RAP.

As part of this process, we engaged Billy Reynolds, a Dharawal/Yiun man and artist, to create an artwork representative of HMC Capital's story. Billy worked with our team and listened to our story before completing the 'Journey of Creation' artwork. Find out more about Billy and the artwork in our Reflect RAP, available on the [HMC Capital website](#).



Journey of Creation
Billy Reynolds, a Dharawal/Yiun man and artist

Supporting reconciliation

At HMC Capital we are committed to meaningful engagement and respectful relationships with the Aboriginal and Torres Strait Islander community and are developing our approach to supporting reconciliation. Reconciliation is an important part of our focus and commitment to our local communities.

We acknowledge there is much to learn. Our initial focus is respectfully listening, learning and understanding the rich history and culture of Aboriginal and Torres Strait Islander people in the areas where we operate.

We are also clear that our first RAP needs to be authentic with a strong remit to ensure the organisation implements robust targets around engagement with Aboriginal and Torres Strait Islander businesses and employment on key projects.

In May 2024, our inaugural Reflect Reconciliation Action Plan (RAP) was endorsed by Reconciliation Australia – a significant step forward in our commitment to reconciliation and to fostering meaningful relationships with Aboriginal and Torres Strait Islander peoples.

To this end we have started to action our RAP commitments, promoting reconciliation through our sphere of influence and positive relations through strategies to address disadvantage and promote inclusiveness.

We have commenced a review of HR policies and procedures to ensure existing provisions are aligned to our commitments in our RAP as well as undertaking a review of cultural learning needs within our organisation.

We're in the process of developing an understanding of the local Traditional Owners or Custodians of the lands and waters within our organisation's operational area as well as increasing staff's understanding of the purpose and significance behind cultural protocols, including Acknowledgement of Country and Welcome to Country protocols.

We have raised awareness and shared information amongst our staff about the meaning of NAIDOC Week.

Following the new business verticals added to the HMC portfolio in FY25, we are also in the process of expanding our RAP Working Group to reflect our current business structure to ensure adequate representation from different facets of the Company.

Additionally, aligned with our RAP commitments, the HMC Capital Foundation has made a FY24 grant to the William Cooper Institute at Monash University to support Indigenous scholarships over three years.

Engaging and developing our people

The contributions of our people are central to the collective success of HMC Capital and our ability to create value.

We support our team's development by refining and enhancing our employee onboarding, training and development processes as we grow. We aim to broaden the development initiatives and growth opportunities available to our people, beyond our established compulsory training in the areas of governance, Code of Conduct, sustainability and workplace health and safety. Compulsory training was completed by 100% of employees in FY24.

Our performance planning and review process also supports employee development. Each financial year, employees set goals and key performance indicators (KPIs) for their role that contribute to the strategic goals of the Group. These goals are monitored throughout the year, with regular feedback provided by people managers. An end-of-year review between employees and their managers discusses overall performance, KPI outcomes and development needs before setting goals and development plans for the year ahead.

Governance

The Board and all levels of management are fully committed to maintaining and enhancing corporate governance so that it continues to contribute to the delivery of HMC Capital's key strategic objectives.

While the Board is responsible for establishing our corporate governance framework, we believe good governance is the collective responsibility of all our team members. We also believe that excellence in governance is more than just strict compliance with the law; it is essential for the long-term sustainability of our business and is one of our key focus areas and measures of success.



Accountability

Earning and keeping the trust of our stakeholders is central to our governance theme of accountability. We work to deliver on this commitment through transparent communication, processes to ensure independence in decision making, and by doing what we say we will do.

HMC Capital’s commitment to strong governance includes demonstrating ethical business practices, with comprehensive policies and procedures that govern our investment decisions, operations and engagements with external stakeholders.

We hold ourselves accountable by reporting against global ESG Frameworks, including the United Nations Principles for Responsible Investment, GRESB and United Nations Global Compact, as well as global benchmarks and standards.

Our Commitments

- Robust and transparent sustainability-related governance standards and processes
- Hold strong and transparent relationships with investors
- Leverage business relationships to promote responsible business practices

Progress in FY24

- Strict compliance with each entity’s conflict of interest and related-party transaction policy
- HDN was awarded 2024 ESG Regional Top-Rated company with Morningstar Sustainalytics, for the second year in a row
- HMC maintained a rating of ‘AA’ in the MSCI ESG Ratings assessment
- Completed HDN’s GRESB submission
- Limited assurance attained on HMC Capital managed assets for scope 1 and scope 2 emissions in addition to energy consumption¹

¹ Managed assets in our managed REITs where we have operational control were included in the limited assurance scope.



Engaging with investors through global ESG reporting frameworks

HMC Capital is a signatory to the United Nations Principles for Responsible Investment (PRI). As a signatory, we are adopting, implementing and evaluating the effectiveness of each of PRI’s six principles of responsible investment. We reported on our progress for the second time in mid-2024, in accordance with PRI reporting requirements.

We participate in the GRESB Real Estate Assessment, the global real estate sustainability benchmark, to assess our progress in incorporating ESG considerations into our investments, developments and operating assets. HDN participates in GRESB annually to understand its performance compared to peers and identify areas for improvement.

In FY24, we reviewed the suitability of the HCW portfolio for the GRESB real estate assessment. This review concluded that the GRESB assessment is not currently suitable for HCW given the limited operational control and lease structure of assets, as well as the nature of the assets themselves. We will continue to monitor developments in GRESB to review HCW’s suitability for assessment in future.

Our commitment to attaining green building ratings such as NABERS and Green Star provides further validation of our sustainability efforts for investors, tenants and other stakeholders. They also help to shape our sustainable building practices. Find out more in the ‘Green Future’ section, starting on page 13.

We remain a signatory of the United Nations Global Compact (UN GC) and are committed to upholding its 10 key principles related to human rights, labour, environment and anti-corruption.

HMC Capital maintained its ‘AA’ rating in MSCI ESG Ratings, which aims to measure a company’s resilience to long-term ESG risks.

HDN was awarded the ESG Regional Top-rated Company by Morningstar Sustainalytics for the second consecutive year. This rating measures the level of financial risk a portfolio faces from ESG factors, compared to other portfolios in the same group.

ESG investor benchmarks



Signatory of:



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Modern slavery

HMC Capital acknowledges and condones taking action against modern slavery. We are committed to upholding human rights across our operations and supply chain and seek to ensure safe working conditions, including the elimination of discrimination and harassment.

We take a proactive approach to understanding modern slavery and other human rights risks across our supply chain, including collaborating with industry to address collective human rights challenges.

It is important that we hold ourselves accountable by reporting on Modern Slavery, just as we benchmark our broader ESG performance. In October 2023, our second HDN Modern Slavery Statement was published. Our Code of Conduct was also enhanced to include references to modern slavery. Additionally, to ensure employees remain aware of and continue to uphold human rights, an update on modern slavery was included in our all-employee meeting earlier this year.

We are currently reviewing HDN’s third iteration of its Modern Slavery Statement, which will published by the end of 2024. You can view the latest [HDN Modern Slavery Statement](#) on the HMC Capital website.

Enhancing our sustainability reporting

Reporting our sustainability performance provides stakeholders with decision-useful information about the Group. This is our fourth annual sustainability report, and our approach continues to evolve. We remain committed to providing sustainability disclosures that are as transparent, timely and as complete as possible.

This FY24 Sustainability Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, which guide organisations in communicating accountability for their material sustainability issues.

In FY25, we will refine our reporting approach to begin alignment with global and Australian sustainability reporting standards and reflect the growth and evolution of our business.



Alignment

Alignment is a governance theme that involves having the necessary skills, environment and culture to support and drive our aspirations and sustainability commitments.

HMC Capital is committed to ongoing, effective and transparent governance. A strong and effective governance framework is critical to ensuring we build and maintain trust as custodians of the assets we manage on behalf of our shareholders and fund investors.

Our governance framework supports our team members in delivering our strategy and supports effective, responsible and sustainable decision making and business conduct.

We have comprehensive policies and procedures that govern our investment decisions, operations and engagements with external stakeholders. These policies include our Code of Conduct, Anti-Corruption Compliance Policy, Diversity Policy, Sustainability Commitments and Work Health and Safety Policy.

Our independent Sustainability Committee oversees HMC Capital's sustainability strategy and approach.

Our Commitments

- Maintain strong Board diversity, independence and skillset
- Embed sustainability objectives in KPIs, remuneration and incentive structures
- Build an organisational culture that drives sustainable outcomes

Progress in FY24

- 53% gender diversity across Independent Board Director positions, exceeding our 50% target
- HMC Capital became a signatory of 40:40 Vision, further illustrating our commitment to gender diversity
- Completed an independent HMC Capital Board evaluation and currently implementing recommendations
- Refreshed and enhanced our Code of Conduct
- ESG KPIs in place for all employees



Implementing corporate governance review recommendations

In 2023 we engaged a corporate governance specialist to conduct an independent review of the Board using a detailed methodology. The review scope focused on key elements of an effective Board – assessing, identifying and strengthening the Board’s value-add to HMC Capital. The resulting recommendations were considered by the Board and management, and are being implemented during FY24 and FY25.

The Board and each Board committee also completed a performance self-evaluation with the assistance of the same corporate governance specialist during FY24.

Enhancing our Code of Conduct

We enhanced our Code of Conduct during the year, following a review by the Audit and Risk Committee and Board as part of our corporate governance processes. The refreshed Code of Conduct includes refinements regarding conflicts of interest, responsibilities to key stakeholders, safe working environment, modern slavery, respecting human rights, environment and sustainability, and employment practices. Our updated [Code of Conduct](#) is available on the HMC Capital website.

Our governance structure

Independence and diversity are important for effective Board oversight. HMC Capital, HDN, HCW and HMC Capital Partners Fund 1 each have an independent Board of Directors that provides oversight and sets strategic objectives.

The Sustainability Committee, one of three Board sub-committees, oversees HMC Capital’s ESG strategy, approach and initiatives across the Group. The Committee provides support and advice to the Board in fulfilling its responsibilities relating to sustainability to HMC Capital shareholders. This extends to:

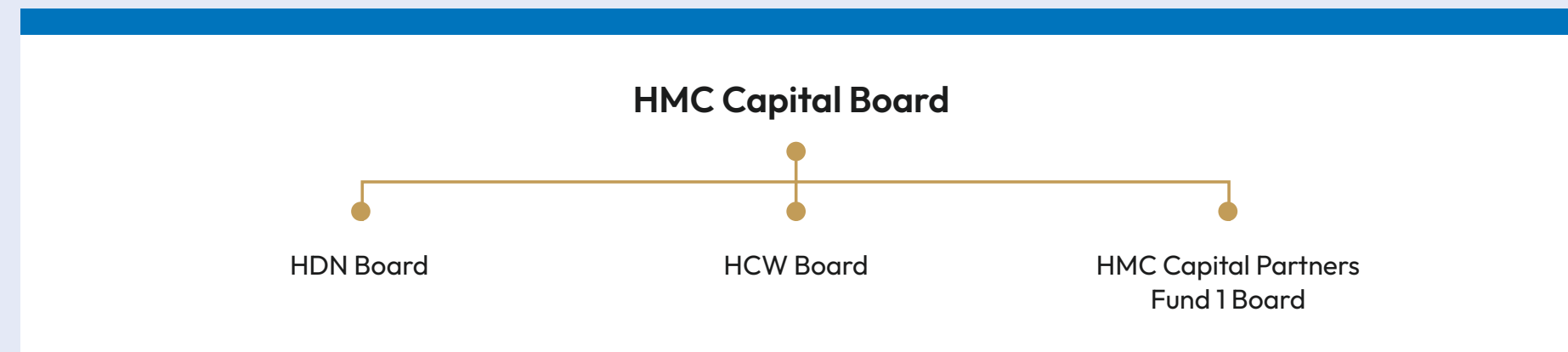
- Ensuring there is relevant alignment with industry and benchmarking organisations
- Evaluating performance against designated ESG KPIs
- Determining relevant risk reporting related to climate change, modern slavery and regulatory or industry matters

Representatives of HDN and HCW are invited to attend each Sustainability Committee meeting and have direct input into the sustainability-related initiatives and progress of the broader HMC Capital Group, as well as matters directly affecting the relevant managed fund. Representatives are Directors of the responsible entity.

You can view the HMC Capital [Board Charter](#) and [Sustainability Committee Charter](#) on the HMC Capital website.



Our Governance Structure



<p>Audit and Risk Committee Oversees all risk, including non-financial risks</p>	<p>Sustainability Committee Oversees sustainability projects and initiatives</p>	<p>Remuneration and Nomination Committee Oversees remuneration and nomination matters</p>
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Chief Executive Officer
Responsible for the day-to-day operations of HMC Capital

Executive Leadership Team
Comprised of leaders from each area of Operations and Support including Asset Management, Leasing and Development, Human Resources, Legal, Corporate and Finance, and Sustainability

Sustainability and ESG Working Groups

- Social working groups: focusing on community support through CommunityCo
- Development working group: focusing on sustainable design standards, and achieving third party ratings
- Asset and facilities working group: focusing on asset efficiency, EMS, green leasing and fit-out guides and a waste strategy
- Decarbonising working group: progressing the assessment of solar photovoltaic and renewable energy

Policies and Procedures



Looking after our portfolio

Active and astute management of our portfolio is critical to creating value for our shareholders and stakeholders over the long term. Key aspects of our asset management policies and procedures are described below.

Acquisitions

As a signatory to the United Nations Principles for Responsible Investment (PRI), HMC Capital is committed to putting the six principles of responsible investment into practice. We believe that environmental, social and governance (ESG) issues can affect the performance of our investments.

We consider the following ESG issues when performing due diligence on potential acquisitions:

- Biodiversity and habitat
- Building safety
- Climate change adaptation
- Compliance with regulatory requirements
- Contaminated land
- Energy efficiency
- Energy supply
- Flooding
- Greenhouse gas emissions
- Health and wellbeing

- Human rights
- Indigenous and traditional owners' rights
- Indoor environmental quality
- Infrastructure
- Natural hazards
- Socio-economic factors
- Transportation
- Waste management
- Water efficiency
- Water supply

If material ESG issues are identified during the investment due diligence process, they may affect the commercial terms or lead to the abandonment of the prospect altogether. For investments that proceed, the identification of ESG issues during the due diligence process helps inform ongoing management. ESG issues can present opportunities for us, such as unlocking value by enhancing the sustainability performance of an underperforming asset.

Developments

HMC Capital believes that the integration of ESG considerations into asset development is key to the long-term sustainability of our portfolio. We work closely with stakeholders in the communities where we operate to ensure that our developments add value for stakeholders and will continue to create value for years to come.

Biodiversity and habitat

We work to restore and enhance the natural environment within and around our new developments. We consider and review local biodiversity and habitat, as appropriate to our developments, and work to have a net positive impact on local biodiversity. Where our developments are judged to impact on ecosystem services or wildlife habitats, we incorporate mitigation strategies into our designs.

Building safety

We require our development projects to uphold the highest level of safety, starting in the design phase and continuing through the operation of the completed asset. We incorporate industry-leading safety standards into our building designs, including structural stability, fire safety, sanitation, and safe wiring. During the construction and operation of our assets, our ultimate goal is to provide an injury-free environment in which people can live and work.

Health and wellbeing

We recognise that properties developed by HMC Capital, and the products and services provided by our tenants, contribute to the social determinants of health, which directly impact the stakeholders in our communities. We work to support the health and wellbeing of our stakeholders by facilitating the delivery of high quality, culturally appropriate health services in our communities. HMC Capital develops assets that address unmet and underserved community health needs, which we identify through needs assessments. We encourage the stakeholders in our communities to engage with these health services.

To facilitate Healthy Communities, we undertake educational campaigns, promotions and social media activities with the goal of increasing the number of Australians that have integrated access to high quality health services.

Indoor environment quality

Because indoor air quality affects the continued wellbeing of our tenants, we consider indoor air quality throughout our development process. HMC Capital starts by designing high quality ventilation and air exchange systems into all our developments. During the construction phase, we require our contractors to maintain indoor air quality. Throughout the operation of our properties, we require regular maintenance and testing of heating, ventilation and air conditioning (HVAC) systems to ensure that air quality is maintained throughout the life of each asset.

Renewable energy

Incorporating renewable energy into our new development is an important part of our decarbonisation strategy. We aim to include onsite renewable energy generation, such as solar photovoltaic panels, into all new developments where feasible.

We are working to retrofit existing properties where appropriate to increase our renewable energy generation and reduce our reliance on conventional grid energy.

Resilience to catastrophe/disaster

As part of our site selection process, we evaluate the existing and possible future threats of natural disaster. We work to mitigate these threats through measures such as incorporating resilience into the design of our assets, educating our tenants, and implementing policies that ensure we are ready to respond to climate-related catastrophes.

Waste management

We require our contractors to divert construction materials from landfill as much as possible during development projects. There are financial incentives for contractors to recover and reuse building materials. We also encourage our contractors to reuse or divert vegetation and soil from landfill. We monitor the disposal of hazardous and non-hazardous waste as appropriate.

Operations

Integrating ESG considerations into the ongoing operation of our properties minimises risks while positioning the business to unlock value through sustainability-related opportunities. Through continuous operational improvement and minimising our carbon emissions, we are playing our part to move toward a greener future.

Climate change adaptation

We recognise that climate change is impacting our properties through increased frequency and severity of extreme weather events, and longer-term changes in climatic conditions. These changes introduce risks of property damage and require changes in our building management approach to maintain optimal operations.

Actions that we take to enhance our portfolio's adaptation to climate change, as appropriate, include:

- Structural building adjustments designed to protect from natural hazards such as flooding
- Designing and operating our building management systems to accommodate increased extreme weather events
- Working with our suppliers to identify companies in our supply chains that may face disruptions themselves

Our roadmap to net zero sets out a three-phase approach:

- Optimise energy consumption at our assets using state-of-the-art Energy Management Systems (EMS) across all feasible sites
- Scope right-sized energy generation solutions using data from the Energy Management System
- Implement appropriate energy storage solutions once we understand the energy consumption and generation from assets

Energy consumption

Throughout our operations, we strive to reduce our energy intensity and reliance on non-renewable energy sources. We enhance energy efficiency through initiatives such as LED lighting upgrades, high-efficiency HVAC, and using occupancy sensors to match energy usage to asset demand.

Our EMS uses AI technology to create a ‘smart’ energy system that can adjust energy consumption in real time according to internal and external environmental changes. These systems can incorporate new technologies as they become available (e.g. incorporating onsite solar power generation to reduce reliance on fossil fuels) to further optimise asset performance.

We also seek to attain asset-level energy ratings to benchmark our current performance and improve energy efficiency.

Renewable energy

We are committed to producing solar energy onsite within the next five years, with the initial goal of generating all electricity used in common areas. Our onsite solar systems are designed for future expansion as battery and power storage technology evolves.

Greenhouse gas emissions

We are committed to transitioning the real assets we manage and control to net zero carbon emissions by 2028. We are focused on rapidly decarbonising our operations through energy efficiency upgrades, onsite renewable energy generation and microgrid technology, along with minimal use of offsets.

Waste management

We seek to reduce the amount of waste generated in both the development and operation of our assets. At our operating assets, we engage with our waste management contractors to provide recycling facilities and track waste production. We seek to improve our resource recovery efforts following finalisation of our waste strategy.

Water consumption

Australia is a land of floods and droughts, with climate change impacting rainfall patterns and water availability across the country. To minimise our impact on water availability in the communities where we operate, we action water efficiency, recycling and reuse opportunities across our portfolio.

Common water efficiency measures that we consider include:

- High efficiency fixtures, such as taps and toilets
- Water meter separation and leak detection
- Drought-resistant landscaping
- Rainwater collection systems

We track water use for assets within our operational control and seek asset-level water ratings to inform continuous improvement over time.

Approach to risk management for material ESG topics

The Audit and Risk Committee is responsible for the identification and management of risks, including those arising from material ESG topics. This is controlled through the Risk Management Framework and reviewed at least annually to ensure it remains effective. Our regular audit program tests adequacy and compliance, with the implementation of remedial action where required to address any areas of weakness. In accordance with the precautionary principle, sustainability issues and risks are considered throughout our operations and integrated with our corporate goals and strategic planning.

Looking after our people

An engaged, motivated workforce is central to HMC Capital’s sustainability objectives. Key aspects of our employee policies and procedures are described below.

Employee engagement

We understand that our success is dependent on an engaged workforce that is motivated to deliver on our purpose. As a growing organisation, we informally survey our people about their employee experience to understand what works for them and to identify initiatives that can enhance the employee experience. Over time, this will be developed into an external independent process.

All employees agree key performance indicators and targets with their respective managers and receive performance appraisals at least once per year to celebrate success and redefine role requirements as appropriate. Our people enjoy a variety of benefits related to leave entitlements and access to health, wellbeing, financial and other services.

Our people are expected to act with integrity and in accordance with the Company’s stated values. This includes performing their duties with care and dealing fairly with all clients, customers, suppliers, business partners and competitors. We hold our people accountable for their personal decisions and expect them to refrain from any illegal or unethical activity. The conduct that we expect from our employees is explicitly stated in our [Code of Conduct](#).

Inclusion and diversity

Our commitment to an inclusive and diverse workforce recognises the benefits of attracting a wide range of talent and creating an environment where our people are encouraged to bring their whole selves to work. We are committed to equal treatment of all our employees. As stated in our Code of Conduct, HMC Capital aims to provide a work environment in which all employees can excel regardless of race, religion, age, disability, gender, sexual preference or marital status. The Group will not tolerate any form of harassment, violence, bullying, victimisation, vilification or discrimination in the workplace from any person working for or with HMC Capital.

Our people receive training on how to foster an inclusive workplace and how to report any concerns that they may have. These policies are laid out in the HMC Capital Diversity Policy. As a signatory to 40:40 Vision, we have committed to achieving gender balance – 40% female, 40% male and 20% any gender – in our executive leadership by 2030 and to publishing our medium- and long-term gender targets and supporting action plan. We will seek to report our progress against these commitments in future sustainability reports.

Health and safety: employees

We support the health and safety of our employees. This includes our people who work from home, who are engaged to ensure that their home workplace is safe.

Whistleblower policy

The HMC Capital Whistleblower Policy encourages all eligible whistleblowers to raise matters that are of legitimate concern, including in relation to a potential breach of any legal or regulatory requirement, or a Company policy.

Under the Whistleblower Policy, reports of actual or suspected misconduct are to be made confidentially or anonymously to the Group General Counsel. If it is not practical to raise concerns regarding actual or suspected misconduct internally, there is an independent external service that can be contacted. All whistleblower disclosures are reviewed and investigated, either internally or externally, as appropriate. Further information can be found in the [Whistleblower Policy](#), available on our website.

Looking after our communities

Our social impact approach supports Healthy Communities through community development initiatives. Policies and procedures underpinning our community initiatives and engagement are described below.

Approach to retail partner support

Providing support for our retail partners is an important part of our strategy. Prioritising retailer satisfaction helps us sustain a diverse mix of quality retailers, attract repeat customer visits to our assets, and meet investor expectations. We support our tenants in creating retail environments that are aesthetically bright and attractive, meet functional requirements and offer the vibrancy and atmosphere required to deliver exceptional customer experience.

HMC Capital invests annually in the upgrade of our centres. As well as improving aesthetics, we seek to enhance functionality and the customer experience, listening to customer requests for better facilities such as car parking, toilet facilities and cafes.

We work hard to create a support system to help each retailer to maximise their potential. Each centre has a dedicated centre management team that provides proactive, hands-on, specialised management and a single contact point for tenant support.

Our bespoke Retailer Portal is a secure online hub that provides our retailers with access to important centre-specific information, contact details and operational updates, at their convenience. Significant time is spent meeting with retailers to discuss the performance of their portfolio and their experience operating in our centres.

Community development

Our community engagement and development approach is informed by needs assessments that identify critical gaps that our operations can address. For example, we provide space for community activities in the locations where we operate and use our social media and onsite advertising to raise awareness of our community partners' activities.

CommunityCo supports the development and scale of local initiatives that address a range of community issues, focusing on youth under 18. CommunityCo funding is allocated based on the results of community needs assessments which are conducted regularly in the areas around our sites.

Health and safety: community, tenants and customers

HMC Capital supports our tenants' and customers' health and safety through active management of the operations in our assets. We focus on indoor air quality during the design and operation of our assets to support health. To enable our efforts to support the health of the communities around our assets, we complete community needs assessments when making investment decisions, and plan to implement reviews across operating assets. Through our Healthy Communities initiatives, we enable tenants and operators to access essential products and services within the local community. We invest in assets that address an unmet or underserved need of the community, and work with tenants to provide convenient and appropriate services.

Cyber security

HMC Capital works to protect the privacy of our stakeholders. We engage cyber security experts to assess IT infrastructure and recommend improvements to information security controls.

All employees undergo security awareness training and regular phishing simulation. The training platform content is designed to maintain interest and increase knowledge retention. Training videos are delivered in five minutes or less each month. The platform includes reporting to identify employees that would benefit from additional targeted training to reduce high-risk behaviour.

Social enterprise partnering

HMC Capital is committed to implementing its Social Impact Framework. Our social enterprise focus area aims to work and partner with service providers and not-for-profits relevant for the communities in which we operate. We look to further develop our detailed position on social enterprise partnering for each of our operating funds.

Partnering with suppliers

HMC Capital's success depends on strong partnerships with suppliers, ranging from facilities managers and builders, through to the entities supplying corporate consumables and raw materials for our developments. We strive to partner with suppliers who share our commitment to sustainability and can demonstrate their capacity to deliver positive environmental and social impacts.

Health and safety: contractors

Contractors working at our development sites and operating assets are covered by our suppliers' health and safety management systems and are properly inducted on-site before works commence.

Addressing modern slavery risk

HMC Capital is aware that modern slavery risks may be present in its supply chain. We are committed to upholding human rights in our operations and supply chain, and do not condone the use of child labour, forced or compulsory labour, or other forms of intimidation or coercion across our business and supply chain. We seek to ensure safe working conditions, including the elimination of discrimination and harassment.

We take a proactive approach to understanding modern slavery and other human rights risks across our supply chain, including collaborating with industry to address collective human rights challenges that we face. Further information can be found in the [HDN 2023 Modern Slavery Statement](#) available on our website.

Assurance Statement



Independent Limited Assurance Report to the Directors of HMC Capital Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the information subject to assurance, which has been prepared by HMC Capital Limited in accordance with the Criteria for the financial years ended 30 June 2024 and 30 June 2022.

Information Subject to Assurance

The Information Subject to Limited Assurance encompasses selected sustainability metrics as presented in HMC Capital Limited in the Sustainability Report 2024 (*"Information Subject to Assurance"*). The Information Subject to Assurance for the financial years ended 30 June 2024 and 30 June 2022 is shown in the appendix to this limited assurance report.

Criteria Used as the Basis of Reporting

The measurement criteria used for the preparation of the Information Subject to Assurance is described and published in the HMC Capital FY22 Basis of Preparation and HMC Capital FY24 Basis of Preparation (*"the Criteria"*).

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (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 Information Subject to Assurance, 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:

- enquiries with relevant HMC Capital Limited personnel to understand the internal controls, governance structure and reporting process of the Information Subject to Assurance;
- reviews of relevant documentation including the Basis of Preparation;

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- analytical procedures over the Information Subject to Assurance;
- walkthroughs of the Information Subject to Assurance to source documentation on a sample basis; and
- evaluating the appropriateness of the criteria with respect to the Information Subject to Assurance.

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 HMC Capital Limited.

Use of this Assurance Report

This report has been prepared for the Directors of HMC Capital Limited for the purpose of providing an assurance conclusion on the Information Subject to Assurance 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 HMC Capital Limited, 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 Information Subject to Assurance in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Information Subject to Assurance 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 Information Subject to Assurance for the financial year ended 30 June 2024, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

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 Management 1 to design, implement and operate a system of quality management.

KPMG
Sydney
25 October 2024

Assurance Statement

Appendix: Information Subject to Assurance

The Selected Sustainability Metrics as presented in the HMC Capital Limited Sustainability Report 2024 ("Information Subject to Assurance") are presented in the table below:

Absolute Data

For the financial year ended 30 June 2022:

Information subject to assurance	Final Value
Total Base Building Electricity Consumption (kWh)	29,668,829
Total Gas Consumed (MJ)	2,231,251
Total Scope 1 and Scope 2 emissions (location-based) (tCO2e)	24,324

For the financial year ended 30 June 2024:

Information subject to assurance	Final Value
Total Base Building Electricity Consumption (kWh)	30,386,371
Total Gas Consumed (MJ)	2,434,719
Total Scope 1 and Scope 2 emissions (location-based) (tCO2e)	20,875

Like-For-Like Assets

Information subject to assurance	Final Value
% reduction in total scope 1 and scope 2 emissions between FY22 and FY24 on a like-for like basis	21%

For the financial year ended 30 June 2022:

Information subject to assurance	Final Value
Total Scope 1 and Scope 2 emissions (location-based) (tCO2e)	19,457

For the financial year ended 30 June 2024:

Information subject to assurance	Final Value
Total Scope 1 and Scope 2 emissions location-based (tCO2e)	15,325

GRI Content Index

HMC Capital has reported the information cited in this GRI Content Index for the period 1 July 2023 to 30 June 2024 with reference to the GRI Standards.

GRI Referenced: GRI: Foundation 2021.

Applicable GRI Sector Standard/s: Nil.



Number	Disclosure	Reference/remarks
GRI 2: General Disclosures		
2-1	Organizational Details	HMC Capital 2024 Sustainability Report: About HMC Capital, pages 4-5
2-2	Entities included in the organization's sustainability reporting	HMC Capital 2024 Sustainability Report: About HMC Capital, pages 4-5
2-3	Reporting period, frequency and contact point	HMC Capital 2024 Sustainability Report: About this report, page 2
2-4	Restatements of information	To ensure comparability between reporting periods, FY22 baseline adjusted for further information now available at a number of assets and to reflect the like-for-like assets between our FY22 and FY24 portfolios. Unadjusted FY22 data remains available in our 2022 Sustainability Report on our website.
2-5	External Assurance	Limited assurance obtained over total FY24 and FY22 data for electricity and gas consumption and total scope 1 and total scope 2 carbon emissions for assets where we have operational control. Limited assurance also obtained for the like-for-like common assets scope 1 and scope 2 carbon emissions reduction of 21% between our FY22 baseline and FY24. HMC Sustainability Report: Governance – Accountability, page 27; Assurance Statement, page 35
2-6	Activities, value chain and other business relations	HMC Capital 2024 Sustainability Report: About HMC Capital, page 4-5
2-7	Employees	HMC Capital 2024 Sustainability Report: Social – Respect, page 24
2-9	Governance structure and composition	HMC Capital 2024 Corporate Governance Statement: 2. FY24 Governance Highlights, pages 2-4, 3. FY24 Key Sustainability Highlights, pages 5-6 HMC Capital 2024 Sustainability Report: Governance – Alignment, page 30
2-10	Nomination and selection of the highest governance body	HMC Capital 2024 Corporate Governance Statement: 3. FY24 Key Sustainability Highlights, pages 5-6, 4. Role of the Board of HMC Capital, pages 7-12
2-11	Chair of the highest governance body	HMC Capital 2024 Corporate Governance Statement: 4. Role of the Board of HMC Capital, pages 7-12
2-12	Role of the highest governance body in overseeing management of impacts	HMC Capital 2024 Corporate Governance Statement: 3. FY24 Key Sustainability Highlights, pages 5-6, 4. Role of the Board of HMC Capital, pages 7-12 HMC Capital 2024 Sustainability Report: Governance – Alignment, page 30
2-13	Delegation of responsibility for managing impacts	HMC Capital 2024 Corporate Governance Statement: 3. FY24 Key Sustainability Highlights, pages 5-6, 4. Role of the Board of HMC Capital, pages 7-12
2-14	Role of the highest governance body in sustainability reporting	HMC Capital 2024 Corporate Governance Statement: 4. Role of the Board of HMC Capital, pages 7-12
2-15	Conflicts of interest	HMC Capital 2024 Corporate Governance Statement: 2. FY24 Governance Highlights, pages 2-4, 4. Role of the Board of HMC Capital, pages 7-12
2-17	Collective knowledge of the highest governance body	HMC Capital 2024 Corporate Governance Statement: 4. Role of the Board of HMC Capital, pages 7-12
2-18	Evaluation of the performance of the highest governance body	HMC Capital 2024 Corporate Governance Statement: 5. Performance Evaluation, page 13
2-19	Remuneration policies	HMC Capital 2024 Corporate Governance Statement: 6. Remuneration, page 14; HMC Capital 2024 Annual Report, pages 13-46
2-20	Process to determine remuneration	HMC Capital 2024 Annual Report, pages 13-46
2-22	Statement on sustainable development strategy	HMC Capital 2024 Sustainability Report: An Update from our Chair and CEO, page 3

Number	Disclosure	Reference/remarks
2-23	Policy commitments	HMC Capital 2024 Sustainability Report: Governance – Accountability: Engaging with investors through global ESG reporting frameworks, page 28 HMC Capital 2024 Sustainability Report: Governance – Accountability: Modern Slavery, page 28 HMC Capital 2024 Sustainability Report: Social – Respect: Health and Safety; Championing inclusion and diversity, page 24 HMC Capital 2024 Sustainability Report: Sustainability Policies and Procedures – Partnering with suppliers: Addressing modern slavery risk, page 34
2-24	Embedding policy commitments	HMC Capital 2024 Sustainability Report: Governance – Accountability: Engaging with investors through global ESG reporting frameworks, page 28 HMC Capital 2024 Sustainability Report: Governance – Accountability: Modern Slavery, page 28 HMC Capital 2024 Sustainability Report: Social – Respect: Health and Safety; Championing inclusion and diversity, page 24 HMC Capital 2024 Sustainability Report: Sustainability Policies and Procedures – Partnering with suppliers: Addressing modern slavery risk, page 34
2-27	Compliance with laws and regulations	There were no incidents of non-compliance with laws and regulations.
2-28	Membership associations	HMC Capital 2024 Sustainability Report: Governance – Accountability: Engaging with investors through global ESG reporting frameworks, page 28
2-29	Approach to stakeholder engagement	HMC Capital 2024 Sustainability Report: Social – Connection: Social Impact Framework, page 18 HMC Capital 2024 Sustainability Report: Governance – Accountability: Engaging with investors through global ESG reporting frameworks, page 28
GRI 302: Energy (2016)		
302-4	Reduction of energy consumption	HMC Capital 2024 Sustainability Report: Environment – Climate Action: Energy efficiency, page 10 HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11
302-5	Reduction in energy requirements of products and services	HMC Capital 2024 Sustainability Report: Environment – Climate Action: Energy efficiency, page 10 HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11
GRI 303: Water and Effluents (2018)		
303-5	Water consumption	HMC Capital 2024 Sustainability Report: Environment – Green Future: Reducing waste, page 15
GRI 305: Emissions (2016)		
305-1	Direct (Scope 1) GHG emissions	HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11
305-2	Energy Indirect (Scope 2) GHG emissions	HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11
305-4	GHG emissions intensity	HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11
GRI 405: Diversity and Equal Opportunity (2016)		
405-1	Diversity of governance bodies and employees	HMC Capital 2024 Corporate Governance Statement: 2. FY24 Governance Highlights, pages 2-4 HMC Capital 2024 Sustainability Report: 2. An Update from our Chair and CEO, page 3 HMC Capital 2024 Sustainability Report: Social – Respect: Championing inclusion and diversity, page 24

Number	Disclosure	Reference/remarks
GRI 3: Material Topics (2021)		
The following table lists our material topics, the potential impacts of the topics, and relevance of the topics to HMC Capital and its stakeholders.		
3-3	Management of material topics: reduce carbon emissions and intensity	Carbon emissions impact the natural environment, and by extension global societies and economies, by contributing to anthropogenic climate change. Reducing carbon emissions is relevant for HMC Capital's own operations (including the operation of its real assets), as well as its supplier and customer/tenant operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Climate Action: Transition to Net Zero, page 11 - HMC Capital 2024 Sustainability Report: Environment – Climate Action: Renewable energy, page 10 - HMC Capital 2024 Sustainability Report: Environment – Climate Action: Climate-related strategy and disclosure, page 12
3-3	Management of material topics: achieve environmentally efficient and resilient infrastructure	Infrastructure impacts the natural environment by using resources like water or energy. Focusing on resilience is also important to sustain infrastructure function in a changing climate. Environmentally efficient and resilient infrastructure is relevant for HMC Capital's own operations as a manager of real assets. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Climate Action: Renewable energy, page 10 - HMC Capital 2024 Sustainability Report: Environment – Climate Action: Energy efficiency, page 10 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: adopt renewable energy sources	Renewable energy sources help reduce greenhouse gas emissions and air pollution from fossil-fuel energy generation sources. Adopting renewable energy sources is relevant for HMC Capital's own operations (including the operation of its real assets), and customer/tenant operations in instances where customers/tenants have operational control over energy use. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Climate action: Renewable energy, page 10 - HMC Capital 2024 Sustainability Report: Environment – Climate action: Energy efficiency, page 10 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: role model waste minimisation and use influence to mitigate waste	Landfilled or incinerated waste can have detrimental effects on the health of humans and ecosystems, both of which can subsequently have negative impacts on the economy. Waste minimisation is relevant for HMC Capital's own operations (including the operation of its real assets). Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Green Future: Reducing waste, page 15 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: enhance water efficiency	As the world's driest populated continent, Australia is particularly vulnerable to water shortages – enhancing water use efficiency contributes to resilience against the potential negative impacts of water overconsumption. Water efficiency is relevant for HMC Capital's own operations (including the operation of its real assets) and customers/tenants. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Green Future: Water intensity and consumption, page 14; Green building performance ratings, page 15 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: deploy environmentally friendly building materials and practices	The production of concrete, steel and other building materials creates greenhouse gas emissions, and these items can be difficult to recycle. Environmentally friendly building materials and practices are relevant for HMC Capital's development contractors and customers/tenants fitting out new spaces. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Environment – Green Future: Reducing waste, page 15 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7

Number	Disclosure	Reference/remarks
3-3	Management of material topics: engage deeply with communities to create connection and understanding	<p>Community engagement is an important element of understanding and mitigating actual or potential negative impacts of business activities and operations while maximising potential positive impacts.</p> <p>Community engagement is relevant for HMC Capital's own operations (including the operation of its real assets), with impacts extending to the wider community.</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Social – Connection, pages 17-22 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: strengthen equitable access to essential products and services	<p>Failing to ensure equitable access to essential products and services can exacerbate existing societal inequality, which contributes to negative impacts for people, ecosystems and economies.</p> <p>Strengthening equitable access to essential products and services is relevant for HMC Capital's own operations (including the operation of its real assets), with impacts extending to the wider community.</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Social – Connection, pages 17-22 - HMC Capital 2024 Sustainability Report: Social – Connection: Social Impact Framework, page 18 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: provide safe spaces for communities	<p>Providing safe spaces for communities to shop, play and gather helps promote social cohesion, health and wellbeing.</p> <p>Providing safe spaces for communities is relevant for HMC Capital's own operations (including the operation of its real assets).</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Social – Connection: HomeCo Healthy Communities, page 21 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: ensure all employees enjoy wellbeing, safety, and equal opportunity to reach their full potential	<p>Workplaces with robust employee safety, wellbeing, and equal opportunity are associated with positive economic and societal impacts through talent recruitment, retention and development.</p> <p>Ensuring the safety and wellbeing of its employees is relevant for HMC Capital's own operations.</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Social – Respect: Health and safety, page 24; Engaging and developing our people, page 25 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: show respect for human rights, including taking action against modern slavery	<p>Human rights and the elimination of modern slavery support the health and wellbeing of humans and the environment in part by ensuring that people are not exposed to unsafe, exploitative or toxic environments and these protections for humans can subsequently benefit the environment in similar ways.</p> <p>Human rights and modern slavery are relevant for HMC Capital's own operations, and the operations of its suppliers and customers/tenants.</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Social – Respect: Supporting reconciliation, page 25 - HMC Capital 2024 Sustainability Report: Governance – Accountability: Modern Slavery, page 28 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7 - HomeCo Daily Needs REIT Modern Slavery Statement
3-3	Management of material topics: leverage business relationships to promote responsible business practices	<p>Companies like HMC Capital are expected to promote wider adoption of responsible business practices through their business relationships.</p> <p>HMC Capital's capacity to leverage its business relationships is most relevant for its suppliers and customers/tenants.</p> <p>Additional information on our management approach to this material topic is provided at:</p> <ul style="list-style-type: none"> - HMC Capital 2024 Sustainability Report: Sustainability Policies and Procedures: Partnering with suppliers, page 34 - HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7

Number	Disclosure	Reference/remarks
3-3	Management of material topics: establish strong Board diversity, independence, and skillset	Lack of diversity, skills and independence on corporate boards can result in poor oversight and performance. Board diversity, skillset and independence are relevant to HMC Capital's own operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Corporate Governance Statement: 4. Role of the Board of HMC Capital, pages 7-12
3-3	Management of material topics: invest in the development of our people to drive engagement and values alignment	Investing in employee development helps build skilled, resilient and adaptable employees, who can carry those skills outside of the workplace to impact their community and society. Employee development is relevant to HMC Capital's own operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Sustainability Report: Social – Respect: Engaging and developing our people, page 25 – HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7
3-3	Management of material topics: build an organisational culture that drives sustainable outcomes	Effective integration of sustainability requires an organisational culture that understands the importance of ESG to the Company and its stakeholders. Organisational culture is relevant to HMC Capital's own operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues page 7
3-3	Management of material topics: commit to robust and transparent sustainability-related governance standards and processes	Transparent governance standards help ensure accountability for social, environmental or economic impacts resulting from the organisation's activities and operations. Sustainability-related governance standards and processes are relevant for HMC Capital's own operations, as well as its suppliers and customer/tenant operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Sustainability Report: Governance, pages 26-30 – HMC Capital 2024 Sustainability Report: ESG Strategy and Material Issues, page 7 – HMC Capital 2024 Corporate Governance Statement: 1. HMC Capital's approach to Corporate Governance, page 1; 4. Role of the Board of HMC Capital, pages 7-12
3-3	Management of material topics: Embed sustainability objectives in KPIs, remuneration and incentive structures	Embedding sustainability objectives in performance management and incentive structures can help employees understand and execute on sustainability activities relevant to their roles. Sustainability-related performance incentives are relevant for HMC Capital's own operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Corporate Governance Statement 3. FY24 Sustainability Highlights, pages 5-6 – HMC Capital 2024 Annual Report, pages 13-46 – HMC Capital 2024 Sustainability Report: Governance – Alignment, page 30
3-3	Management of material topics: hold strong and transparent relationships with investors	Strong and transparent relationships with investors helps HMC Capital understand the preferences of its ownership base while helping investors understand HMC Capital's approach to sustainability. Investor relationships are relevant for HMC Capital's own operations. Additional information on our management approach to this material topic is provided at: <ul style="list-style-type: none"> – HMC Capital 2024 Corporate Governance Statement: 9. Shareholder Communication, page 22

